MAGWV
MAKOWER | ABBATE | GUERRA | WEGNER | VOLLMER

30140 ORCHARD LAKE ROAD
FARMINGTON HILLS, MI 48334
248 254 7600 FAX: 248 671 0100
MAGLAWPLLC.COM

SARAH R. KARL
ATTORNEY AND COUNSELOR AT LAW
SKARL@MAGLAWPLLC.COM
248 671 0139

April 13, 2023

Via Email (roedigers@rochesterhills.org)

City of Rochester Hills Planning Commission
c/o Sara Roediger
1000 Rochester Hills Dr.
Rochester Hills, MI 48309

Re: South Oaks Condominium

Dear City of Rochester Hills Planning Commission:

We write to you on behalf of Three Oaks Communities LLC and Rochester Housing Solutions regarding the proposed development of South Oaks Condominium (the "Condominium"). We are aware that the City's Planning Commission held a public hearing to approve or deny the "by-right" site plans on February 21, 2023. We understand the Planning Commission's votes on the same were adjourned at that time to May 2, 2023. Our client has asked us to prepare the following correspondence to reaffirm the fact that the use of these properties is permissible under the Single-Family Residential restrictions, as defined in the City's Zoning Ordinances.

This letter will address the usage of the homes in the Condominium and the restrictions contained in the Condominium Documents which further reinforce the usage of the homes as single-family residences. The purpose of this development has been and continues to be to provide permanent homeownership for intellectually and developmentally disabled ("IDD") individuals in a neuro-inclusive setting in the community of their choosing. For many of the prospective IDD individuals, it is the same community they have grown up in or lived in with their families.

I. STRUCTURE OF THE CONDOMINIUM

This Condominium is to provide single-family homes for sale to IDD individuals as well as neurotypical homebuyers, all in a neuro-inclusive setting. The ownership of the IDD single-family homes will be divided into up to four (4) separately owned private suites (the "IDD Units) that include a bedroom, bathroom, sitting area, and closet, plus an undivided interest in the limited common elements within the home (e.g. kitchen, dining room, living room, laundry room, storage areas, and garage) as well as an undivided interest in the general common elements for the neighborhood. There will be no more than four (4) separately owned private suites, or IDD Units, in each IDD single-family home.

The proposed IDD Units are defined under the proposed Master Deed as, "all that space contained within the finished unpainted walls and ceilings and from the finished subfloor, all as shown on the floor plans and sections in the Condominium Subdivision Plan." All other items supporting the home are defined

as Limited Common Elements which the IDD Owners that live in that residence have an equal, undivided interest in. This includes, but is not limited to, the deck or patio (as the case may be), porch, driveway, garage, living room, dining room, kitchen, yard and utility systems serving the home. Pursuant the Michigan Condominium Act, the IDD Owners, as co-owners of the Condominium would have an undivided interest in the common elements[1]. The proposed Master Deeds for these Condominiums further provides, "Each Co-owner has an exclusive right to their Unit and has an undivided and inseparable right to share with the other Co-owners the Common Elements designated by this Master Deed" as well as provides that the IDD Owners have an undivided interest in the Condominium's common elements. This layout and ownership structure does not automatically indicate that the **use** of the residences in the Condominium is anything other than single-family.

Under the Michigan Condominium Act, simply because the property is established as a condominium should not affect how it is treated. Section 141 of the Michigan Condominium Act (MCL 559.241) provides that, "A condominium project shall comply with applicable local law, ordinances, and regulations. Except as provided in subsection (2), a proposed or existing condominium project shall not be prohibited nor treated differently by any law, regulation, or ordinance of any local unit of government, which would apply to that project or development under a different form of ownership." In short, if the ownership of the IDD Units is acceptable if they were not condominiumized, but rather the interests were held as joint tenants or tenants in common, then they cannot be treated any differently by the City when they are condominiumized, to have units and common elements. As such, it is the use of the property that controls the City's determination, not the form of ownership. Therefore, the condominiumization of the IDD Units and appurtenant common elements should not alter or affect the overall analysis and conclusion that these residences meet the definition for single-family residences.

II. USE OF THE IDD UNITS

The IDD Units will have its IDD Owners living as a single family housekeeping unit, as defined under the City's Ordinances. While each IDD Owner would have an ownership interest in the property, ownership alone cannot be determinative of whether the home is deemed a single-family residence or a multiple family residence. Rather, the analysis must focus on the use of the residence by its occupants.

Here, IDD Owners will be living as a single family housekeeping unit. The Zoning Ordinances for the City of Rochester Hills (the "Ordinances") define "Family" as:

> A collective number of individuals domiciled together ***in one dwelling*** unit whose relationship is of a ***continuing nontransient domestic character*** and ***who are cooking and living*** as a ***single nonprofit housekeeping unit***. This definition does not include any society, club, fraternity, sorority, association, lodge, coterie, organization, or group of students or other individuals whose domestic relationship is of a transitory or seasonal nature or for an anticipated limited duration of a school term or other similar determinable period. (Emphasis added)

[1] MCL 559.137provides, "(1) The master deed may allocate to each condominium unit an undivided interest in the common elements proportionate to its percentage of value assigned as provided in this act.(2) If an equal percentage of value is allocated to each condominium unit, the master deed may simply state that fact and need not express the fraction or percentage so allocated…(5) Except to the extent otherwise expressly provided by this act, the undivided interest in the common elements allocated to any condominium unit shall not be altered, and any purported transfer, encumbrance, or other disposition of that interest without the condominium unit to which it appertains is void."

Under the Ordinances, the focus of defining a "Family" is how these individuals relate with one another. Not the layout of the home, not how the home is owned, not the blood relation to one another and not even the number of individuals in the home. The IDD Units have the permanency required under this definition in the Ordinances. Their use is not transient, nor is it seasonal in use, as excepted from this definition as well. These are to be the IDD Owners' "forever homes." Additionally, the vast majority of household chores will be shared jointly and done together, such as a shared living room, cooking and eating together, and participating in activities together both in and out of the home. These IDD Owners will be more akin to family than perhaps some blood-relation families that barely interact with one another, though they live under the same roof.

The IDD Owners will live and operate as a permanent, non-transient single-family unit, sharing meals, daily activities, expenses, social events, and family gatherings. They will not be able to live completely independent of one another. The IDD Owners would also share housekeeping responsibilities such as cooking, cleaning, and grocery shopping. They would not only be occupying the same space together, but would also be sharing their lives with one another, including participating in activities together (such as playing games together, watching movies together in the living room, cooking, cleaning and doing laundry together) and sharing responsibilities for household chores. The IDD Owners would be accountable to the other Owners in their home for their responsibilities of the chores that go along with home ownership. Many of the interested IDD Owners have lived in the Rochester or Rochester Hills for all or most of their lives and it is their intention to continue living in this community they have grown so familiar with and love. This intentional community and the structure of having these individuals operate as a family on a permanent basis is entirely different from the transient nature of home or apartment rentals, boarding houses, B&Bs, or dormitories.

Further, the fact IDD Owners would receive caretaking services does not alter the use of the homes from single-family residences to multiple family residences. These individuals will bring with them the services they are already eligible for through the State and they have the freedom to choose who will provide them with those services. Agencies authorized by the Oakland Community Health Network (OCHN) will deliver all direct care services, as they would for any other living situation for the IDD Owners, whether they chose to live with their parents, rent an apartment or any other home they could choose to live in. If the IDD Owners were receiving these services in any of these referenced residential settings (i.e. living with their parents, renting a home with other unrelated individuals, etc.), there would be no question or dispute whether the usage of the property constituted Single-Family Residential usage under the Zoning Ordinances.

The model for the community and for the ownership interests in the community is that of a family, supporting one another and living together in a community of their choosing.

III. RESTRICTIONS CONTAINED IN THE CONDOMINIUM DOCUMENTS

Similar to any other residential condominium under the Michigan Condominium Act, the Condominium will have restrictions concerning the use, aesthetics and maintenance of the Condominium and its Units. Attached with this letter is a draft of the proposed Master Deed and Bylaws for the Condominium, with review comments on those Sections that are most applicable to the questions concerning the use of the IDD Units as single-family residences. These provisions include leasing restrictions that are, in fact, stricter than that provided for under the Act. Additionally, transient tenancies and subleasing are outright prohibited, any lease must be for a minimum term of one year and any lease

must be disclosed to the Board in advance, as required under the Act. Further, the Board must explicitly approve of any lease of an IDD Unit and has broad discretion to outright prohibit any conveyance or lease of the same. The review of any lease for an IDD Unit is subject to extensive review and oversight by the Board and I/DD Advisory Committee (as defined in the proposed Condominium Documents), which review also includes the input from the other IDD Owners in the Unit that will be living together as a family with the proposed lessee. The IDD individuals living in these Units actively make the decision to live together and operate together as a family. They are very much a part of the decision making process.

There will also be restrictions on the conveyance of any IDD Unit to ensure that the owners of the same remain IDD individuals and that the purpose and intentions of this community are not altered with the passage of time. These restrictions will be contained in a separate Declaration to be recorded against the property. Under the proposed Condominium Bylaws, any IDD Owner intending to transfer title to their Unit must give notice of the same to the Board of Directors, along with the information for the proposed transferee, and the terms and conditions of the conveyance. The Board has the authority to review and approve any proposed conveyance, prior to the same, and has broad discretion in rejecting any proposed conveyance.

Further, Article VI of the Condominium Bylaws restricts the use of all Units in the Condominium to "single-family residential purposes" and "No Co-owner shall carry on any business enterprise or commercial activities anywhere on the Common Elements or within the Units." As discussed above, and illustrated in these restrictions, the intent and goal for these Condominiums is **permanent** residences for IDD individuals. These are to be their forever homes and not a revolving door of individuals who come and go with the changing seasons.

IV. CONCLUSION

For the reasons outlined in this correspondence, the proposed development of the Condominium adheres to the single-family residential zoning restrictions. We trust this correspondence addresses any questions regarding how these IDD Units will be owned and used, and how the IDD Owners will live as a family in a community supporting the same. Our clients are excited and very eager to bring this development into a community where the demand and interest are high.

Very truly yours,
MAKOWER ABBATE GUERRA
WEGNER VOLLMER PLLC

Sarah R. Karl

Enclosure

MASTER DEED OF
SOUTH OAKS SITE CONDOMINIUM
TABLE OF CONTENTS

MASTER DEED OF
SOUTH OAKS SITE CONDOMINIUM
OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO. _____
A Condominium Pursuant to Act 59, Public Acts of 1978, as Amended

This Master Deed is made and executed on this ____ day of _____, 2023, by South Oaks LLC, a Michigan limited liability company ("Developer"), whose registered office is located at P.O. Box 702815, Plymouth, MI 48170.

The Developer desires by recording this Master Deed, together with the Bylaws attached as Exhibit A, and the Condominium Subdivision Plan attached as Exhibit B, to establish the real property described in Article II of this Master Deed, together with all the improvements now located upon or appurtenant to such real property, as a residential condominium project under the Condominium Act.

The Developer establishes, upon the recording of this Master Deed, South Oaks Site Condominium as a condominium under the Condominium Act and declares that South Oaks Site Condominium shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the Condominium Act, and to the covenants, conditions, restrictions, uses, limitations, and affirmative obligations set forth in this Master Deed and Exhibits A and B, all of which run with the real property described in Article II of this Master Deed and are a burden and a benefit to the Developer, its successors and assigns that it expressly designates as such in writing, and any persons acquiring or owning an interest in the Condominium, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of the Condominium, it is provided as follows:

ARTICLE I
TITLE AND NATURE

Section 1. Condominium Name and Subdivision Plan Number. The Condominium shall be known as South Oaks Site Condominium, Oakland County Condominium Subdivision Plan No. _____.

Section 2. 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, are set forth in the Condominium Subdivision Plan. Each Unit is capable of individual utilization because it has access to a Common Element. Each Co-owner has an exclusive right to their Unit and has an undivided and inseparable right to share with the other Co-owners the Common Elements designated by this Master Deed.

Section 3. Voting. Co-owners shall automatically be members of and have voting rights in South Oaks Condominium Association as set forth in this Master Deed, in the Bylaws, and in the Association's Articles of Incorporation.

ARTICLE II
LEGAL DESCRIPTION

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

T3N, R11E, SECTION 32, CITY OF ROCHESTER HILLS, COUNTY OF OAKLAND, STATE OF MICHIGAN AND DESCRIBED AS FOLLOWS: LOT 10, SUPERVISOR'S PLAT OF MESSMORE FARMS SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 66 OF PLATS, PAGE(S) 16, OAKLAND COUNTY RECORDS.

CONTAINING 4.84 ACRES OF LAND.

ARTICLE III
DEFINITIONS

Section 1. General Description of Terms Used. Certain terms are utilized not only in this Master Deed and Exhibits A and B, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of South Oaks Condominium Association, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment or transfer of interests in the Condominium. Wherever used in these documents or any other pertinent instruments, the terms set forth below are defined as follows:

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

B. "Association" means South Oaks Condominium Association, a nonprofit corporation organized under Michigan law of which all Co-owners are members. The Association shall administer, operate, manage and maintain the Condominium in accordance with all applicable laws and the Condominium Documents (defined below). Any action required of or permitted to the Association is exercisable by its Board of Directors unless specifically reserved to the Co-owners by the Condominium Documents or Michigan law.

C. "Attached Unit" means Units 7 through 18, inclusive, contained in Buildings A, B, and C as designated on the Condominium Subdivision Plan.

D. "Building" means each structure containing Attached Units as designated on the Condominium Subdivision Plan.

E. “Bylaws” means Exhibit A attached to this Master Deed, being the Bylaws setting forth the substantive rights and obligations of the Co-owners. The Bylaws also constitute the Association's corporate bylaws under the Michigan Nonprofit Corporation Act.

F. “Common Elements” where used without modification means both the General and Limited Common Elements described in Article IV of this Master Deed and does not refer to Units or improvements located within Units unless otherwise set forth in this Master Deed.

G. “Condominium” means South Oaks Site Condominium as a Condominium established in conformity with the Condominium Act.

H. “Condominium Documents” means and includes this Master Deed, the Bylaws, the Condominium Subdivision Plan, the Association's Articles of Incorporation, and the rules and regulations, if any, of the Association.

I. “Condominium Subdivision Plan” means Exhibit B attached to this Master Deed.

J. “Co-owner” means an individual, firm, corporation, limited liability company, partnership, association, trust or other legal entity or any combination of the foregoing who or which owns one or more Units. Both land contract vendors and vendees are considered Co-owners and are jointly and severally liable for all obligations and responsibilities of Co-owners under the Condominium Documents and the Condominium Act.

K. "Declaration" means the Declaration of Covenants, Conditions and Restrictions recorded in Liber _____, Page ___ et seq., Oakland County Records, which applies only to the Attached Units.

L. “Developer” means South Oaks LLC, a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns that it expressly designates as such in writing. All development rights reserved to Developer in the Condominium Documents are assignable in writing; provided, however, that conveyances of Units by Developer, including the conveyance of Units to a “successor developer” pursuant to Section 135 of the Condominium Act, shall not serve to assign Developer’s development rights unless the instrument of conveyance expressly so states.

M. “Development and Sales Period” means the period commencing with the recording of this Master Deed and continuing until the date that is one (1) year following the sale of the last Unit by the Developer, or the time at which the Developer no longer offers a Unit for sale, whichever happens sooner.

N. “Development Rights” means the Developer’s rights to develop the Condominium as distinguished from the Developer’s rights as a Co-owner of one or more Units. Development Rights include, by way of illustration but not limitation, all rights (i) arising from the Condominium Act, or any other source, but subject to the Condominium Documents, (ii) to develop the Condominium, (iii) to maintain offices and signs on the Condominium, (iv) to use the Condominium, including all easements and similar rights, for purposes related to its development and that of any adjacent land, and (v) to amend the Condominium Documents.

O. "Easements" means all easements granted, reserved, provided for, declared or created pursuant to or in accordance with this Master Deed.

P. "Electronic transmission" means transmission by any method authorized by the person receiving the transmission and not directly involving the physical transmission of paper, which creates a record that may be retrieved and retained and that may directly reproduce in paper through an automated process.

Q. "Good standing" means a Co-owner who is current in all financial obligations owing to the Association and is not in default of any of the Condominium Document provisions.

R. "Master Deed" means this document and to which the Bylaws and Condominium Subdivision Plan are attached as Exhibits.

S. "Person" means an individual, firm, corporation, limited liability company, partnership, association, trust, or other legal entity, or any combination of the foregoing.

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

U. "Residence" means the residential dwelling and its appurtenances constructed within the confines of each Site Unit.

V. "Site Unit" means Units 1 through 6, inclusive, as designated on the Condominium Subdivision Plan. Except as otherwise expressly provided for in the Condominium Documents, all structures or improvements located within the boundaries of the Site Units are owned in their entirety by the Co-owner of the Site Unit and do not constitute Common Elements.

W. "Transitional Control Date" means the date on which the Association's Board of Directors takes office pursuant to an election in which the votes that may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes that may be cast by the Developer and its affiliates.

X. "Unit" means a single Unit, as described in Article VI of this Master Deed and in the Condominium Subdivision Plan, and shall have the same meaning as the term "Condominium Unit" as defined in the Condominium Act.

Section 2. Number and Gender of Words. Whenever any reference is made to one gender, the same shall include a reference to all genders where the same would be appropriate. Similarly, whenever a reference is made 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 are described in the Condominium Subdivision Plan and as follows:

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

(1) Land. The land described in Article II of this Master Deed including roads, sidewalks, wetland areas, natural feature buffers, landscaping installed outside the Units by the Developer or Association, retaining walls and all easements benefiting the Condominium, all to the extent not designated as Limited Common Elements or Units;

(2) Electrical, Gas, Water and Sanitary Sewer. The electrical, gas, water and sanitary sewer systems throughout the Condominium up to but not including the service lateral for each Building or Site Unit;

(3) Storm Drainage. The storm drainage system throughout the Condominium, including the detention ponds as shown on the Condominium Subdivision Plan and all related lines and facilities;

(4) Irrigation. The irrigation system throughout the Condominium, including all wells, pumps, lines, valves, timers, heads and related equipment, but not including that located within the Site Units;

(5) Entryway Signage and Improvements. The entryway signage and related improvements and landscaping; and

(6) Other. All other elements and improvements contained within or appurtenant to the Condominium, which are not designated as General or Limited Common Elements, which are not enclosed within the boundaries of a Unit and which are intended for common use or are necessary to the existence, upkeep and safety of the Condominium.

Some or all of the utility lines, systems (including mains and service leads) and equipment described above ("utility systems") may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, the utility systems are General Common Elements only to the extent of the Co-owners' interest in the utility systems, if any, and neither the Developer nor the Association makes any warranty with respect to the nature or extent of such interest, if any.

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

(1) Attached Unit Limited Common Elements.

(a) Electrical. The electrical lateral and leads serving each Building up to the point of connection with, but not including, electrical fixtures, outlets, and switches within any Attached Unit, are limited in use to the Co-owners of the Attached Units;

(b) Gas. The gas lateral and leads serving each Building up to the point of connection with, but not including, gas fixtures within any Attached Unit are limited in use to the Co-owners of the Attached Units;

(c) Water. The water lateral and leads serving each Building up to the point of connection with, but not including, plumbing fixtures located within and serving any Attached Unit, are limited in use to the Co-owners of the Attached Units;

(d) Sanitary Sewer. The sanitary sewer laterals and leads servicing each Building up to the point of connection with, but not including, plumbing fixtures within any Attached Unit, are limited in use to the Co-owners of the Attached Units;

(e) Air Conditioning, Heat. Each air conditioner, heating unit and hot water heater, including all related equipment and ductwork, are limited in use to the Co-owners of the Attached Units within each Building to which the air conditioner, heating unit and hot water heater are appurtenant as shown on the Condominium Subdivision Plan;

(f) Building Construction. Building foundations, supporting columns, Building and Unit perimeter walls as depicted on the Condominium Subdivision Plan (including windows and doors, perimeter wall drywall and ceiling drywall, but excluding interior partition walls), interior doors, roofs, attics, Developer-installed insulation, and ceiling and floor construction between Building and Attached Unit levels as depicted on the Condominium Subdivision Plan are limited in use to the Co-owners of the Attached Units within each Building;

(g) Decks, Patios and Porches. Each deck, patio, and porch are limited in use to the Co-owners of the Attached Units within each Building to which the deck, patio, or porch is appurtenant as shown on the Condominium Subdivision Plan;

(h) Driveways and Garages. Each Building driveway and garage is limited in use to the Co-owners of the Attached Units within each Building to which the driveway or garage is appurtenant as shown on the Condominium Subdivision Plan;

(i) Irrigation. The irrigation system throughout the Condominium serving the Attached Units, including all wells, pumps, lines, valves, timers, heads and related equipment;

(j) Lawns and Landscaping. The lawn and landscaping appurtenant to each Building are limited in use to the Co-owners of Attached Units within each Building;

(k) Common Facilities. The common living rooms, dining rooms, kitchens, utility rooms, stairways, and common doors located in each Building, are limited in use

to the Co-owners of the Attached Units within each Building to which the common facilities are located as shown on the Condominium Subdivision Plan; and

(l) Community Builder Suite. The community builder suite located on the second floor of Building is designed for the use of the on-site community builder, who provides limited services to the Co-owners of the Attached Units as described in the Condominium Documents.

(2) Site Unit Limited Common Elements.

(a) Utilities. The electrical, gas, water and sanitary sewer laterals that may be located outside the boundaries of the Site Unit they serve are Limited Common Elements appurtenant to the Site Unit they serve; and

(b) Driveway Approach. The driveway approaches that may be located outside the boundaries of the Site Unit they serve are Limited Common Elements appurtenant to the Site Unit they serve.

(3) Other. Such other elements of the Condominium not designated as a General Common Element and not located within the perimeter of the Unit serviced thereby, which are appurtenant to or benefit one or more Units, though less than the entire Condominium.

Section 2. Responsibility. Subject to the Association's exclusive right and obligation to control and approve the exterior appearance and use of all Common Elements, Units, Residences and improvements within Units, as set forth below and in the relevant sections of Article VI of the Bylaws, the respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements, Units, Residences and improvements within Units are as follows:

A. Co-owner Responsibilities.

(1) Site Unit and Certain Common Elements. Except as provided in Section 2B below and subject to the Bylaws, each Site Unit Co-owner is responsible for the maintenance, decoration, repair and replacement, including all associated costs, of:

(a) The Site Unit and all improvements located within the Site Unit including, without limitation, (i) the entire Residence and (ii) all landscaping, trees, fixtures and improvements, including driveways and walkways, located within the Site Unit, but not including lawn care and snow removal from the driveways and walkways which is an Association responsibility;

(b) All lawn, landscaping, trees, mailboxes and sidewalks located within the road right-of-way between the Site Unit boundary line and the curb;

(c) The Limited Common Elements including any portions of driveways or utility laterals that serve only the Site Unit but are located outside the Site Unit; and

(d) All personal property located within the Site Unit or elsewhere throughout the Condominium.

(2) Attached Unit and Certain Limited Common Elements. Except as provided in Section 2B below and subject to the Bylaws, the primary responsibility for maintenance, decoration, repair and replacement, including all associated costs, of an Attached Unit, including all fixtures, improvements and personal property located within the Attached Unit or elsewhere throughout the Condominium, shall be borne by the Co-owner of the Attached Unit. The following provisions add to and clarify, but do not limit, each Attached Unit Co-owner's decoration, maintenance, repair and replacement responsibilities under this Section 2A(2):

(a) Electrical fixtures located within and serving the individual Attached Unit;

(b) Plumbing fixtures located within and serving the individual Attached Unit including rings, seals, washers, supply lines and shutoff valves located within the Attached Unit and serving an individual plumbing fixture;

(c) Improvements and decorations to the Attached Unit, including, but not limited to, tile, either floor or wall, paint, wallpaper, window treatments, carpeting or other floor covering, trim, cabinets, counters, sinks and related hardware;

(d) All other items not specifically enumerated above, but which are located within the boundaries of an Attached Unit.

Notwithstanding the foregoing, the exterior appearance of Units, Residences, appurtenant Limited Common Elements and other improvements serving the Unit, to the extent visible from any other Unit or the Common Elements, are subject to the Board of Director's written approval as more fully set forth in the Bylaws.

(3) Co-owner Additions, Improvements and Modifications. Any Co-owner additions, improvements or modifications (including extra cost options installed by the Developer), whether or not approved by the Association, shall not be considered Limited or General Common Elements in any case, and shall be the complete responsibility of that Co-owner. Should the Association require access to any Common Elements that necessitates the moving or destruction of all or part of any additions, improvements or modifications, all costs, damages, and expenses involved in providing access and restoring the additions, improvements or modifications shall be borne by that Co-owner.

(4) Co-owner Fault. Subject to Article VI of the Bylaws, all costs for maintenance, decoration, repair and replacement of any Common Element caused by the act 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 these 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.

(5) Repair to Association Specifications. All 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 written approval and control with respect to color, style, timing, material and appearance. Further, all maintenance, repair and replacement shall be performed in compliance with all applicable municipal, State and federal codes and regulations.

B. Association Responsibilities:

(1) Attached Unit Limited Common Elements. Subject to any provision of Section 2A above or the Bylaws expressly to the contrary, the Association shall repair and replace (i) the Community Builder Suite and the expenses shall be shared by all Attached Units equally, and (ii) all other Attached Unit Limited Common Elements and the expenses shall be shared equally by the Co-owners of the Attached Units within the Building which the Limited Common Element is appurtenant, provided however, that the Co-owners of the Attached Units within any building will be responsible for the routine maintenance and cleaning of Common Facilities.

(2) General Common Elements. Subject to any provision of Section 2A above or the Bylaws expressly to the contrary, the Association shall maintain, repair, and replace all General Common Elements and shall pay the expenses as an expense of administration.

(3) Snow Removal and Lawn Care. The Association shall be responsible for snow removal and lawn care, including snow removal from the walkways and driveways of the Site Units and Attached Units (but not the porches or landscaping), and shall pay the expenses as an expense of administration.

(4) Unauthorized Repairs. The Association shall not be obligated to reimburse any Co-owner for repairs made or contracted for by the Co-owner. The Association shall only be responsible for payments to contractors for work authorized by the Board of Directors.

C. Unusual Expenses. Any other unusual common expenses benefiting less than all Units or any expenses incurred as a result of the conduct of less than all 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 Condominium Act.

D. Utility Charges. All costs of separately metered and billed utilities shall be borne by the Co-owner of the Site Unit to which these services are furnished. All separately metered utilities provided to each Building shall be borne by the Co-owners of the Attached Units within each Building. All utilities servicing General Common Elements shall be borne by the Association as expenses of administration.

ARTICLE V
USE OF UNITS AND COMMON ELEMENTS

No Co-owner shall use their Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium, the Condominium Documents, zoning and other

ordinances and codes of the City of Rochester Hills, State and Federal laws and regulations, or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of their Unit or the Common Elements.

ARTICLE VI
UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Unit Description. The Condominium is established in accordance with the Condominium Act and contains 18 Units numbered 1 through 18. Site Units, numbered 1 through 6, inclusive, shall consist of the land and airspace above such land in which the Residence will be constructed, as depicted on the Condominium Subdivision Plan. Each Site Unit's depths, heights and boundaries are as shown on the Condominium Subdivision Plan. Attached Units, numbered 7 through 18, inclusive, located in Buildings A, B, and C, shall include all that space contained within the finished unpainted walls and ceilings and from the finished subfloor, all as shown on the floor plans and sections in 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. Percentage of Value. The Unit percentages of value are equal. The percentage of value assigned to each Unit is determinative of the proportionate share of each Co-owner in the common proceeds and common expenses of the administration (subject to the assignment of costs and expenses as reflected in Article IV of this Master Deed and Article II of the Bylaws) and the value of such Co-owner's vote at meetings of the Association and the undivided interests of the Co-owner in the Common Elements. The total percentage value of the Condominium is one hundred percent (100%). The Developer has determined that the comparative characteristics of the Units in the Condominium are equal and that the percentages of value shall be based upon a formula which divides one hundred percent (100%) by the number of Units in the Condominium.

ARTICLE VII
EASEMENTS

Section 1. Easements for Encroachment. If any improvements serving a Unit encroach upon a Common Element, a valid easement for the encroachment shall exist so long as the encroachment exists, except to the extent limited by Section 40 of the Condominium Act.

Section 2. Easements for Utilities. There shall be easements to, through and over the entire Condominium, including all the land, for the installation, maintenance, repair and replacement of all utilities in the Condominium.

Section 3. Developer's and Association's Right to Grant Easements. The Developer or the Association’s Board of Directors may grant easements and licenses over or through, or dedicate, any portion of any General Common Element for utility, roadway, construction, safety or any other purposes as may be beneficial to the Condominium, and during the Development

and Sales Period the Developer may grant such easements without the consent of any other person or entity.

Section 4. Easements for Maintenance, Repair and Replacement. The Developer, Association, the City of Rochester Hills and all public or private utilities shall have easements over, under, across and through the Condominium, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of inspection, maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law, or to respond to any emergency or common need of the Condominium. It is a matter of concern that a Co-owner may fail to properly maintain their Unit, Residence or any Common Elements for which the Co-owner is responsible in a proper manner and in accordance with the standards set forth in the Condominium Documents. Therefore, if a Co-owner fails to properly and adequately maintain, decorate, repair, replace or otherwise keep in good condition and repair their Unit, the Residence, or any improvements, landscaping or appurtenances located within the Unit, or any Common Elements for which the Co-owner is responsible, the Developer or the Association, as the case may be, shall have the right (but not the obligation) and all necessary easements to take whatever actions it deems desirable to so maintain, decorate, repair or replace the Unit, the Residence, their appurtenances or any of the Common Elements for which the Co-owner is responsible, all at the expense of the Co-owner of the Unit. Neither the Developer nor the Association shall be liable to the Co-owner of any Unit or any other person in trespass or in any other form of action for the exercise of rights pursuant to this Section or any other provision of the Condominium Documents that grant such easements, rights of entry or other means of access. Failure of the Developer or the Association to take any action shall not be deemed a waiver of the Developer's or the Association's right to take any action at a future time. All costs incurred by the Developer or the Association, as the case may be, in performing any Co-owner-responsibilities shall be assessed against the Co-owner in accordance with Article II of the Condominium Bylaws and shall be immediately due and payable. Further, the lien for nonpayment shall attach as in all cases of regular assessments, and the assessments may be enforced using all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

Section 5. Developer's Reserved Easements. The Master Deed and the Condominium are subject to all easements of record and all easements shown on the Condominium Subdivision Plan. The Developer reserves all easements granted by the Condominium Act without restriction of any kind. The maintenance of all easements relating to, or designated as, General Common Elements shall be the responsibility of and at the expense of the Association.

A. Easements in Furtherance of Development. The Developer retains easements over the Condominium for the purpose of developing the Condominium. Developer on its behalf and on behalf of its successors and assigns reserves permanent easements for ingress and egress over the roads, walks and other Common Elements and permanent easements to use, tap into, enlarge or extend all Condominium roads, walks and utility lines including, without limitation, all communications, water, gas, electric, storm and sanitary lines, and any pumps, sprinklers or water detention or retention areas, all of which easements are for the benefit of any land adjoining the Condominium if now owned or later acquired by the Developer or its successors or

assigns. These easements shall run with the land in perpetuity. The Developer has no financial obligation to support the easements, except that any unit or property utilizing the roads, if the unit or property is not included within the Condominium, shall pay an equitable pro-rata share of the expense of maintenance, repair, or replacement of that portion of the road which is used, which share shall be determined in a recorded agreement to be prepared and recorded at the time such unit or property receives municipal approval.

B. Power to Grant Easements and Dedicate. The Developer also reserves the right and power to grant easements over, or dedicate, portions of any of the Common Elements for utility, drainage, street, safety or construction purposes, and all persons acquiring any interest in the Condominium, including without limitation all Co-owners and mortgagees of Units shall be deemed to have appointed the Developer and its successors and assigns as agent and attorney-in-fact to make such easements or dedications. After the Development and Sales Period, the foregoing right and power may be exercised by the Association.

Section 6. Restrictions Regarding the Development and Use of Each Unit. The provisions of the Condominium Documents govern each Unit's development and use, and the provisions of the Declaration govern the use and occupancy of all Attached Units. All Unit improvements that affect any other Unit or the Common Elements, including changes in exterior appearance, and all Unit use and occupancy, shall fully comply with the Condominium Documents, and, to the extent applicable, the Declaration.

Section 7. Easements for Emergency, Public Safety and School Purposes. There shall be easements to and in favor of the City of Rochester Hills and such other private entities that may be necessary for the access of emergency and public safety and school vehicles, including school buses used for transportation to private institutions, over the roads throughout the Condominium as designated on the Condominium Subdivision Plan.

Section 8. Conservation Easement. Developer reserves on behalf of itself and the Association, and their respective successors and assigns, a conservation easement (the "Conservation Easement") over and across that portion of the Condominium identified on the Condominium Subdivision Plan as wetland area (the "Conservation Easement Area"). The Conservation Easement does not grant or convey to the general public any right of ownership, possession or use of the Conservation Easement Area. The purpose of the Conservation Easement is to protect the wetland functions and values existing within the Conservation Easement Area. The Conservation Easement Area shall be maintained in its natural and undeveloped condition. No Co-owner or any other person or entity shall alter or develop the Conservation Easement Area in any way including, without limitation, landscaping, grading, filling, dredging, or excavating, unless all necessary permits and approvals are first obtained from all municipal or other agencies having competent jurisdiction.

ARTICLE VIII
CONVERTIBLE AREAS

Section 1. Convertible Areas. The General Common Elements and all Units that are owned by the Developer along with their appurtenant Limited Common Elements are designated

as Convertible Areas within which the Units and Common Elements may be modified, expanded, moved, deleted, combined and created. The Developer reserves the right, but not an obligation, to convert the Convertible Areas. The Developer reserves the right, in its sole discretion, during a period ending six (6) years from the date of recording the original Master Deed, to modify the number, type, size, location, and configuration of any Unit that it owns in the Condominium, and to make corresponding changes to the Common Elements, subject to the requirements of local ordinances and building authorities. The changes could include (by way of illustration and not limitation) the deletion of Units from the Condominium and the substitution of General and Limited Common Elements thereof. The maximum number of Units in the Condominium may not exceed 18 Units. There are no other restrictions upon such improvements except those which are imposed by state law, local ordinances or building authorities.

Section 2. Amendment of Master Deed. All modifications to the Condominium resulting from or allowed by this Article shall be made by the Developer through amendment(s) to this Master Deed, which amendments may include unilateral adjustments by the Developer in formulas used to determine percentages of value within the Condominium to reflect such changes in the overall makeup of the Unit mix. Any such amendment(s) shall be made solely by the Developer without the necessity of the consent of or execution by any other person now or hereafter interested in the Condominium, whether as owner, mortgagee or otherwise. All the Co-owners and mortgagees of Units and other persons interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment(s) of this Master Deed as may be necessary to effectuate the foregoing. All such interested persons irrevocably appoint the Developer or its successors or assigns as agent or attorney for the purpose of execution of such amendment(s). Any amendment to the Master Deed that alters the number or type of Units in the Condominium shall, if necessary, readjust the existing percentages of value of Units, and the formulas used to determine them, to preserve a total value of one hundred (100%) percent for the entire Condominium.

ARTICLE IX
CONTRACTION OF CONDOMINIUM

Section 1. Right to Contract. The Condominium is a "Contractible Condominium" under the Condominium Act. The Developer reserves the right, but not an obligation, to contract the Condominium to as few as two (2) Units. There are no restrictions or limitations on the Developer's right to contract the Condominium except as stated in this Article. The consent of any Co-owner shall not be required to contract the Condominium. All the Co-owners and mortgagees of Units and persons otherwise interested or that become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such contraction of the Condominium and any amendment or amendments to this Master Deed to effectuate the contraction and to any reallocation of percentages of value of existing Units that the Developer may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint the Developer or its successors or assigns as agents and attorney for the purpose of executing such amendment or amendments and all other documents necessary to effectuate the foregoing. Such amendment or amendments may be made without the necessity of re-recording an entire Master Deed or the Exhibits thereto

and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits.

Section 2. Recording of Amendment. Any contraction shall be deemed to have occurred at the time of the recording of an amendment to this Master Deed embodying all essential elements of the contraction. At the conclusion of the contraction of the Condominium, and not later than one (1) year after completion of construction, a Consolidating Master Deed and plans showing the Condominium "as built" shall be prepared and recorded by the Developer. A copy of the recorded Consolidating Master Deed shall be provided to the Association.

Section 3. Timeframe in which to Contract. The Developer's right to contract the Condominium shall expire six (6) years after the initial recording of the original Master Deed.

Section 4. Adjustment to Percentages of Value. Any amendment to the Master Deed which alters the number of Units in the Condominium shall, if necessary, proportionately readjust the existing percentages of value of Units to preserve a total value of one hundred percent (100%) for the entire Condominium. Percentages of value shall be readjusted and determined in accordance with the method and formula described in Article VI of this Master Deed, as amended from time to time.

ARTICLE X
AMENDMENTS

This Master Deed and its Exhibits may be amended as provided in the Condominium Act and in the following manner, and shall be effective upon recordation with the Oakland County Register of Deeds.

Section 1. Amendments Not Requiring Consent. Amendments may be made and recorded by the Developer or by the Association without the consent of Co-owners or mortgagees if the Amendment does not materially alter or change the rights of a Co-owner or mortgagee.

Section 2. Amendments Requiring Consent. Amendments may be made and recorded by the Developer or by the Association upon being approved by the Co-owners of a simple two-thirds (2/3^{rds}) of the Units entitled to vote as of the record date for the vote, except as otherwise provided. Whenever a proposed amendment would materially alter or change the rights of first mortgagees (as defined in Section 90a(9) of the Condominium Act, as amended, the amendment shall require the consent of not less than two-thirds (2/3^{rds}) of all first mortgagees of record in accordance Section 90 of the Condominium Act. A first mortgagee shall have one vote for each mortgage held. Any first mortgagee approval shall be solicited in accordance with Section 90a of the Condominium Act. Notwithstanding the above, the Condominium Documents may not be amended in any manner to eliminate or conflict with any mandatory provision of the Condominium Act or any applicable law or in any manner that materially reduces or eliminates the Developer's rights without the Developer's written consent.

Section 3. Modification of Units, Common Elements and Percentage of Value. Notwithstanding any other provision in this Article, the method or formula used to determine the percentages of value of Units in the Condominium may not be modified without the consent of each affected Co-owner and first mortgagee, except in connection with amendments permitted under Articles VIII and IX above. Additionally, any provisions relating to the ability or terms under which the Developer or a Co-owner may rent a Unit may not be modified without the consent of the Developer during the Development and Sales Period. 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 Condominium Act. Common Elements can be assigned and reassigned only in accordance with Section 39 of the Condominium Act, except pursuant to the reserved rights of the Developer contained in this Master Deed. Consolidation of Units and relocation of boundaries between Units is permitted, but subdivision of Units is prohibited except pursuant to the reserved rights of the Developer contained in this Master Deed. Any such consolidation or relocation of boundaries shall be in accordance with Sections 47 and 48 of the Condominium Act, as applicable.

Section 4. Amendments for Secondary Mortgage Market Purposes. The Developer during the Development and Sales Period, and thereafter the Association, may amend this Master Deed or the Bylaws to facilitate mortgage loan financing for existing or prospective Co-owners and to enable the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration, the Department of Housing and Urban Development, Michigan State Housing Development Authority or by any other institutional participant in the secondary mortgage market which purchases or insures mortgages. The foregoing amendments may be made without the consent of Co-owners or mortgagees.

Section 5. Developer's Reserved Rights to Amend. Notwithstanding anything to the contrary in the Condominium Documents, but subject to the limitations of Section 3 above, the Developer reserves the right to amend materially this Master Deed or any of its Exhibits for any of the following purposes:

A. To modify the number, types and sizes of unsold Units and their appurtenant Limited Common Elements, to modify the formula used to determine percentages of value, percentages of value and/or responsibilities for Common Elements in connection with the exercise of rights pursuant to Articles VIII and IX above, and to modify, expand, move, delete and create General Common Elements including those contained within the vicinity of Units;

B. To insert expansion provisions, including those for any Units and land contracted within six (6) years after this Master Deed is recorded;

C. To amend the Bylaws, subject to any restrictions on amendments stated in the Bylaws;

D. To correct arithmetic errors, typographical errors, survey or plan errors, deviations in construction or any similar errors in the Master Deed, Condominium Subdivision Plan or Bylaws or to correct errors in the boundaries or locations of improvements;

E. To clarify or explain the provisions of the Master Deed or its Exhibits;

F. To comply with the Condominium Act or rules promulgated under the Condominium Act or with any requirements or requests of any governmental or quasi-governmental agency or department or any financing institution or entity providing mortgage loans or insuring loans for Units;

G. To make, define or limit easements affecting the Condominium;

H. To record an "as built" Condominium Subdivision Plan or Consolidating Master Deed or to designate any improvements shown on the Condominium Subdivision Plan as "must be built," subject to any limitations or obligations imposed by the Condominium Act;

I. To terminate or eliminate reference to any right that Developer has reserved to itself including, without limitation, the right to contract the Condominium;

J. To dedicate certain General Common Elements;

K. To provide descriptions and assign responsibility for Common Elements constructed, but not previously described in this Master Deed; and

L. To make any other amendments specifically described and permitted to the Developer in any provision of this Master Deed.

The foregoing amendments may be made without the consent of Co-owners or mortgagees. The rights reserved to the Developer or its successors and assigns may not be amended except by or with the written consent of the Developer or its successors and assigns, as the case may be. The Association may make no amendment that materially changes the rights of Developer or its successors and assigns without the written consent of the Developer or its successors and assigns, as the case may be.

ARTICLE XI
SALES FACILITIES

The Developer may maintain signs, offices, models and similar sales facilities, materials or structures in the Condominium during the Development and Sales Period. During the Development and Sales Period, the Developer shall pay all costs directly related to the use of such signs, offices, model units or other facilities, materials or structures, and after such period the Developer shall restore such signs, offices, model units or other facilities to habitable status.

ARTICLE XII
ASSIGNMENT

Any or all rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by it to any other entity or to the

Association. Upon expiration of the Development and Sales Period, such rights shall transfer automatically to the Association. Any such assignment or transfer prior to such time as the assignment becomes automatic shall be made by appropriate instrument in writing duly recorded in the office of the Oakland County Register of Deeds.

[Signature Appears on Following Page]

The Developer has executed this Master Deed as of the day and year first above written.

South Oaks LLC, a Michigan limited liability company

By: _____
Name: _____
Its: _____

STATE OF MICHIGAN)
) SS
COUNTY OF _____)

On this ___ day of _____, 2023, the foregoing Master Deed was acknowledged before me by _____, _____ of South Oaks LLC, a Michigan limited liability company, on behalf of and by authority of the company.

_____
, Notary Public
_____ County, Michigan
Acting in _____ County, Michigan
My Commission Expires:

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

BYLAWS
SOUTH OAKS SITE CONDOMINIUM

TABLE OF CONTENTS

EXHIBIT A
BYLAWS
SOUTH OAKS SITE CONDOMINIUM

ARTICLE I
ASSOCIATION OF CO-OWNERS

Section 1. The Association. South Oaks Site Condominium, a residential Condominium located in the City of Rochester Hills, Oakland County, Michigan, shall be administered by South Oaks Condominium Association. The Association shall be a nonprofit corporation organized under the applicable laws of the State of Michigan. The Association is responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium, subject to and in accordance with the Condominium Documents, and the laws of the State of Michigan. All Co-owners and all persons using or entering upon the Condominium or acquiring any interest in any Unit or the Common Elements are subject to the provisions and terms set forth in the Condominium Documents.

Section 2. Purpose of Bylaws. These Bylaws are designated as both the Condominium Bylaws, relating to the way the Condominium and the common affairs of the Co-owners shall be administered, as required by the Condominium Act, and the Association or Corporate Bylaws, governing the Association's operation as a corporate entity, as required by the Michigan Nonprofit Corporation Act.

ARTICLE II
ASSESSMENTS

Section 1. Taxes and Assessments. 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 on such tangible personal property are expenses of administration. Special assessments levied by the government and real property taxes shall be assessed against the individual Units and not on the Common Elements or any other part of the Condominium. Special assessments levied by the government and real property taxes in any year in which the property existed as an established Condominium on the tax day shall be assessed against the individual Unit, notwithstanding any subsequent vacation of the Condominium. The government's levying of all property taxes and special assessments shall comply with Section 131 of the Condominium Act.

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

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

A. Annual Budgets. Two (2) annual budgets shall be established in in advance for each fiscal year as follows: The Board of Directors shall establish (1) a budget projecting all expenses for the forthcoming year that may be required for the proper operation, management and maintenance of the General Common Elements, including a reasonable allowance for contingencies and reserves (the "Common Budget"), and these Common Budget expenses shall be shared equally by all Co-owners; and the Attached Unit Directors shall establish (2) a budget projecting all expenses for the forthcoming year that may be required for the proper operation, management and maintenance of the Limited Common Elements assigned to all Attached Units, including a reasonable allowance for contingencies and reserves (the "Attached Budget"), and these Attached Budget expenses shall be shared equally by the Co-owners of the Attached Units only. Any adopted budget shall include an allocation to a reserve fund for repairs and replacement of those Common Elements that must be replaced on a periodic basis, in accordance with subsection D below. Upon the Board of Director's adoption of these annual budgets, copies of the Common Budget and the Attached Budget shall be delivered to each Co-owner as applicable and the annual assessment for each type of Unit for the year shall be established based upon these budgets, although the failure to deliver a copy of the budgets to a Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Failure or delay of the Board of Directors to prepare or adopt a particular budget for any fiscal year shall not constitute a waiver or release in any manner of a Co-owner's obligation to pay the allocable share of the common expenses as provided in this Section whenever they shall be determined. In the absence of any budget or adjusted budget each Co-owner shall continue to pay each installment at the rate established for the previous fiscal year until notified of any change in the installment payment which shall not be due until at least ten (10) days after a new annual or adjusted budget is adopted. Co-owners shall have a ten (10) day grace period commencing with notice from the Board of Directors in which to submit their new or adjusted assessment payment. All expenses incurred and assessments received by the Association shall be accounted for and allocated against the appropriate Budget on a monthly basis at a minimum.

B. Additional Assessments. The Board of Directors, or the Attached Unit Directors, as the case may be, have the authority to increase the assessments under each respective Budget or to levy additional assessments as deemed necessary, with the allocation of any increased assessment or additional assessment being paid and apportioned in accordance with the particular Budget, 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 repairs or replacements of existing Common Elements provided for by either Budget; or (iii) for any emergencies, the expenses of which fall within either Budget. The Board of Directors, or the Attached Unit Directors, as the case may be, also has the authority, without the necessity of Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 3 of these Bylaws. The authority to levy assessments under this subsection is solely for the Association's benefit and is not enforceable by any Association creditors or the Co-owners except the Association may voluntarily and conditionally assign the right to levy assessments to any lender relating to any voluntary loan transaction the Association enters into.

C. Special Assessments. Special assessments, in addition to those described in subsections A and B above, may be made by the Board of Directors from time to time if approved by the Co-owners as provided in this subsection, to meet other Association requirements, including, but not limited to: (i) assessments to purchase a Unit upon foreclosure of the lien for assessments described hereafter; or (ii) assessments for any other appropriate purpose not elsewhere described. Special Assessments as provided for by this subsection shall not be levied without the prior approval of more than 60% of all Co-owners in good standing. In the event an assessment is contemplated for the benefit

of Attached Units only, the assessment shall not be levied without the prior approval of a majority of the Co-owners of the Attached Units, and the assessment shall be payable only by the Co-owners of the Attached Units. The authority to levy assessments under this subsection is solely for the Association's benefit and is not enforceable by any Association creditors or the Co-owners except the Association may voluntarily and conditionally assign the right to levy assessments to any lender relating to any voluntary loan transaction the Association enters into.

D. Reserve Funds. The Board of Directors shall maintain a reserve fund for major repairs and replacements of Common Elements and emergency expenditures in the Common Budget (the "Common Reserve"), which reserve fund shall be in the amount of not less than ten percent (10%) of the Association's annual Common Budget (excluding that portion of the Common Budget allocated to the Common Reserve fund itself). The Attached Unit Directors shall also maintain reserve funds for major repairs and replacements of the Limited Common Elements assigned to all Attached Units and emergency expenditures in the Attached Budget (the "Attached Reserve"), which reserve fund shall be in the amount of not less than ten percent (10%) of the Association's annual Attached Budget (excluding that portion of the Attached Budget allocated to the Attached Reserve fund itself). At least two (2) Directors must sign any checks or provide written authorization before any funds may be drawn from the reserve fund account. The Association may increase or decrease the reserve fund but may not reduce it below ten percent (10%) of the Association's annual budget. The reserve must be funded at least annually from the proceeds of the regular assessments set forth in subsection A of this Section; however, the reserve may be supplemented by additional assessments in accordance with subsection B above if determined necessary by the Board of Directors. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium to determine if a greater amount should be set aside in reserve or if additional reserve funds should be established for any other purposes. The Board may adopt rules and regulations as it deems desirable from time to time with respect to type and manner of investment, funding of the reserves, disposition of reserves or any other matter concerning the reserve account(s). 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 Association asset.

Section 4. Payment of Assessments and Penalty for Default. All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners equally without increase or decrease for the existence of any rights to the use of Limited Common Elements. Annual assessments levied under the Common Budget shall be payable by Co-owners in one (1) installment or in installments as may be provided by the Board in its sole discretion, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. Annual assessments levied under the Attached Budget shall be payable by Attached Unit Co-owners in twelve (12) monthly installments or in installments as may be provided by the Board in its sole discretion, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. Additional and Special Assessments shall be payable as stated in the notice announcing their levy. The payment of an assessment shall be in default if the assessment, or any part of the assessment, is not paid to the Association in full on or before the due date for the payment, which shall be the first (1st) day of January each fiscal year for all Common Budget assessments, and the first (1st) day of each calendar month for all Attached Budget assessments, or any other date that the Board may establish from time to time for any assessment. Assessments in default shall bear interest at 7% or the highest rate allowed by law, whichever is greater, until paid in full. In addition, all assessments, or installments of assessments, that remain unpaid 10 days after the due date (based on the postmark date), shall incur a uniform late charge of $25.00 per month, to compensate the

Association for administrative costs incurred because of the delinquency. The Board of Directors may revise the amount and frequency of uniform late charges from time to time, and may levy additional late fees for special and additional assessments, pursuant to Article VI, Section 13 of these Bylaws, without the necessity of amending these Bylaws. For assessments that are permitted to be paid in installments, once there is a delinquency in the payment of any assessment installment lasting for more than two months, the Board of Directors may accelerate the remaining unpaid installments of the assessment so that all unpaid installments are immediately due and payable. Each Co-owner (whether one or more persons) shall be personally liable for the payment of all assessments (including, without limitation, late fees, administrative fees and costs of collection and enforcement of payment, including actual attorneys' fees) levied against their Unit while the Co-owner has an ownership interest in the Unit. Payments on 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, administrative fees and late fees on the installments; and third, to installments in default in order of their due dates.

Section 5. Waiver of Use or Abandonment of Unit. Co-owners shall not be exempt from liability for their contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of their Unit.

Section 6. Enforcement.

A. Lien. Sums assessed to a Co-owner that are unpaid including, without limitation, fines assessed to a Co-owner pursuant to Article XVI of these Bylaws, together with interest on these sums, collection charges including attorneys' fees, late charges, and advances made by the Association for taxes or other liens to protect its lien, constitute a lien upon the Unit or Units owned by the Co-owner at the time of the assessment before other liens except tax liens on the Unit in favor of any state or federal taxing authority and sums unpaid on the first mortgage of record, except that past due assessments which are evidenced by a recorded notice of lien 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 on behalf of the other Co-owners as provided below.

B. Remedies. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the lien that secures payment of assessments, or both. A Co-owner may not withhold or escrow assessments, and may not assert in an answer, or set-off to a complaint brought by the Association for nonpayment of assessments, the fact that the Association or its agents have not provided services or management to a Co-owner. Except as provided in Article X, Section 1, a Co-owner in default or that is otherwise not in good standing shall not be qualified to run for or function as an Association officer or Director, shall not be entitled to vote so long as they are not in good standing, and shall not be entitled to utilize any of the General Common Elements; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from their Unit. The Association may also discontinue the furnishing of any services to a Co-owner in default. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner or any persons claiming under them, and if the Unit is not occupied by the Co-owner, to lease the Unit and collect and apply the rents received. The Association may also assess fines for late payment or nonpayment 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 Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose 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 Section 108 of the Condominium Act, as the same may be amended from time to time, are incorporated 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 Condominium, 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 assessments are delinquent and to receive, hold and distribute the proceeds of the sale in accordance with the priorities established by applicable law. Each Co-owner acknowledges that at the time of acquiring title to such Unit they were notified of this Section and that they 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 above, a foreclosure proceeding shall not be commenced until a written notice of lien is recorded and served in accordance with this Section. The notice of lien shall set forth (i) the amount due to the Association exclusive of interest, costs, attorneys' fees and future assessments, (ii) the legal description of the subject Unit, and (iii) the name of the Co-owner of record. The notice of lien shall be recorded in the Oakland County Register of Deeds, but it need not have been recorded as of the date of mailing to the delinquent Co-owner. The notice of lien shall be mailed to the delinquent Co-owner by first class mail, postage prepaid, addressed to the Co-owner at their last known address at least ten (10) days in advance of commencing the foreclosure proceeding. If the delinquency is not cured within the ten (10) day period, the Association may take any remedial action as may be available to it under the Condominium Documents or Michigan law.

E. Expenses of Collection. All expenses incurred in collecting unpaid assessments, including interests, fines, costs, actual attorneys' fees (not limited to statutory fees and including attorneys' fees and costs related to appellate court proceedings or that are incidental to any bankruptcy proceedings filed by the delinquent Co-owner or probate or estate matters, including monitoring any payments made by the bankruptcy trustee or the probate court or estate to pay any delinquency, and/or attorneys' fees and costs incurred incidental to any State or Federal Court proceeding filed by the Co-owner) 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 their Unit.

Section 7. Liability of Mortgagee. Notwithstanding any other Condominium Document provisions, the holder of any first mortgage covering a Unit, or the first mortgage holder's successors and assigns, that obtains title to 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 (the date of the foreclosure sale) by such person or entity, except for claims for a pro rata share of the assessments or charges resulting from a pro rata reallocation of the assessments or charges to all Units including the mortgaged Unit, and except for claims evidenced by a Notice of Lien recorded prior to the recording of the first mortgage.

Section 8. Assessment Status upon Sale of Unit. Upon the sale or conveyance of a Unit, any unpaid assessments, interest, late fees, fines, costs and attorneys' 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 of the State for taxes or special assessments due and unpaid and (b) payments due under first mortgages having priority to the unpaid assessments. A purchaser or grantee 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 attorneys' fees outstanding against the Unit and the purchaser is not liable for any unpaid assessments, interest, late fees, fines, costs and attorneys' fees in excess of the amount set forth in the 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. The Board of Directors may charge a reasonable administrative fee for preparing this written statement, which may be assessed to the Unit and collected in the same manner as the collection of assessments under Article II of these Bylaws. Any purchaser or grantee who fails to request a written statement from the Association at least five (5) days before the conveyance shall be liable for any unpaid assessments against the Unit together with interest, late fees, fines, costs and attorneys' fees incurred in connection with the collection of the assessments.

Section 9. Developer's Liability for Assessments. Notwithstanding any other provision of the Condominium Documents, during the Development and Sales Period the Developer shall not be liable for payment of any assessments, general, additional or special, levied by the Association except with respect to "Completed Units" owned by the Developer and which are occupied by a tenant or other occupant for use as a residential dwelling. "Completed Units" shall mean Unit(s), or the Residence, as the case may be, with respect to which a Certificate of Occupancy has been issued by the local building department and which are occupied by a tenant or other occupant for use as a residential dwelling. The Association shall have no obligation for maintenance of any incomplete Units, and all expenses for them, including any expenses of administration directly benefiting such incomplete Units, shall be paid by the Developer. In no event shall the Association's lien remedies apply to Developer's incomplete Units. In no event shall the Developer be responsible for payment of any assessment, or be responsible for reimbursement of Association costs, relating to funding of the reserve account, purchase of a Unit from the Developer, to fund any litigation, or investigation costs related thereto by the Association, or for repairs and maintenance to individual Units sold to Co-owners or the General Common Elements not utilized by the Developer.

Section 10. Construction Liens. Construction liens attaching to any portion of the Condominium are subject to the following limitations and Section 132 of the Condominium Act:

A. Except as otherwise provided, 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. Subject to subsection 5 below, disputes, claims, or grievances arising out of or relating to the interpretation or application of the Condominium Documents or arising

out of disputes among or between Co-owners shall, upon the written consent of the parties to the disputes, claims or grievances and written notice to the Association, be submitted to arbitration. The parties to the arbitration 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 are applicable to any arbitration.

Section 2. Right to Judicial Action. In the absence of the election and written consent of the parties pursuant to Section 1 above, neither a Co-owner nor the Association is precluded from petitioning the courts to resolve any disputes, claims or grievances.

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

Section 4. Mediation. Regardless of the other remedies available under these Bylaws or the Condominium Act, the parties to any dispute may agree to mediate any disputes. In instances involving a dispute between two or more Co-owners that has been presented to the Association by the Co-owners, the Association may compel the disputing Co-owners to first mediate the dispute before the Association considers any other action. All compelled mediation shall be conducted by qualified outside mediators at the expense of the disputing Co-owners. In all other instances, mediation is totally voluntary and upon agreement of the disputing parties.

Section 5. Statutory Arbitration Rights between Co-owners and Developer. By purchase of a Unit, Co-owners agree as follows:

A. At the exclusive option of a Co-owner, the Developer shall execute a contract to settle by arbitration any claim that might be the subject of a civil action against the Developer, involves an amount less than $2,500.00, and arises out of or relates to a purchase agreement, Unit, or the Condominium.

B. At the exclusive option of the Association, the Developer shall execute a contract to settle by arbitration any claim that might be the subject of a civil action against the Developer, arises out of or relates to the Common Elements, and involves an amount of $10,000.00 or less.

C. With respect to all arbitration under this Section, (i) judgment of the Circuit Court of the State of Michigan for the jurisdiction in which the Condominium is located may be rendered upon any award pursuant to such arbitration and the parties thereto shall accept the arbitrator’s decision as final and binding, (ii) the Commercial Arbitration Rules of the American Arbitration Association, as amended and in effect from time to time hereafter, shall be applicable to such arbitration, and (iii) the agreement herein to arbitrate precludes the parties from litigating such claims in the courts.

Section 6. Approval of Civil Actions against the Developer. Actions on behalf of and against the Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws, the Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements. The commencement of any civil action or arbitration by the Association against the Developer shall require the approval of a majority of the Co-owners and shall be governed by the requirements of this Section. The requirements of this Section will ensure that Co-owners are fully informed regarding the prospects and likely costs of any civil action the Association proposes to engage in, as well as the ongoing status of any civil actions actually

filed by the Association against the Developer. These requirements are imposed to reduce both the cost of litigation and the risk of improvident litigation, and to avoid the waste of the Association's assets in litigation through additional or special assessments where reasonable and prudent alternatives to the litigation exist. Each Co-owner shall have standing to sue to enforce the requirements of this Section. The following procedures and requirements apply to the Association's commencement of any civil action against the Developer:

A. Board of Directors' Recommendation to Co-owners. The Board of Directors shall be responsible in the first instance for recommending to the Co-owners that a civil action be filed against the Developer and supervising and directing any civil actions that are filed against the Developer.

B. Litigation Evaluation Meeting. If an attorney is to be engaged for purposes of filing a civil action on behalf of the Association against the Developer, the Board of Directors shall call a special meeting of the Co-owners ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The notice requirements for a regular meeting of the Association shall apply. The Board of Directors shall provide to all Co-owners in advance of such meeting all necessary information related to the proposed civil action against the Developer so as to allow Co-owners to make an informed decision as to the merits and estimated costs of such proceeding, how the litigation will be funded, all possible alternatives to litigation, the history of actions taken to date to avoid litigation, and all opinions of experts retained or hired by the Association to give advice concerning the proposed action against the Developer.

C. Fee Agreement with Litigation Attorney. The Association shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action against the Developer. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Co-owners prior to the litigation evaluation meeting.

D. Co-owner Vote Required. At the litigation evaluation meeting the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action against the Developer. The commencement of any civil action or arbitration by the Association against the Developer shall require the approval of a majority of all of the Co-owners.

E. Disclosure of Litigation Expenses. The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association against the Developer ("litigation expenses") shall be fully disclosed to Co-owners in the Association's annual reviewed financial statements. The litigation expenses for each civil action filed by the Association against the Developer shall be listed as a separate line item captioned "litigation expenses" in the Association's annual budget and annual reviewed financial statements.

ARTICLE IV
INSURANCE

Section 1. Extent of Coverage; Responsibility for Coverage.

A. Association Responsibilities.

(1) Casualty. The Association shall insure all Common Elements that the Association has responsibility for repairing and replacing under Article IV of the Master Deed against fire,

vandalism, malicious mischief, and other perils covered by a special form cause of loss endorsement, in an amount equal to one hundred percent (100%) of the current replacement cost of the insurable improvements, excluding foundation and excavation costs, and with a maximum deductible amount no greater than 5% of the face amount of the policy, all as determined annually by the Board of Directors. Such coverage shall include interior walls within any Attached Unit and the pipes, wires, conduits and ducts contained within the interior walls of the Buildings. The Association's policy shall include a "Guaranteed Replacement Cost Endorsement" or a "Replacement Cost Endorsement" and, if the policy includes a coinsurance clause, an "Agreed Amount Endorsement." The policy shall also include an "Inflation Guard Endorsement," if available, and a "Building Ordinance and Law Endorsement..

(2) Liability, Worker's Compensation, Fidelity Bond, Directors and Officer, and Other Required Coverage. The Association shall also carry (a) liability insurance with coverage in the minimum amount of one million dollars ($1,000,000.00) for a single occurrence pertinent to the ownership, use, and maintenance of the Common Elements that the Association has responsibility for repairing and replacing under Article IV, Section 2 of the Master Deed, (b) worker's compensation insurance, if applicable, (c) fidelity bond or equivalent employee dishonesty/crime coverage in the minimum amount of a sum equal to three months aggregate assessments on all Units plus reserve funds on hand, with such fidelity bond or equivalent employee dishonesty/crime insurance covering all Association officers, directors, and employees and all other persons, including any management agent, handling or responsible for any monies received by or payable to the Association (it being understood that if the management agent or others cannot be added to the Association's coverage, they shall be responsible for obtaining the same type and amount of coverage on their own before handling any Association funds), (d) Directors and Officers Liability coverage, and (e) any other insurance as the Board of Directors deems advisable.

(3) Optional Umbrella Insurance. The Association may purchase as an expense of administration an umbrella insurance policy that covers any risk the Association is required to cover but was not covered due to lapse or failure to procure.

(4) Benefited Parties. All insurance shall be purchased by the Association for the Association's benefit, the Co-owners, and their mortgagees, as their interests may appear.

(5) Insurance Records. All non-sensitive and non-confidential information in the Association's records regarding Common Element insurance coverage shall be made available to all Co-owners and mortgagees upon written request and reasonable notice during normal business hours.

(6) Cost of Insurance. All premiums for the insurance purchased by the Association under Section 1A(1) above shall be included in the Attached Budget except for the premiums (if any) to cover the Association's Common Elements. All premiums for the insurance purchased by the Association under Section 1A(2) above shall be expenses of administration included in the Common Budget.

(7) Proceeds of Association Insurance Policies. Proceeds of all Association insurance policies shall be received by the Association and distributed to the Association and, net any applicable costs, fees, assessments or other amounts owed to the Association, the Co-owners; provided, however, whenever repair or reconstruction of the Condominium is required as provided in Article V of these Bylaws, the proceeds of any insurance that the Association receives as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

B. Attached Unit Co-owner Responsibilities. The Association's coverage is not intended to be complete as to all matters, and Co-owners have an obligation to provide certain coverage as outlined in this Article. Attached Unit Co-owners should consult with their insurance advisors to determine what additional insurance they must obtain upon their Units and Common Elements at their own expense in addition to the coverage carried by the Association. Each Attached Unit Co-owner shall obtain (i) all risk insurance coverage for (a) the interior of their Unit including, without limitation, all light fixtures, plumbing fixtures, cabinets, countertops, equipment, trim, floor coverings, wall coverings, window shades, drapes, and all appliances, whether free-standing or built-in, (b) all improvements and betterments to the Unit or its Limited Common Elements, and (c) personal property located within a Unit or elsewhere in the Condominium, and (ii) insurance coverage for (a) personal liability and property damage for occurrences within a Unit or upon Limited Common Elements for which the Attached Unit Co-owner is assigned responsibility under Article IV of the Master Deed, and (b) alternative living expense in event of fire or other casualty, and the Association has absolutely no responsibility for obtaining such coverage. Attached Unit Co-owners are also advised to obtain insurance covering any insurance deductible or uninsured amount the Co-owner may be required to pay under Article V, Section 5 or Article VI, Section 14 of these Bylaws. Each Co-owner shall deliver certificates of insurance to the Association as the Board of Director's may require from time to time to evidence the continued existence of all insurance that Co-owners are required to maintain. In the event a Co-owner fails to obtain such insurance or to provide evidence of such insurance to the Association, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums paid shall constitute a lien against the Co-owner's Unit and may be collected from the Co-owner in the same manner that Association assessments may be collected under Article II of these Bylaws. Co-owners are strongly advised to consult their insurance advisors to make sure they have all necessary and appropriate coverage required by this Section.

C. Site Unit Co-owner Responsibilities. The Association's coverage is not intended to be complete as to all matters, and Co-owners have an obligation to provide certain coverage as outlined in this Article. Each Site Unit Co-owner shall be obligated and responsible for insuring their Residence and all other improvements constructed or to be constructed within the perimeter of the Unit and its Limited Common Elements and any improvements located outside of the Unit but for which the Co-owner is responsible for repair and replacement against all risks including fire, vandalism, malicious mischief and other perils, in an amount equal to one hundred percent (100%) of the current replacement cost of the insurable improvements, excluding foundation and excavation costs. The Association has no responsibility to insure these improvements. Each Site Unit Co-owner shall also be obligated to obtain insurance coverage for their personal liability for occurrences within the perimeter of their Unit, appurtenant Limited Common Elements and improvements located on such Limited Common Elements, and also for any other personal or business insurance coverage that the Co-owner wishes to carry. Each Site Unit Co-owner shall deliver certificates of insurance to the Association as may be requested from time to time to evidence the continued existence of all insurance required to be maintained by the Co-owner. If a Site Unit Co-owner fails to obtain insurance or to provide evidence of the required insurance to the Association if requested, the Association may, but is not required to, obtain the insurance on the Co-owner's behalf and the premiums paid 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 of these Bylaws. Site Unit Co-owners are strongly advised to consult their insurance advisors to make sure they have all necessary and appropriate coverage required by this Section.

D. Waiver of Subrogation; Cross-Liability Endorsements. The Association and all Co-owners shall use their best efforts to see that all property and liability insurance carried by the

Association or any Co-owner contains appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association. The Association's liability insurance shall, where appropriate, contain cross-liability endorsements to cover liability of the Co-owners as a group to another Co-owner.

Section 2. Association as Attorney-in-Fact. Each Co-owner is deemed to appoint the Association as their true and lawful attorney-in-fact to act regarding all matters concerning any insurance carried by the Association. Without limiting the generality of the previous sentence, the Association has full power and authority to purchase and maintain insurance, to collect and remit premiums, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear, but subject to the Condominium Documents, to execute releases of liability, and to execute all documents and to do all things on behalf of the Co-owner and the Condominium as necessary or convenient to the accomplishment of the foregoing.

Section 3. Indemnification. Each Co-owner shall indemnify and hold harmless the Association for all damages and costs, including attorneys' fees, which the Association may suffer as a result of defending any claim arising out of an occurrence for which the individual Co-owner is required to carry coverage pursuant to this Article, and shall carry insurance to secure this indemnity if so required by the Association. This Section shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

ARTICLE V
RECONSTRUCTION OR REPAIR IN CASE OF CASUALTY

Section 1. Applicability of Article. This Article shall apply only to damage by casualty. Any other situations involving maintenance, repair and replacement shall be governed by the allocation of responsibilities contained in Article IV of the Master Deed.

Section 2. Determination of Reconstruction or Repair. If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit is tenantable, unless it is determined by the affirmative vote of eighty percent (80%) of the Co-owners that the entire Condominium shall be terminated, and two-thirds (2/3^{rds}) of all mortgagees of record have consented to such termination, which mortgagee consent shall be solicited in accordance with Section 90a of the Condominium Act.

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

A. Attached Units. If the damage is only to the Attached Unit or a Common Element which is the responsibility of a Co-owner of an Attached Unit to maintain, repair, replace and insure, it shall be the responsibility of the Co-owner of the Attached Unit to promptly repair such damage in accordance with these provisions. Subject to the provisions of Article VI, Section 14, regardless of the cause or nature of any damage or deterioration, including, but not limited to, instances in which the damage is incidental to or caused by (i) a Common Element for which the Association is responsible pursuant to Article IV of the Master Deed, (ii) the maintenance, repair, or replacement of any Common Element, (iii) the Co-owner's own actions or the Co-owner's failure to take appropriate preventive action, or (iv) the malfunction of any appliance, equipment, or fixture located within or serving the Attached Unit, each Co-owner of an Attached Unit shall be responsible for the cost of repair, reconstruction and replacement of all items for which the Co-owner is assigned responsibility under

Article IV of the Master Deed, and for those items which the Co-owner is primarily responsible to insure pursuant to Article IV of these Bylaws.

B. Site Units. If the damaged property is the Site Unit, the Residence or any Limited Common Element or other improvement for which the Co-owner of the Site Unit is assigned responsibility under Article IV of the Master Deed, the Co-owner of the Site Unit alone, subject to the rights of any mortgagee or other person or entity having an interest in such property, shall be responsible for all reconstruction and repair. The Co-owner of a Site Unit shall promptly restore the Site Unit, the Residence and any Limited Common Elements or other improvements for which the Co-owner of the Site Unit is assigned responsibility under Article IV of the Master Deed in accordance with the Condominium Documents and to a condition substantially equal or comparable to the condition existing prior to damage in a manner satisfactory to the Board of Directors and in accordance with the provisions of Article VI of these Bylaws.

C. Attached and Site Units. Under no circumstances will the Association be responsible for incidental or consequential damages to a Unit, Limited Common Element, or any other property that is the responsibility of a Co-owner, or any damage to the contents of any Unit or the personal property of a Co-owner or Unit occupant. In the event any damage to Common Elements is the responsibility of the Association's insurance carrier pursuant to the provisions of Article IV, then the reconstruction or repair of the same shall be the responsibility of the Association in accordance with Section 3 of this Article, although the responsibility for costs shall be allocated in accordance with the provisions of this Section and Section 3. If any interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, and the Association's carrier is responsible for paying a claim pursuant to the provisions of Article IV of these Bylaws, the Co-owner shall be entitled to receive those proceeds of insurance, but only in the absence of Co-owner coverage for those items, and those proceeds shall be used solely for the necessary repairs. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any Unit.

Section 4. Association Responsibility for Reconstruction or Repair of Common Elements. Subject to the responsibility of the individual Co-owners as outlined in Section 3 above and other provisions of these Bylaws or the Master Deed applicable to such situations, the Association is responsible for the reconstruction and repair of those items the Association is assigned repair and replacement responsibility under Article IV of the Master Deed, and for those items that the Association is primarily responsible to insure under Article IV of these Bylaws. Under no circumstances will the Association be responsible for incidental or consequential damages to a Unit, Limited Common Element, Residence, or any other property that is the responsibility of a Co-owner, or to the contents of any Unit, Limited Common Element area or Residence, or to the personal property of a Co-owner or Unit occupant. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair, or reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs are insufficient, assessments shall be made against either the Attached Unit Co-owners, or both the Site and Attached Unit Co-owners, as the case may be, for the costs of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual costs of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 5. Timing. If damage to Common Elements or a Unit adversely affects the appearance of the Condominium or deprives others from utilizing the Common Elements, the party responsible for the repair and reconstruction shall promptly perform and diligently proceed with the repair or replacement of the damaged property.

Section 6. Responsibility for Amounts within Insurance Deductible or Otherwise Uninsured. Notwithstanding any other provision of the Condominium Documents, and except to the extent that a lack of insurance results from a breach of the Association's or other Co-owner's duty to insure, the responsibility for damage to any portion of the Condominium that is within the limits of any applicable insurance deductible, unless waived, and for any other uninsured amount, shall be borne by the responsible Co-owner if the damage results from (a) the Co-owner's or their families', guests', agents' or invitees' failure to observe or perform any requirement of the Condominium Documents, (b) the Co-owner's or their families', guests', agents' or invitees' damage to or misuse of the Common Elements, or (c) casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or Common Elements which are the Co-owner's responsibility to maintain, repair, or replace.

Section 7. Indemnification. Each Co-owner shall indemnify and hold the Association harmless for all damages and costs, including, without limitation, actual attorneys' fees (not limited to reasonable attorneys' fees), which the Association suffers as the result of defending any claim arising out of an occurrence on or within such Co-owner's Unit or a Common Element for which the Co-owner is assigned the responsibility to maintain, repair, or replace. Each Co-owner shall carry insurance to secure this indemnity. This Section shall not be construed to afford any insurer any subrogation right or other claim or right against a Co-owner.

Section 8. Eminent Domain. Section 133 of the Condominium Act and the following provisions shall control upon any taking by eminent domain:

A. Common Elements Taken by Eminent Domain. If any portion of the Common Elements is taken by eminent domain, the award shall be allowed to the Co-owners in proportion to their respective undivided interests in the Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-owners for any taking of the Common Elements and any negotiated settlement approved by more than two-thirds (2/3) of the Co-owners shall be binding on all Co-owners.

B. Unit Taken by Eminent Domain. If a Unit is taken by eminent domain, the undivided interest in the Common Elements applying to the Unit shall apply 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, and the award shall include just compensation to the Co-owner of the Unit taken for the undivided interest in the Common Elements as well as for the Condominium Unit.

C. Partial Taking of a 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 the Unit in the Common Elements shall be reduced in proportion to the diminution in the fair market value of the Unit resulting from the taking. The portions of undivided interest in the Common Elements thereby divested from the Co-owners of the Unit shall be reallocated among the other Units 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 revested 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 applying to that Unit shall apply 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 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 Applying to Units Taken by Eminent Domain. Votes in the Association and liability for future expenses of administration applying to a Unit taken or partially taken by eminent domain shall apply 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. If the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be resurveyed and the Master Deed amended accordingly. The amendment may be executed by an Association officer authorized by the Board of Directors without the necessity of execution or specific approval by any Co-owner, but only with the prior written approval of holders of two-thirds (2/3rds) of all first mortgage liens on individual Units.

G. Condemnation or Eminent Domain Proceeding. If any Unit or the Common Elements or any portion of a Unit or the Common Elements is subject to condemnation or eminent domain proceedings or is otherwise sought to be acquired by a condemning authority, the Association shall promptly notify each institutional holder of a first mortgage lien on any Units.

Section 9. Notification to Mortgagees and Guarantors. Upon written request submitted to the Association, the Association shall give the holder of any first mortgage and any guarantors of the mortgage covering any Unit timely written notice of any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the mortgage.

ARTICLE VI
RESTRICTIONS

Section 1. Use of Units.

A. Single Family Use of Site Units. No Site Unit shall be used for anything other than single-family residential purposes as defined by City of Rochester Hills Zoning Ordinances, and the Common Elements shall be used only for purposes consistent with such use. No Co-owner shall carry

on any business enterprise or commercial activities anywhere on the Common Elements or within the Units, including without limitation for profit or nonprofit daycare, adult foster care, nursing facilities, transitional housing, group homes and similar enterprises; provided, that Co-owners shall be allowed to have home offices in their Units so long as the use does not (1) involve additional pedestrian or vehicular traffic by customers, users or beneficiaries of the services being performed and/or congestion within the Condominium, (2) utilize or involve the presence of any employees within the Unit other than the Unit occupants, (3) disturb other Co-owners, (4) involve additional expense to the Association (such as utility charges and insurance), (5) violate any other provision or restriction contained in the Condominium Documents, (6) involve the storage of bulk goods for resale, and (7) violate any ordinances or regulations of the City of Rochester Hills.

B. Use of Attached Units. The Attached Units shall be used for single-family residential purposes as defined by City of Rochester Hills Zoning Ordinances, and the Common Elements shall be used only for purposes consistent with such use. No business enterprise or commercial activities will be carried on anywhere on the Common Elements or within the Attached Units. The Attached Units are subject to the Declaration, which provides specific restrictions on the use and occupancy of the Attached Units, including a requirement that the Attached Units be occupied by a qualifying individual with an intellectual or developmental disability ("I/DD"). The Board of Directors shall adopt and enforce standardized qualification criteria provided by the I/DD Advisory Committee (See Article X) to ensure that the Attached Units are occupied for their intended purpose. The I/DD Advisory Committee may also conduct background checks and interviews of prospective I/DD residents and/or owner(s) of the Attached Unit. No Attached Unit shall be occupied by any person who does not meet the standardized qualification criteria.

C. Occupancy Restrictions. The number of persons allowed to occupy or reside in any Unit shall be governed by the restrictions and regulations of the International Property Maintenance Code or other codes or ordinances that may be adopted by the City of Rochester Hills from time-to-time governing occupancy. The restrictions shall automatically change, without the necessity of an amendment to these Bylaws, upon the adoption of alternative regulations by the City of Rochester Hills, so that all Unit occupancy shall be in accordance with all City of Rochester Hills regulations.

Section 2. Sale or Transfer of Attached Units.

A. Notice Required. Any Co-owner who intends to transfer title of an Attached Unit, or who intends to lease an Attached Unit or any interest in an Attached Unit, shall first give written notice of such intention to the Board of Directors, together with the name and address of the intended transferee or lessee, the terms and conditions of the proposed transaction (including an executed copy of the exact form of lease or other contract), and such other information concerning the intended transfer or lease, or the intended transferee or lessee as is required by the standardized qualification criteria adopted and enforced by the Board of Directors. The giving of such notice of intent shall constitute a warranty and representation by the Co-owner to the Board of Directors that the Co-owner believes the proposal to be bona fide in all respects. No proposed transaction shall be considered by the Board of Directors under this Article, and no notice of a proposed transaction shall be deemed given, which is not evidenced by an exact copy of the agreement of sale or lease which must contain a statement that the transaction is subject to the right of first refusal contained in this Section, and which must also contain a statement that the purchaser or tenant agrees to comply with all conditions of the Condominium Documents and the Declaration. Such agreement must be executed by the Co-owner and the proposed transferee or lessee and must contain all pertinent terms of the transfer or lease proposed to be made. If the notice and information required in this Section, and any other information

Commented [SK1]: The Units will be used for single-family residential purposes.

Commented [SK2]: No Units can be used for commercial activities.

Commented [SK3]: A separate Declaration will ensure that these Units remain use only for I/DD individuals.

Commented [SK4]: There will be a Committee overseeing

Commented [SK5]: Restrictions on sale or transfer of Units.

required is not presented to the Board of Directors, then at any time after learning of a transaction or event transferring ownership or possession of a unit, the Board of Directors may, without notice, avail itself of the options provided in Section 2B below.

B. Right of First Refusal. Within 30 days after receipt of the notice described in Section 2A above, together with all other information required by Section 2A, the Board of Directors must either approve or disapprove the proposed transaction. If approved, the Board of Directors and the I/DD Advisory Committee shall provide written approval in recordable form, and shall deliver same to the purchaser or tenant. If disapproved, the Board of Directors shall provide another purchaser or lessee acceptable to it and approved by the I/DD Advisory Committee to purchase or lease the Attached Unit, on terms not less favorable to the Co-owner than those proposed, and the Co-owner shall be bound to consummate the transaction with the approved purchaser or permit the approved lessee to enter into possession of the Attached Unit within 15 days thereafter. In the event of a proposed transfer of a Attached Unit by gift, devise, or inheritance, the Board of Directors shall have 30 days after its receipt of the notice described in Section 2A, together with all other information required by Section 2A, to provide another purchaser acceptable to the Board of Directors to purchase the Attached Unit. In the event of a transfer, or attempted transfer, by judicial attachment or judicial assignment or award, or by operation of law due to the death of a Co-owner of an Attached Unit, the Board of Directors shall have 30 days after its receipt of actual notice thereof from the Co-owner or transferee as provided in Section 2A, together with all other required information, to provide another purchaser acceptable to the Board of Directors to purchase the Attached Unit. If the Board of Directors fails to provide a purchaser or lessee within the time periods provided, the transaction shall be deemed to have been approved and a certificate of approval shall be deemed to have been furnished as provided for in this Section.

Section 3. Leasing and Rental of Units.

Commented [SK6]: Leasing restrictions.

A. Right to Lease.

(1) Lease Addendum. The Developer and Co-owners have the right to lease their Units, subject to the terms and conditions described herein. If the Developer or a Co-owner leases a Unit, they shall be required to use the standard lease addendum provided by the Association.

(2) Minimum Term; Compliance with Condominium Documents. The Developer may lease any number of Units in its discretion. No Co-owner shall lease less than an entire Unit, and all leases shall (a) be for an initial term of no less than one (1) year, (b) require the lessee to comply with the Condominium Documents, and (c) provide that failure to comply with the Condominium Documents constitutes a default under the lease. A Co-owner may only lease a Unit for the same purposes as set forth in Article VI, Section 1, in accordance with the provisions of this Section, and for Attached Units, in accordance with the Declaration.

Commented [SK7]: Not permitted to lease less than Unit.

Commented [SK8]: Initial lease term must be one year.

(3) Transient Tenancies Prohibited. No Co-owner shall accommodate transient tenants or occupants. For purposes of this Section, "transient tenant or occupant" refers to a non-Co-owner occupying a Unit for less than one (1) year and who has paid consideration for the occupancy. No Co-owner shall allow their tenant to sublease the Unit.

Commented [SK9]: Transient tenancy prohibited.

(4) Incorporation of Condominium Document Provisions. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all

of Condominium Document provisions. As noted above, the Association shall require the use of a standard lease addendum to ensure compliance with the requirements of this Section.

B. Procedures for Leasing. The leasing of Units shall conform to the following additional provisions:

(1) Disclosure. A Co-owner desiring to rent or lease a Site Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential lessee, and shall at the same time supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If no lease form is to be used, then the Co-owner shall supply the Board with the name and address of the potential lessee or other occupants, along with the amount and due dates of any rental or compensation payable to the Co-owner, and the term of the proposed occupancy arrangement. The Co-owner shall not lease their Site Unit prior to the Association approving the lease form for its compliance with the Condominium Documents. Each Co-owner shall, promptly following the execution of any approved lease of a Site Unit, forward a true copy of the fully executed lease to the Association. Co-owners who do not live in their Site Unit must keep the Association informed of their current correct address and phone number(s).

(2) Written Approval for Attached Units. In addition to the disclosure requirements applicable to Site Units, and subject to the right of first refusal contained in Section 2 above, any Co-owner desiring to rent or lease an Attached Unit shall obtain the Board of Director's and I/DD Advisory Committee's prior written approval of the potential tenant prior to granting occupancy, which written approval shall be based upon the standardized qualification criteria adopted with the direction of the I/DD Advisory Committee and enforced by the Board of Directors from time to time.

Commented [SK10]: Subject to the leasing restrictions of the Michigan Condominium Act.

(3) Administrative Fee. The Board of Directors may charge reasonable administrative fees for reviewing, approving and monitoring lease transactions in accordance with this Section as the Board may establish. Any administrative fees shall be assessed to and collected from the leasing Co-owner in the same manner as the collection of assessments under Article II of these Bylaws.

(4) Compliance with Condominium Documents. Tenants or non-Co-owner occupants shall comply with the Condominium Documents.

(5) Default by Tenant or Non-Co-owner Occupant. If the Board determines that a tenant or non-Co-owner occupant has failed to comply with the Condominium Documents, the Association shall take the following action:

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

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

(c) Remedies. If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association (if the Association is under the control of the Developer) an action for eviction against the tenant or non-Co-owner occupant for breach of the Condominium Documents.

The relief set forth in this Section may be by summary proceeding, although the Association may pursue relief in any Court having jurisdiction and whether by summary proceeding or otherwise. The Association may hold the tenant, the non-Co-owner occupant and the Co-owner liable for any damages caused by the Co-owner, tenant or non-Co-owner occupants. The Co-owner shall be responsible for reimbursing the Association for all costs incurred because of a tenant's or non-Co-owner occupant's failure to comply with the Condominium Documents, including the pre-litigation costs and actual attorneys' fees incurred in obtaining their compliance with the Condominium Documents.

(6) Notice to Pay Rent Directly to Association. When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to the Co-owner's tenant or non-Co-owner occupant. The tenant or non-Co-owner occupant after receiving the notice shall deduct from their rental payments to the Co-owner the arrearage and future assessments as they fall due and shall pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant or non-Co-owner occupant. If the tenant or non-Co-owner occupant, after being so notified, fails or refuses to remit rent to the Association that is otherwise due the Co-owner, then the Association may (1) prohibit the tenant from utilizing any of the General Common Elements, (2) issue a statutory Notice to Quit for non-payment of rent, and enforce that notice by summary proceedings, and/or (3) initiate proceedings pursuant to Section 112(4)(b) of the Condominium Act.

C. Department of Veterans Affairs Exception. To the extent that any provision set forth in the Master Deed and Bylaws regarding leasing and a right of first refusal is inconsistent with the requirement(s) of guaranteed or direct loan programs of the United States Department of Veterans Affairs, as set forth in chapter 37 of title 38, United States Code, or part 36 of title 38, Code of Federal Regulations ("DVA Financing"), the provision shall not apply to any Unit that is:

(1) Encumbered by DVA Financing; or

(2) Owned by the Department of Veterans Affairs.

D. Lender Exception. Notwithstanding anything to the contrary and except for the prohibition on transient tenancies and the occupancy restrictions applicable to Attached Units, first mortgage lenders or first mortgagee guarantors in possession of a Unit following a default of a first mortgage, foreclosure, or deed or other arrangement in lieu of foreclosure shall not be subject to the restrictions contained in Section 2A above and which relate to the term of any lease or rental agreement.

E. Rent Loss Insurance Coverage. Those Co-owners that rent their Unit are advised to obtain insurance coverage for reimbursement of rental income that may be lost while the Unit is being repaired, rebuilt or is otherwise not capable of being occupied. The Association shall have no responsibility for obtaining coverage and Co-owners shall have no claim against the Association for lost rental income.

Section 4. Approval of Initial Construction; Architectural Control; Alterations and Modifications for Site Units. No building of any kind may be erected within a Site Unit except one private Residence and structures ancillary thereto permitted by the following restrictions. The following shall apply:

A. Approval of Construction within Site Units. To ensure that the Developer's goal of providing an attractive coordinated neighborhood is accomplished, the Developer shall, in its sole discretion (until assigned to the Association or the Developer's right expires as provided in the Condominium Documents), have the right to approve or disapprove the appearance, construction, materials, proposed location, design, specifications and any other attribute of any structure or improvement, including landscaping and appurtenances. A Co-owner or non-Developer builder may only construct, install, modify or place on or in a Site Unit or the Common Elements those structures that have been approved in writing by the Developer in the manner set forth in this Section. No application for a building permit or application for any other governmental approval shall be filed until the Developer's written approval is received. The Developer may require that any Co-owner or non-Developer builder furnish to the Association adequate security, in the Developer's sole discretion, to protect the Developer against cost and expenses that it might incur in connection with the failure to complete construction in a timely and diligent manner in accordance with the approved plans and specifications for the improvement.

(1) Submittal Process. A two-step submittal process must be followed for obtaining the Developer's written approval for any building, structure or improvement, including landscaping, to be erected, constructed, maintained or rebuilt on any Site Unit, except in those instances where the Developer is performing the construction. The Developer's written approval upon satisfactory completion of all steps must be obtained before construction of any structure or improvement may be started. If appropriate, the Developer may waive in its sole discretion submittal procedure to expedite the review process. A Co-owner or non-Developer builder shall submit to the Developer two copies of any document required to be submitted hereunder, and the Developer shall retain a copy of each document for its records. The Developer shall have thirty (30) days after the receipt of all required plans and specifications to issue a written approval or denial. If the Developer fails to issue a written approval or denial of any submittal within the 30-day period, then any such submittal shall be deemed denied.

(a) Concept Submission. The first step shall be the submission of concept materials to the Developer. The concept materials shall include materials sufficient to permit the Developer in its judgment to ascertain the structure or improvement and shall include front, side and rear elevation drawings showing all improvements (including the color and type of exterior materials) and a proposed site plan showing the location of all improvements within the Site Unit and surrounding including trees and landscape.

(b) Final Submission. Once the Developer has approved the concept submission, the Co-owner or non-Developer builder may apply to the Developer for approval of the final submission. The final submission shall include samples of exterior colors and materials (a detailed finished schedule for all exterior materials, products and finishes, actual brick, stain and shingle samples may be required), detailed elevation drawings showing all elevations, a dimensioned floor plan, a topographical survey of the Site Unit , a site plan showing the proposed location of each structure and improvement located or to be located upon the Site Unit or Common Elements, specifications for each structure or improvement prepared and certified by a licensed architect or engineer setting forth the type and quality of all materials and workmanship, a construction schedule specifying the commencement and completion dates of construction of the structure or improvement, as well as such other dates as the Developer may specify for completion of stages of the undertaking, and a detailed landscape and grading plan. The topographical survey, which shall also show all existing species of trees of a caliper exceeding 6 inches at 24" above grade, and site plan must be certified by a licensed engineer. In addition, the Co-owner shall have the Site Unit staked so as to show

the location of all proposed structures and improvements on the Site Unit. The landscaping plan shall show grading, planting, seeding and lighting. No approval shall be effective unless given by the Developer in writing. If a structure, improvement or any aspect or feature thereof is not in strict conformity with the requirements or restriction set forth in this Article, any such nonconformity shall be permitted only if it is specifically mentioned as such in the submissions to the Developer, and the Developer specifically approves or waives the same in writing.

(2) Fees and Deposits. Every Co-owner or their agents including non-Developer builders constructing or reconstructing a Residence or other major improvement to or within their Site Unit shall deposit with the Developer (a) a five-hundred-dollar ($500.00) review fee, (b) a one-thousand-dollar ($1,000.00) debris removal deposit, and (c) a one thousand dollar ($1,000.00) road maintenance deposit. The review fee shall be used for review of plans and specifications required to be submitted herein. The debris removal deposit shall be utilized to help ensure that all construction debris is promptly cleaned up and properly disposed of off-site and should any Co-owner or their builders, contractors and subcontractors not do so, the Developer may arrange for such clean up and charge the same to the deposit. The road maintenance deposit shall be utilized to help ensure that all damage to Condominium roads caused by a Co-owner or their builders, contractors, material suppliers or subcontractors is promptly repaired and that the Condominium roads are kept clean of debris, mud and soil. Should any Co-owner or their builders, material suppliers, contractors and subcontractors not do so, the Developer may arrange for such repairs and clean up and charge the same to the deposit. All unused amounts of the debris removal and road maintenance deposits shall be refunded to the applicable Co-owner once the improvement being constructed has received a Certificate of Occupancy and when all sod and landscaping has been installed.

(3) Construction Activities. Only licensed and insured builders and contractors shall be allowed to construct within the Condominium, provided they are approved by the Developer. Once commenced, all construction activity shall be prosecuted and carried out with all reasonable diligence, and the exterior of all Residences and other structures must be completed as soon as practical after construction commences, except where such completion is impossible or would result in exceptional hardship due to strikes, fire, national emergencies or nature calamites. Within sixty (60) days of Residence occupancy or substantial completion of the Residence exterior, whichever is sooner, or by the next July 1 if the Residence is completed between September 1 and May 1 of any year, the Co-owner shall cause all portions of the Site Unit to be finish-graded, sodded, irrigated and suitably landscaped in accordance with the landscape plan approved by the Developer. All lawns and landscaping (including any berm and landscaping areas) shall be irrigated with underground irrigation and shall be continuously and properly well maintained at all times. All contractors and builders agree to (i) to keep the Site Unit in a sightly and clean appearance during the course of construction and (ii) to remove all trash, garbage, scraps or other debris from the Site Unit in a timely manner.

(4) Construction Restrictions. The following restrictions shall apply to structures and improvements constructed within the Site Units and Limited Common Elements:

(a) Construction Materials. The Developer intends and desires that all structures and improvements within the Condominium be architecturally harmonious. No used materials may be used in the construction of any Residence, structure or improvement without written approval from the Developer or Association, as the case may be. No prefabricated, factory-built or modular homes shall be located on any Site Unit. However, certain prefabricated, factory-built components may be used in the Residences, subject to the Developer's written approval. All exterior

materials must be approved in writing by the Developer or the Association, as the case may be. Generally, no material may be used that the Developer considers unsuitable for the proposed use.

(c) Size of Residences. No Residence shall be constructed on any Site Unit of less than the sizes required by City of Rochester Hills Ordinances.

(d) Garage. Each Residence shall have not less than an attached two-car garage.

(e) Driveways. All driveways shall be completed prior to occupancy.

(f) Swimming Pools. Any swimming pool shall be appropriately screened by landscaping or otherwise so as not to be visible from the road or any other Site Unit. No above ground pools are permitted. Notwithstanding the foregoing, pools that comply with the following requirements shall be considered a "wading" or "children" pool and not an above-ground swimming pool and shall otherwise be permitted: any pool having a retaining wall no higher than eighteen inches (18") from grade to the top edge of the wading pool retainer, covering no more than one hundred twenty-five (125) square feet of ground surface, being a type that can be readily emptied, not requiring filtering equipment.

(g) Prohibited Structures. Outbuildings, shacks, sheds, barns and other similar structures are prohibited.

(h) Fencing. Except for fences required to be installed around swimming pools as dictated by the City of Rochester Hills ordinances, no fences are permitted on any Site Unit.

(i) Mailboxes. The size, color, style, location and other attributes of the mailbox for each Residence shall be as specified by the Developer during the Development and Sales Period and then by the Association to ensure consistency and uniformity within the Condominium.

(j) Air Conditioning. No “through the wall” air conditioners may be installed on any Residence or structure. Whenever possible, outside compressors for central air conditioning units will be located in the Unit’s rear yard. In cases where the compressor must be located on the side of the house, appropriate landscaping must be installed so as to create no nuisance to the residents of adjacent Residences.

(5) Deviation from Approved Plans. No alteration, modification, substitution or other variance from the designs, plans, specifications and other submission matter which have been approved by the Developer shall be permitted unless the owner thereof obtains the Developer’s written approval for such variation. So long as any such variance is minimal as determined by the Developer in its discretion, the Co-owner need not go through the entire submittal process described above, but in any event the Co-owner must submit sufficient information including, without limitation, material samples, as the Developer determines in its discretion is required to assist the Developer’s decision whether or not to approve the variance. The Developer’s approval of any variance must be obtained irrespective of the fact that the need for the variance arises for reasons beyond the Co-owner’s control (e.g., material shortages).

(6) Standard for Developer's Approvals; Exculpation from Liability. In reviewing and passing upon the plans, drawings, specifications, submission and other matters to be approved or waived by the Developer under, the Developer intends to ensure that the Residences and other features embodied or reflected therein meet the requirements set forth in this Article; however, the Developer reserves the right to waive or modify such restrictions or requirements pursuant to subsection (7) below. In addition to ensuring that all Residences and other structures comply with the requirements and restrictions of this Article, the Developer (or the Association, when it succeeds to these approval powers) shall have the right to base its approval or disapproval of any plans, designs, specifications, submission or other matters on such other factors, including completely aesthetic consideration, as the Developer in its sole discretion may determine appropriate or pertinent. Except as otherwise expressly provided in the Condominium Documents, the Developer or the Association, as the case may be, shall be deemed to have the broadest discretion in determining what Residence or other structures will enhance the aesthetic beauty and desirability of the Condominium, or otherwise further or be consistent with the purposes for any restrictions. In no event shall either the Developer or the Association or their agents, officers, employees or consultants thereof, have any liability whatsoever to anyone for any act or omission contemplated herein, including without limitation the approval or disapproval of plans, drawings, specifications or elevations, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty or otherwise. By way of example, neither the Developer nor the Association shall have liability to anyone for approval of plans, specifications, structures or the like which are not in conformity with the provisions of this Article, or any other provision contained in the Condominium Documents, or for disapproving plans, specifications, structures or the like which arguably are in conformity with the provisions hereof. In no event shall any party have the right to impose liability on, or otherwise judicially seek to hold accountable the Developer or any person for any decision of the Developer (or alleged failure of the Developer to make a decision) relative to the approval or disapproval of a structure or any aspect or other matter as to which the Developer reserves the right to approve or waive. The approval of the Developer or the Association of a building, structure, improvements or other matter shall not be construed as a representation or warranty that the structure or matter is properly designed or that it is in conformity with the Ordinances or other requirements of the City of Rochester Hills or any other governmental authority. Any obligation or duty to ascertain any such non-conformities, or to advise the Co-owner or any other person of the same, even if known, is hereby disclaimed.

(7) Developer's Right to Waive or Amend Restrictions. Notwithstanding anything herein to the contrary, the Developer reserves the right to approve any structure or activities otherwise prescribed or prohibited hereunder, or to waive any restriction or requirement provided for in the Condominium Documents if, in the Developer's sole discretion, such is appropriate to maintain the atmosphere, architectural harmony, appearance and value of the Condominium and the Site Units therein, or to relieve a Co-owner or a contractor from any undue hardship or expense. In no event, however, shall the Developer be deemed to have waived or be estopped from asserting its right to require strict and full compliance with the Condominium Documents, unless the Developer indicates its intent and agreement to do so in writing.

(8) Assignment of Developer's Approval Rights. Developer's rights under this Section may, in Developer's sole discretion, be assigned to the Association or other successor to Developer. There shall be no surrender of this right prior to expiration of the Development and Sale Period, except in a written instrument in recordable form executed by the Developer and specifically assigning to the Association or other successor(s) the rights of approval and enforcement set forth herein. Even after control of the Association is transferred to the non-developer Co-owners, the Developer shall continue to exclusively exercise these rights until they expire or are assigned. From

and after the date of such assignment or later expiration of the Developer's exclusive powers, the Association's Board of Directors shall exercise all such powers, and the Developer shall have no further responsibilities with respect to any manners of approval or enforcement set forth herein.

B. Alterations and Modifications of Site Units. After initial approval by the Developer and construction in accordance with the approved plans, no Co-owner shall make changes in use or alterations or modifications in exterior appearance to the Common Elements, Site Unit or Residence including, without limitation and by way of example only, exterior painting, replacement of windows or doors, or the installation, alteration or replacement of lights, awnings, shutters, newspaper holders, mailboxes, spas, hot tubs, decks, patios, structures, walls or other exterior attachments or modifications, until plans and specifications acceptable to the Board (and the Developer during the Development and Sales Period) showing the nature, kind, shape, height, materials, color scheme, location and approximate cost have first been submitted to and approved in writing by the Board (and the Developer during the Development and Sales Period), and a copy of the plans and specifications, as finally approved, delivered to the Board (and the Developer during the Development and Sales Period). The Board (and the Developer during the Development and Sales Period) has the right to refuse to approve any plans or specifications that are not suitable or desirable in its opinion for aesthetic or any other reasons, and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the area upon which it is proposed to be constructed, and the degree of harmony with the entire Condominium. If the Board and Developer, if applicable, approves any modification or alteration application, such approval is subject to a recordable, written undertaking by the Co-owner acknowledging that installation, maintenance, repair, replacement and insuring of all the improvements are to be at the Co-owner's sole expense. The Board and the Developer, if applicable, have the right to require a Co-owner to complete the installation of any approved improvements or modifications by a date certain. Any modifications or alterations that a Co-owner performs pursuant to this Section shall be performed by licensed and insured contractors and in accordance with all applicable governmental regulations and ordinances, including the requirement that proper permits be applied for and issued by appropriate governmental agencies.

C. Improvements or Modifications to Facilitate Access to or Movement within a Site Unit. The provisions contained in subsection B are subject to the applicable Condominium Act provisions governing improvements or modifications if the purpose of the improvement or modification is to facilitate access to or movement within the Site Unit for persons with disabilities under the circumstances provided for in the Condominium Act at MCL 559.147a, as may be amended from time to time.

D. Installation of Antennas/Satellite Dishes. The installation of antennas, direct broadcast satellites and other technologies regulated by the Federal Communications Commission shall be in accordance with the Association's rules and regulations, which shall always be construed so as not to violate applicable FCC regulations.

Section 5. Alterations and Modifications of Attached Units.

A. Approvals Required. No Co-owner may commence or make alterations in exterior appearance or make structural modifications to any Unit including interior walls through or in which there exist easements for support or utilities or make changes in the appearance or use of any of the Common Elements including but not limited to, painting, replacement of windows or doors, or the installation, alteration or replacement of lights, awnings, shutters, newspaper holders, mailboxes, spas,

hot tubs, decks, patios, structures, fences, walls or other exterior attachments or modifications, until plans and specifications acceptable to the Board (and the Developer during the Development and Sales Period) showing the nature, kind, shape, height, materials, color scheme, location and approximate cost have first been submitted to and approved in writing by the Board (and the Developer during the Development and Sales Period), and a copy of the plans and specifications, as finally approved, delivered to the Board (and the Developer during the Development and Sales Period). The Board (and the Developer during the Development and Sales Period) has the right to refuse to approve any plans or specifications that are not suitable or desirable in its opinion for aesthetic or any other reasons, and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the area upon which it is proposed to be constructed, and the degree of harmony with the entire Condominium. The Developer, Association and Board shall have no liability for the approval or disapproval of any proposed installation, alteration or replacement. If the Board and Developer, if applicable, approves any modification or alteration application, such approval is subject to a recordable, written undertaking by the Co-owner acknowledging that installation, maintenance, repair, replacement and insuring of all the improvements are to be at the Co-owner's sole expense. The Board and the Developer, if applicable, have the right to require a Co-owner to complete the installation of any approved improvements or modifications by a date certain. Any modifications or alterations that a Co-owner performs pursuant to this Section shall, if applicable, be performed by licensed and insured contractors and in accordance with all applicable governmental regulations and ordinances, including the requirement that proper permits be applied for and issued by appropriate governmental agencies.

B. Improvements or Modifications to Facilitate Access to or Movement within a Unit. The provisions contained in subsection A are subject to the applicable Condominium Act provisions governing improvements or modifications if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities under the circumstances provided for in the Condominium Act at MCL 559.147a, as may be amended from time to time.

C. Sound Conditioning. A Co-owner shall not damage, attach anything to, or alter walls, ceilings or floors between Units to compromise sound conditioning.

D. Installation of Antennas/Satellite Dishes. The installation of antennas, direct broadcast satellites and other technologies regulated by the Federal Communications Commission shall be in accordance with the Association's rules and regulations, which shall always be construed so as not to violate applicable FCC regulations.

Section 6. Conduct upon the Condominium. No harmful, improper or unlawful activity, including without limitation speeding or other vehicular infractions, shall be engaged in on or upon the Common Elements or any Unit, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners, nor shall any unreasonably noisy activity be carried upon the Common Elements or any Unit. There shall not be maintained any device or thing of any sort whose normal activities or existence is in any way harmful, noisy, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the reasonable enjoyment of other Units. No Co-owner shall do or permit anything to be done or keep or permit to be kept on their Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the Board's written approval and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition. All applicable municipal codes and ordinances must be followed.

Section 7. Animals within the Condominium.

A. Number and Type. No animal except for up to two (2) household pets shall be kept, maintained or allowed within any Unit. As used in this Section, “household pet” means a dog or cat, or another small household pet which must be approved in advance by the Co-owners residing in the same Building. The term "animal" or "household pet" shall not include small animals, fish or birds that are constantly caged or in a tank. Reptiles and exotic pets (i.e., rare or unusual animals or animals generally thought of as wild and not typically kept as a household pet) are prohibited.

B. Restrictions Applicable to Pets; Responsibilities of Co-owners.

(1) The Board of Directors may require that Co-owners register their animals with the Association before the animal may be maintained on or within the Condominium.

(2) No animals may be kept or bred for any commercial purpose.

(3) No animal may be permitted to be housed outside of a Unit, in a pen or otherwise, nor shall animals be tied or restrained unattended outside or be allowed to be loose upon the Common Elements. All pets shall be leashed when outdoors with the leash being held and controlled by a responsible person, or properly restrained via the utilization of an invisible fence, and otherwise in accordance with any City of Rochester Hills Ordinances that may apply.

(4) Each Co-owner shall be responsible for the immediate collection and disposition of all fecal matter deposited by any animal maintained by the Co-owner or their occupants, anywhere in the Condominium.

(5) Any animal permitted to be kept in the Condominium shall have such care and restraint as not to be obnoxious because of noise, odor or unsanitary conditions. No savage or dangerous animal of any type shall be kept on the Condominium. 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.

(6) Any Co-owner who causes or permits any animal to be brought, maintained or kept on the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability, including attorneys’ fees and costs, that the Association may sustain because of the presence of the animal on the Condominium, whether the animal is permitted or not. The Association may assess and collect from the responsible Co-owner all losses and damages in the manner provided in Article II of these Bylaws.

(7) The Association may charge Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II if the Board determines the assessment necessary to defray the maintenance costs to the Association of accommodating animals within the Condominium.

(8) All animals kept in accordance with this Section shall be licensed by the municipal agency having jurisdiction, and proof of the animal's shots shall be provided to the Association upon request.

C. Association Remedies. The Association may, after notice and hearing and without liability, remove or cause to be removed any animal from the Condominium that the Board determines to be in violation of the restrictions imposed by this Section or by any applicable Association rules and

regulations. The Board may also assess fines for any violations. The Board may adopt additional reasonable rules and regulations with respect to animals, as it may deem proper.

Section 8. Use of Site Units and Common Elements.

A. Storage; Handling of Refuse. Co-owners and other users of the Condominium shall not use the Common Elements or the exterior of their Site Units for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in the Condominium Documents. Trash receptacles shall be maintained in Board-designated areas and shall not be permitted to remain elsewhere on Site Units or the Common Elements except for short periods of time as may be reasonably necessary to permit periodic collection of trash or except as the Board otherwise approves in writing. Trash shall be stored and handled in accordance with all applicable Association rules and regulations and City of Rochester Hills Ordinances. Co-owners shall be responsible for the collection and proper disposal of trash (or the Association's costs collecting and disposing of such trash) dispersed about the Common Elements, regardless of the reason. The Association may contract with one commercial refuse collection service to provide refuse collection service to all Units and require each Co-owner to utilize the service of that contractor and, in such event, the cost of such service shall be borne by the Association as an expense of administration.

B. Unsightly Conditions. No unsightly condition shall be maintained on or in any deck, patio, or porch, and only non-upholstered furniture and equipment consistent with ordinary deck, patio, or porch use shall be permitted to remain on these areas. The Common Elements shall not be used for the drying or airing of clothing or other fabrics. In general, no activity shall be carried on nor condition maintained that detracts from or is detrimental to the Condominium's appearance.

C. General. The Common Elements and Units shall only be used for purposes for which they are reasonably and obviously intended. All municipal ordinances pertaining to the use of the Common Elements must be followed.

Section 9. Obstruction of and Storage on Common Elements. Except as otherwise expressly permitted in the Condominium Documents, the Common Elements, including, without limitation, roads and sidewalks, shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. Except as otherwise expressly permitted in the Condominium Documents, no bicycles, toys, baby carriages or other personal property may be left unattended on or about the Common Elements; provided, however, that furniture and equipment consistent with ordinary deck, patio, or porch use may be placed on decks, patios, or porches.

Section 10. Vehicles upon the Condominium.

A. Permitted Vehicles in General. Except as otherwise provided in this Section or in the Association's rules and regulations, only currently licensed automobiles, motorcycles (if not objectionable due to excessive noise or irresponsible operation), non-commercial pickup trucks, SUVs, and passenger vans not exceeding 21 feet in overall length, which are used as an occupant's primary means of transportation and not for any commercial purposes, may be parked in the Condominium. Unless parked fully in a Unit garage with the door closed or except as otherwise provided in this

section, no house trailers, commercial vehicles (as defined in subsection C below), boat trailers, watercraft, boats, motor homes, camping vehicles, camping trailers, trailers, snowmobiles, snowmobile trailers, recreational vehicles, non-motorized vehicles, off-road vehicles or all-terrain vehicles shall be parked or stored in the Condominium. All garage doors must be kept closed except when necessary for purposes of ingress to and egress from the garage.

B. Temporary Presence. The Board of Directors has the discretion to issue rules and regulations permitting the temporary presence of recreational/leisure vehicles within the Condominium for 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 or to designate a parking area for such vehicles.

C. Commercial Vehicles. Commercial vehicles shall not be parked in or about the Condominium (except as above provided) unless parked in an area specifically designated for such vehicles or trucks by the Board, or 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 12,000 pounds, overall length in excess of 21 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 designed or 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, 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 pickup trucks, used for primary transportation and not for commercial purposes shall not be considered commercial vehicles provided they do not meet the definition of a commercial vehicle contained in this Section. 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 for parking such vehicles.

D. Standing Vehicles, Repairs. Nonoperational vehicles or vehicles with expired license plates shall not be parked on the Condominium, other than inside a Co-owner's garage, without the Board's written approval. Nonemergency maintenance or repair of vehicles is not permitted on the Condominium without the Board's written approval.

E. Parking Restrictions. No person shall park a vehicle in designated fire lanes or in violation of the Association's rules and regulations.

F. Association Rights. Subject to Section 252k or Section 252l of the Michigan Vehicle Code (MCL §257.252k and MCL §257.252l), the Board may cause vehicles parked or stored in violation of this Section, or of any applicable Association rules and regulations, to be stickered and towed from the Condominium, and the cost of the removal may be assessed to, and collected from, the Co-owner responsible for the presence of the vehicle in the manner provided in Article II of these Bylaws. The Co-owner shall be responsible for costs incurred in having a towing company respond, even if the vehicle is moved and properly parked before the towing contractor arrives at the Condominium. The Board may establish rules and regulations governing the parking and use of vehicles in the Condominium.

Section 11. Prohibition of Possession and Use of Certain Items upon the Condominium. Except as otherwise set forth in the Association's rules and regulations as are published from time to time or as otherwise approved by the Board in writing, no Co-owner or lessee of an Attached Unit

shall possess, use, or permit any occupant, agent, employee, invitee, guest or family member to possess or use any drones, firearms, air rifles, pellet guns, BB guns, bows and arrows, fireworks, slingshots or other similar projectiles or devices anywhere on or about the Condominium. No Co-owner or lessee of an Site Unit shall use, or permit any occupant, agent, employee, invitee, guest or family member to use any drones, firearms, air rifles, pellet guns, BB guns, bows and arrows, fireworks, slingshots or other similar projectiles or devices anywhere on or about the Condominium. Nor shall any Co-owner or lessee of an Attached Unit or a Site Unit possess, use, or permit to be brought onto the Condominium any unusually volatile liquids or materials deemed to be extra hazardous to life, limb, or property.

Section 12. Signs. Except for a U.S. or School Flag no larger than 3' x 5' that is located in a Board-approved area, no flags, notices, advertisements, pennants or signs, including "for sale" and "open house" signs, shall be displayed which are visible from the exterior of a Unit without the Board's written permission, unless in complete conformance with the Association's rules and regulations.

Section 13. Rules and Regulations Consistent with the Condominium Act. The Board may make and amend from time-to-time reasonable rules and regulations consistent with the Condominium Act, the Master Deed, and these Bylaws, concerning the use of the Common Elements or the rights and responsibilities of the Co-owners and the Association with respect to the Condominium or the manner of the Association's or Condominium's operation. The Association shall furnish to all Co-owners all regulations and any amendments to the regulations, which shall become effective as stated in the regulation. Any regulation or amendment may be revoked at any time by the affirmative vote of more than fifty percent (50%) of all Co-owners in good standing. Any rule or regulation adopted pursuant to this Section during the Development and Sales Period must also be approved in writing by the Developer.

Section 14. Association Access to Units and Limited Common Elements. The Association or its authorized agents shall have access to each Unit and any Common Elements from time to time, during reasonable working hours, upon notice to the Co-owner, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and the Common Elements 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 provide the Association means of access to their Unit and any Common Elements during all periods of absence and if the Co-owner fails to provide means of access, the Association may gain access in any manner as may be reasonable under the circumstances, including removing any obstructions or materials that restrict access, and shall not be liable to the Co-owner for any damage to their Unit or any Common Elements caused in gaining access, or for repairing, replacing or reinstalling any removed obstructions or materials in gaining access. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meters 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 has been approved in accordance with the Condominium Documents, that are damaged in the course of gaining access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

Section 15. Landscaping and Decoration of Common Elements. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials, including but

not limited to statuary, bird feeders, exterior lighting, rocks or boulders, fencing, holiday decorations or other decorative items upon their Units or the Common Elements unless in total conformance with the Association's rules and regulations on landscaping and decorations as are published from time to time or is otherwise approved by the Board in writing. Any Co-owner-installed landscaping shall be the Co-owner's responsibility to maintain unless the Board specifies otherwise in writing. If the Co-owner fails to adequately maintain the landscaping to the Association's satisfaction, the Association has the right to perform the maintenance and assess and collect from the Co-owner the cost in the manner provided in Article II of these Bylaws. The Co-owner shall also be liable for any damages to the Common Elements arising from the performance, planting or continued maintenance of the landscaping.

Section 16. Co-owner Maintenance of Unit and Common Elements.

A. Maintain in Good, Safe, Clean and Sanitary Condition. Each Co-owner shall maintain their Unit and any Common Elements for which they have maintenance responsibility in a good, safe, clean and sanitary condition.

B. Damage. Each Co-owner shall use due care to avoid damaging any of the Common Elements, including, but not limited to, the telephone, water, gas, plumbing, electrical, cable TV or other utility conduits and systems and any other Common Elements in any Unit which serve 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 the Co-owner's Unit or any of the Common Elements by them, or their family, guests, agents or invitees, or by casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or Common Elements that are the Co-owner's responsibility to maintain, repair and replace, unless the damages or costs are covered by primary insurance carried by the Association, in which case there shall be no responsibility unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount. Any costs or damages to the Association, including actual attorneys' fees, may be assessed to and collected from the responsible Co-owner in the manner provided in Article II of these Bylaws. Each Co-owner shall indemnify the Association against all damages and costs, including actual attorneys' fees, and all costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II.

C. Reporting. Co-owners 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 17. Application of Restrictions to Developer and Association. None of the restrictions contained in this Article VI or elsewhere in the Condominium Documents shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period, or of the Association in furtherance of its powers and purposes set forth in the Condominium Documents or the Condominium Act. Until all Units in the entire Condominium are sold by the Developer, the Developer shall have the right to maintain a sales office, a business office, a construction office, model Units, storage areas, reasonable parking incident to the foregoing and such access to, from and over the Condominium as may be reasonable to enable development and sale of the entire Condominium by the Developer. The Developer shall restore the areas so utilized to habitable status upon termination of use.

Section 18. Cost of Enforcing Documents. All costs, damages, fines, expenses or actual attorneys' fees incurred or levied by the Association in enforcing the Condominium Documents against a Co-owner or their licensees or invitees, including without limitation the restrictions set forth in this Article VI, may be assessed to, secured by the lien on the Unit and collected from the responsible Co-owner or Co-owners in the manner provided in Article II of these Bylaws. This includes actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations and actual costs and legal fees incurred in court proceedings, and responding to and defending actions relating to violations in small claims court, or any other court of competent jurisdiction.

Section 19. Developer and Association Approvals Revocable. All approvals given by the Developer or Association are a license. The Board or Developer may revoke the approval upon thirty (30) days written notice.

Section 20. Developer's Enforcement of Bylaws. The Condominium shall at all times be maintained in a manner consistent with the highest standards of a first class, beautiful, serene, private residential community for the benefit of the Co-owners and all persons having an interest in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace or landscape in a manner consistent with the maintenance of such high standards, then the Developer, or any entity to which it may assign this right at its option, may elect to maintain, repair and or replace any Common Elements or do any landscaping required by the Bylaws and charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws during the Development and Sales Period, which right of enforcement shall include without limitation an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws, and the Developer shall be permitted to recoup the cost of enforcement as provided in Article VI, Section 18 above.

ARTICLE VII
MORTGAGES

Section 1. Notification of Mortgage. Any Co-owner who mortgages their Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain the information in a book entitled "Mortgages of Units."

Section 2. Notification to Mortgagee of Insurance Company. Upon written request submitted to the Association, the Association shall notify a mortgagee appearing in the Mortgages of Units book of the name of each company insuring the Common Elements against fire and perils covered by extended coverage, and vandalism and malicious mischief and the amounts of coverage.

Section 3. Notification to Mortgagees and Guarantors. Upon written request submitted to the Association, any institutional holder of any mortgage or any guarantors of the mortgage covering any Unit shall be entitled to receive timely written notice of (i) any proposed action that requires the consent of a specified percentage of mortgagees, whether contained in the Master Deed or these Bylaws, (ii) any delinquency in the payment of assessments or other charges by a Co-owner that is not cured within sixty (60) days, and (iii) any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE VIII
MEMBERSHIP AND VOTING

Section 1. Association Membership. Each Co-owner is a member of the Association and no other person or entity is entitled to membership.

Section 2. Voting.

A. Voting Rights. Except as limited in these Bylaws, each Co-owner (including the Developer) is entitled to one vote for each Unit owned, provided that the Co-owner is in good standing. Voting is by number. In the case of any Unit owned jointly by more than one Co-owner, the voting rights associated with that Unit may be exercised only jointly as a single vote. The vote of each Co-owner may be cast only by the individual representative designated by the Co-owner in the notice required in subsection C below or by a proxy given by the individual representative. Site Unit Co-owners shall not be permitted to vote on matters pertaining exclusively to Attached Units.

B. Evidence of Ownership for Voting Purposes. No Co-owner, other than the Developer, is entitled to vote at any Association meeting until they have presented evidence of ownership of a Unit to the Association by way of a recorded Deed, recorded Land Contract or recorded Memorandum of Land Contract. No Co-owner, other than the Developer, is entitled to vote prior to the First Annual Meeting of the Members held in accordance with Article IX except as otherwise specifically provided. The vote of each Co-owner, other than the Developer, may be cast only by the individual representative designated by such Co-owner in the notice required in subsection C below or by a proxy given by such individual representative.

C. Designation of Voting Representative. Each Co-owner, except the Developer, shall file a written notice with the Association designating the individual representative who shall vote at Association meetings and receive all notices and other Association communications on behalf of the Co-owner. The notice shall state the name and address of the individual representative designated, the number or numbers of the Unit or Units owned by the Co-owner, and the name and address of each person that is the Co-owner. The Co-owner shall sign and date the notice. The Co-owner may change the individual representative designated at any time by filing a new notice in the manner provided in this subsection. At any Association meeting or where action is taken without a meeting in accordance with these Bylaws, the chairperson of the meeting or the Board may waive the filing of the written notice as a prerequisite to voting.

D. Voting Method. Votes may be cast in person, by proxy, in writing signed by the designated voting representative, or by any other means allowed by the voting procedures adopted by the Board of Directors for a given vote. The Board of Directors may permit the casting of votes by mail, personal delivery, electronic transmission, or by other Board-approved means. Any proxies, written votes or ballots or other votes cast by permitted means must be filed with the Association's Secretary or the Association's management agent at or before the appointed time of the Association meeting or voting deadline if no meeting is held.

E. Majority. Unless otherwise provided, any action that could be authorized at an Association meeting or by written vote or ballot shall be authorized by the vote of a simple majority of those Co-owners in good standing.

Section 3. Action without Meeting. Any action that may be taken at an Association meeting (except for electing or removing Directors) may be taken without a meeting by written vote or ballot of the Co-owners. Written votes or ballots shall be solicited in the same manner as provided in these Bylaws for the giving of notice of Association meetings. Such solicitations shall specify: (1) the proposed action; (2) that the Co-owner can vote for or against any such proposed action; (3) the percentage of approvals necessary to approve the action; and (4) the time by which written votes or ballots must be received to be counted. Approval by written vote or ballot shall be constituted by receipt, within the time specified in the written vote or ballot, of (1) a number of written votes or ballots that equals or exceeds the quorum that would be required if the action were taken at a meeting and (2) a number of approvals that equals or exceeds the number of votes that would be required for approval if the action were taken at a meeting. Only the Board of Directors may initiate an action under this Section.

ARTICLE IX
MEETINGS

Section 1. Place of Meetings. Association meetings shall be held at any suitable place convenient to the Co-owners as the Board may designate. Association meetings shall be guided by Roberts Rules of Order or some other generally recognized manual of parliamentary procedure when not otherwise in conflict with the Articles of Incorporation, the Master Deed or the laws of the State of Michigan. Co-owners must be in good standing to speak at Association meetings or to address the Board or Co-owners at any Association 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. Quorum. The presence in person or by proxy of 50% of the Co-owners in good standing constitutes a quorum for holding an Association meeting. The written vote or ballot of any person furnished at or prior to any Association meeting at which meeting such 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. Any Co-owner who participates by remote communication in an Association meeting, as provided in Section 6 below shall also be counted in determining the necessary quorum.

Section 3. Annual Meetings. The first annual meeting of the members of the Association may be convened only by the Developer and may be called, in the Developer's discretion, at any time on or before the earlier of the dates provided for the first annual meeting in Article X, Section 2. The date, time and place of such first annual meeting shall be set by the Board of Directors, and at least ten (10) days written notice thereof shall be given to each Co-owner. Thereafter, the Association shall hold its annual meeting in the month of May each succeeding year at such date, time and place as the Board of Directors determines. The Board may change the date of the annual meeting in any given year, provided that at least one such meeting is held in each calendar year. Written notice of each annual meeting, as well as any change in the date of the annual meeting, shall be given to all Co-owners at least ten (10) days before the date for which the meeting is or was originally scheduled. At the annual meeting, there shall be elected by ballot or acclamation 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 Association business as may properly come before them.

Section 4. Special Meetings. The President shall call a special meeting of the Co-owners as directed by Board resolution. The President shall also call a special meeting upon a petition presented

to the Association's Secretary that is signed by one third (1/3rd) of those Co-owners in good standing. Notice of any special meeting shall state the time, place and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Meetings. The Secretary or other Board authorized person shall serve each Co-owner a notice of each annual or special meeting, stating the purpose as well as the time and place where it is to be held, at least ten (10) days, but not more than sixty (60) days, prior to the meeting. Notice of Association meetings shall be mailed to the representative of each Co-owner at the address shown in the notice required to be filed with the Association pursuant to Article VIII, Section 2C of these Bylaws or to the address of the Co-owner's Unit or, in lieu of the foregoing, notice may be given by electronic transmission, or notice may be hand delivered to a Unit if the Unit address is designated as the voting representative's address or the Co-owner is a resident of the Unit. Any Co-owner may, by written waiver of notice signed by the Co-owner, waive the notice, and the waiver when filed in the Association's records shall be deemed due notice.

Section 6. Remote Communication Attendance; Remote Communication Meetings. Co-owners may participate in Association meetings by a conference telephone or by other means of remote communication through which all persons participating in the meeting may hear each other, if the Board determines to permit the participation and (a) the means of remote communication permitted are included in the notice of the meeting or (b) if notice is waived or not required. All participants shall be advised of the means of remote communication in use and the names of the participants in the meeting shall be disclosed to all participants. Co-owners participating in a meeting by means of remote communication are considered present in person and may vote at the meeting if all of the following are met: (a) the Association implements reasonable measures to verify that each person considered present and permitted to vote at the meeting by means of remote communication is a Co-owner or proxy holder; (b) the Association implements reasonable measures to provide each Co-owner and proxy holder a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Co-owners, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings; and (c) if any Co-owner or proxy holder votes or takes other action at the meeting by means of remote communication, the Association maintains a record of the vote or other action. A Co-owner may be present and vote at an adjourned Association meeting by means of remote communication if they were permitted to be present and vote by the means of remote communication in the original meetings notice given. The Board may hold an Association meeting conducted solely by means of remote communication.

Section 7. 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.

Section 8. Minutes. The Association shall keep minutes or a similar record of the proceedings of all Association meetings and, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any 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 Board of Directors shall govern the Association's affairs. The Attached Unit Directors shall be solely responsible for any matter pertaining exclusively to the Attached Units. All Directors must be Co-owners, agents of Co-owners, trustees of trusts owning Units or officers, directors, members, or employees of business entities owning Units, except for the First Board of Directors and any successors appointed by the Developer prior to the First Annual Meeting of the Co-owners held pursuant to Article IX. Except for the First Board of Directors, any Director who is delinquent in any financial obligation owed to the Association, including late fees, shall pay in full the amount due within sixty (60) days of the delinquency. During the period of delinquency, the Director shall not be permitted to vote on any delinquency matter of another Co-owner, including matters that may affect the Director's own Unit. If the Director does not comply with the delinquency cure time period, and notwithstanding the provisions of Section 6 below, the Director shall be deemed removed from the Board of Directors for the remainder of the Director's term and the vacancy shall be filled in accordance with Section 5 below. The first Board of Directors, which shall be appointed by the Developer, shall manage the affairs of the Association until a successor Board of Directors is elected at the first meeting of members of the Association convened at the time required by Article IX. The Board shall consist of six (6) members. Three (3) of the Board members shall be elected by the Co-owners of the Site Units (each a "Site Unit Director"), and three (3) of the Board members shall be elected by the Co-owners of the Attached Units (each an "Attached Unit Director"). No two Co-owners of Attached Units within a structure may serve on the Board of Directors at the same time unless necessary due to a lack of volunteers, or approved in writing by a majority of the Board members serving at the time. Directors shall serve without compensation.

Section 2. Election of Directors. The following provisions shall apply to election of the Board and Advisory Committee before and after the Transitional Control Date:

A. Advisory Committee. An advisory committee of non-Developer Co-owners shall be established either one hundred twenty (120) days after conveyance of legal or equitable title to non-Developer Co-owners of one-third (1/3rd) of the Units that may be created, or one (1) year after the initial conveyance of legal or equitable title to a non-Developer Co-owners of a Unit, whichever occurs first. The advisory committee shall meet with the Board of Directors for the purpose of facilitating communications and aiding the transition of control to the Association. The advisory committee shall cease to exist when a majority of the Board of Directors of the Association is elected by the non-Developer Co-owners.

B. Co-owner Elected Directors. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-Developer Co-owners of twenty-five percent (25%) of the Units that may be created, at least one (1) director and not less than twenty-five percent (25%) of the Board of Directors shall be elected by non-Developer Co-owners. No later than one hundred twenty (120) days after conveyance of legal or equitable title to non-Developer Co-owners of seventy-five percent (75%) of the Units that may be created, and before conveyance of ninety percent (90%) of such Units, the first annual meeting shall be called and the non-Developer Co-owners shall elect all directors on the Board, except that the Developer shall have the right to designate at least one (1) director as long as the Developer owns and offers for sale at least ten percent (10%) of the Units in the Condominium, or as long as ten percent (10%) of the Units remain that may be created.

C. Co-owner Controlled Board. Notwithstanding the formula provided in subsection B, fifty-four (54) months after the first conveyance of legal or equitable title to a non-Developer Co-owner of a Unit, if title to not less than seventy-five percent (75%) of the Units that may be created has not been conveyed, the first annual meeting shall be called and the non-Developer Co-owners have the right to

elect, as provided in the Condominium Documents, a number of members of the Board of Directors equal to the percentage of Units they hold, and the Developer has the right to elect, as provided in the Condominium Documents, a number of members of the Board equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection B. Application of this subsection does not require a change in the size of the Board as determined by the Condominium Documents.

D. Fractional Shares. If the calculation of the percentage of members of the Board that the non-Developer Co-owners have the right to elect under subsection B, or if the product of the number of members of the Board, multiplied by the percentage of Units held by the non-Developer Co-owners under subsection C results in a right of non-Developer Co-owners to elect a fractional number of members of the Board, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board that the non-Developer Co-owners have the right to elect. After application of this formula, the Developer shall have the right to elect the remaining members of the Board. Application of this subsection shall not eliminate the right of the Developer to designate one (1) member as provided in subsection B.

E. Definitions. As used in this Section, the term "units that may be created" means the maximum number of Units in all phases of the Condominium as stated in the Master Deed.

F. Election of Directors at and After the First Annual Meeting. All directors shall hold office until their successors have been elected and hold their first meeting. As long as the Developer is entitled to a seat on the Board, the Developer representative shall fill a one-year directorship.

Section 3. Powers and Duties. The Board of Directors has all powers and duties necessary for the administration of the Association's affairs and may do all acts and things as are not prohibited or restricted by the Condominium Documents or required to be exercised and done by the Co-owners or the I/DD Advisory Committee. In addition to the foregoing general powers and duties imposed by these Bylaws, or any further powers and duties which may be imposed by law or the Articles of Incorporation, the Board of Directors has the following powers and duties:

A. Management and Administration. To manage and administer the affairs of and maintenance of the Condominium and the Common Elements, all to the extent set forth in the Condominium Documents.

B. Collecting Assessments. To collect assessments from the Co-owners and to use the proceeds for the Association's purposes.

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

D. Rebuild Improvements. To rebuild improvements after casualty in the manner set forth in Article V.

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.

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 and any easements, rights-of-way and licenses) on the Association's behalf in furtherance of any Association purposes.

G. Borrow Money. To borrow money and issue evidence of indebtedness in furtherance of any and all of the purposes of the Association's business, and to secure the same by mortgage, pledge, or other lien on property owned by the Association.

H. Assign Right to Future Income. To assign its right to future income, including the right to receive Co-owner assessment payments.

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

J. Committees. To establish committees as it deems necessary, convenient or desirable and to appoint persons to the committees for implementing the administration of the Condominium and to delegate to the committees, or any specific Association Officers or Directors, any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board. An I/DD Advisory Committee shall be established and shall have all authority as provided in the Declaration.

K. Enforce Documents. To enforce the Condominium Documents.

L. Mortgage Financing. To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Co-owners which are acceptable for purchase by the Federal Home Loan Mortgage Association, the Federal National Mortgage Association, the Government National Mortgage Association and/or any other agency of the federal government or the State of Michigan.

M. Administrator. To do anything required of or permitted to the Association as administrator of the Condominium under the Condominium Documents.

N. General. In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, repair, replacement and operation of the Condominium and the Association.

Section 4. Professional Management. The Board of Directors may employ for the Association a professional management agent, which may include the Developer or any related person or entity, 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 this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board. 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 ninety (90) days' written notice. Any management contract made prior to the Transitional Control Date and extending for a period in excess of one (1) year after the Transitional Control Date shall have a provision that the period in excess of one (1) year may be voided by the Board of Directors by notice to the management agent at least thirty (30) days before the expiration of the one (1) year period. Any

management contract may provide for the collection of "set-up" or "transfer" fees by the management agent upon the initial conveyance of a Unit by the Developer and upon the subsequent conveyance of a Unit by a non-Developer Co-owner; provided that the amounts of such fees shall be a fixed by the terms of the contract with the management agent. Any set-up or transfer fee charged with respect to the purchase of a Unit from the Developer shall be paid by the purchaser of the Unit.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by Co-owner vote shall be filled by majority vote of the remaining Directors even though they may constitute less than a quorum. Each person so appointed shall be a Director until a successor is elected at the Association's next annual meeting.

Section 6. Removal of Directors. Except for those Directors that have been appointed by the Developer and that are serving in accordance with the provisions of Section 2 above, at any annual or special Association meeting 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 50% of all Co-owners, and a successor may then and there be elected to fill the vacancy thus created, with the successor Director serving until the end of the term of the Director who they replaced. Any successor Director must be either a Site Unit Director or an Attached Unit Director, to ensure that the Board composition defined in Section 1 above is maintained. The quorum requirement for the purpose of filling any vacancy shall be the normal 35% requirement. Any Director whose removal has been proposed by the Co-owners shall have an opportunity to be heard at the meeting. The Developer may remove any or all of the Directors selected by it at any time in its sole discretion.

Section 7. First Meeting of New Board. The first meeting of a newly elected Board shall be held within ten (10) days of election at a place and time as shall be fixed by the Directors at the meeting at which the Directors were elected. No notice shall be necessary to the newly elected Directors to legally constitute such meeting, provided a majority of the entire Board is present at such a meeting.

Section 8. Regular Meetings. Regular Board of Directors meetings may be held at times and places as shall be determined from time to time by a majority of the Directors. At least two (2) meetings shall be held during each fiscal year. Notice of regular Board meetings shall be given to each Director personally, or by mail, telephone or electronic transmission at least five (5) days prior to the date of the meeting, unless waived by the Director.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the president upon three (3) days' notice to each Director. Notice of special Board meetings shall be given to each Director personally, or by mail, telephone or electronic transmission. The notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president, secretary or other appropriate officer in like manner and on like notice on the written request of two Directors.

Section 10. Waiver of Notice. Before or at any Board meeting, any Director may in writing or orally waive notice of the meeting and the waiver shall be deemed equivalent to the giving of the notice. A Director's attendance at a Board meeting shall be deemed that Director's waiver of notice. If all the Directors are present at any Board meeting, no notice shall be required and any business may be transacted at the meeting.

Section 11. Quorum and Voting. The presence of a majority of the Directors at a meeting shall constitute a quorum for the transaction of business relating to the Common Budget, or the addition, modification, alteration, maintenance, repair, replacement or insurance item related to the General Common Elements (collectively, a "Common Item"), and the acts of the majority of the Directors present at a meeting at which there is a quorum shall be the acts of the Board of Directors as it relates to a Common Item. In the event of a tie vote among the Board of Directors which relates to a Common Item, the tie-breaking vote shall be cast, on an alternative basis, by majority vote of the Site Unit Directors or the Attached Unit Directors, as the case may be, in their reasonable discretion. The presence of a majority of the Site Unit Directors shall constitute a quorum for the transaction of business relating to any item or action which pertains only to the Site Units ("Site Unit Item"), and the acts of the majority of the Site Unit Directors present at a meeting at which there is a quorum of Site Unit Directors shall be the acts of the Board of Directors as it relates to a Site Unit Item. The presence of a majority of the Attached Unit Directors shall constitute a quorum for the transaction of business relating to any item or action pertaining exclusively to the Attached Units ("Attached Unit Item"), and the acts of the majority of the Attached Unit Directors present at a meeting at which there is a quorum of Attached Unit Directors shall be the acts of the Board of Directors as it relates to an Attached Unit Item. A Director will be considered present and may vote on matters before the Board by remote communication, 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. If at any Board meeting there is 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.

Section 12. Action without Meeting. Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid in the absence of a meeting if consented to in writing, including by electronic transmission, by a majority of the Board of Directors; provided, that all Board members must first be provided with at least three (3) days prior notice personally, by mail, telephone or electronic transmission, of the proposed action before any action is approved. Further, the presiding Association officer, 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, the vote constitutes valid action by the Board. The results of any vote along with the issue voted upon pursuant to this Section shall be noted in the minutes of the next Board meeting to take place.

Section 13. Closing of Board of Director Meetings to Members; Privileged Minutes. The Board of Directors, in its discretion, may close a portion or all of any meeting of the Board of Directors to the Co-owners or may permit Co-owners to attend a portion or all of any meeting of the Board of Directors. Any Co-owner has the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, and subject to any Association rules and regulations, that no Co-owner shall be entitled to review or copy any Board meeting minutes to the extent that the minutes reference any matter for which the disclosure would impair the rights of another, any 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. Remote Communication Participation. Board members may participate in any meeting by means of conference telephone or other means of remote communication through which all persons participating in the meeting can communicate with the other participants. Participation in a meeting by these means constitutes presence in person at the meeting.

Section 15. Fidelity Bond/Crime/Employee Dishonesty Insurance. The Board of Directors shall obtain fidelity bond or equivalent employee dishonesty/crime coverage in the minimum amount of a sum equal to three months aggregate assessments on all Units plus reserve funds on hand. Such fidelity bond or equivalent employee dishonesty/crime insurance covering all officers, directors, and employees of the Association and all other persons, including any management agent, handling or responsible for any monies received by or payable to the Association (it being understood that if the management agent or others cannot be added to the Association's coverage, they shall be responsible for obtaining the same type and amount of coverage on their own before handling any Association funds). The premiums for the foregoing shall be expenses of administration.

Section 16. First Board of Directors. Any reference to the "First Board of Directors" in the Master Deed, these Bylaws, or the Articles of Incorporation shall mean and refer to the Board of Directors named in the Articles of Incorporation, including any successor or additional director appointed by the First Board of Directors prior to the first annual meeting of the Association.

ARTICLE XI
OFFICERS

Section 1. Designation. The principal Association officers are a president, vice president, secretary and treasurer. All officers must be Co-owners, agents of Co-owners, trustees of trusts owning Units or officers, directors, members or employees of business entities owning Units, with at least one (1) Co-owner of a Site Unit and one (1) Co-owner of an Attached Unit serving as officers. The Directors may appoint other officers as 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. Officers shall serve without compensation.

Section 2. Appointment. The Board of Directors shall appoint the Association's officers annually and all officers shall hold office at the Board's pleasure.

Section 3. Removal. The Board of Directors may remove any officer either with or without cause, and the successor to the removed officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

Section 4. President. The president shall be the Association's chief executive officer and shall preside at all Association and Board meetings. The president has all the general powers and duties which are usually vested in the office of the president of a nonprofit corporation including, but not limited to, the power to appoint committees from among the Co-owners from time to time in the president's reasonable discretion to assist in the conduct of the Association's affairs.

Section 5. Vice President. The vice president shall take the place of the president and perform the president's duties whenever the president is absent or unable to act. If neither the president nor the vice president can act, the Board of Directors shall appoint some other Board member to so do on an interim basis. The vice president shall also perform those 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, be responsible for maintaining a record of the minutes, and of any books and other records as the Board of Directors may direct, and shall in general, perform all duties incident to the office of the secretary. The Board may delegate the duties of the secretary to a management agent.

Section 7. Treasurer. The treasurer is responsible for keeping full and accurate accounts of all receipts and disbursements in the Association's books. The treasurer shall also be responsible for depositing all money and other valuable Association papers, in the name of and to the Association's credit, in depositories that the Board may designate from time to time. The Board may delegate the duties of the treasurer to a management agent.

ARTICLE XII
FINANCES, BOOKS AND RECORDS

Section 1. Fiscal Year. The Association's fiscal year shall be an annual period commencing on a date as the Board may initially determine. The commencement date of the Association's fiscal year is subject to change by the Board of Directors for accounting reasons or other good cause.

Section 2. Banking; Investment of Funds. Association funds shall be deposited in a bank, credit union, or other depository as the Board may designate and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by Board resolution from time to time. Association funds shall only be held in accounts that are fully insured or backed by the full faith and credit of the United States Government. The Association may only invest in certificates or instruments that are fully insured or backed by the full faith and credit of the United States Government.

Section 3. Co-owner's Share of Funds. A Co-owner's share in the Association's funds and assets cannot be assigned, pledged or transferred in any manner except as a Unit appurtenance.

Section 4. Association Records and Books; Audit or Review.

A. Association Records and Books. The Association shall maintain current copies of the Condominium Documents. The Association shall also keep detailed books of account showing all expenditures and receipts of administration, which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on the Association's behalf and the Co-owners. The Association's books shall be maintained in accordance with Section 57 of the Condominium Act. Subject to any Association rules and regulations, the books, records, contracts, and financial statements concerning the administration and operation of the Condominium shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours and at mutually convenient times. 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 Board and which may be distributed by electronic transmission, provided that any Co-owner may receive a written financial statement upon written request. Any institutional holder of a first mortgage lien on any Unit shall be entitled to receive a copy of the annual financial statement within ninety (90) days following the end of the Association's fiscal year if requested in writing.

B. Audit or Review. The Association shall have its books, records and financial statements independently audited or reviewed on an annual basis by a certified public accountant, as defined in Section 720 of the occupational code (MCL 339.720); provided, however, that the Association may opt out of such certified audit or review on an annual basis by an affirmative vote of a majority of the Co-owners in good standing. Any audit or review shall be performed in accordance with the statements on

auditing standards or the statements on standards for accounting and review services, respectively, of the American Institute of Certified Public Accountants.

ARTICLE XIII
INDEMNIFICATION

Section 1. Indemnification of Directors, Officers and Volunteers. The Association shall indemnify every Director, officer and volunteer of the Association against all expenses and liabilities, including reasonable attorney fees and amounts paid in settlement incurred by or imposed upon the Director, officer or volunteer 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, officer or volunteer may be a party or in which they may become by reason of their being or having been a Director, officer or volunteer of the Association, whether or not they are a Director, officer or volunteer at the time the expenses are incurred, so long as the person acted in good faith and in a manner that they reasonably believed to be in or not opposed to the Association's best interests and, with respect to any criminal action or proceeding, had reasonable cause to believe that their conduct was lawful; provided, however, that the Association shall not indemnify any person with respect to any claim, issue, or matter as to which the person has been finally adjudged to be liable for gross negligence or willful and wanton misconduct in the performance of his duty to the Association unless and only to the extent that a court shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for those expenses as the court shall deem proper. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which the Director or officer may be entitled. The Board of Directors shall notify all Co-owners of payment of any indemnification that it has approved at least ten (10) days before payment is made. The indemnification rights of this Article shall always be construed to be consistent with those contained in the Association's Articles of Incorporation.

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 amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. 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 to a Director or officer is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms of this Article, a Director or officer shall be reimbursed or indemnified only for the excess amounts under Section 1 above or other applicable statutory indemnification.

ARTICLE XIV
COMPLIANCE

Section 1. Compliance with the Condominium Act and Condominium Documents. The Association and all present or future Co-owners, tenants, future tenants, or any other persons acquiring an interest in or using the Condominium in any manner are subject to and shall comply with the Condominium Act and the Condominium Documents. If the Condominium Documents conflict with any Statute, the Statute shall govern. If any provision of these Bylaws conflicts with any provision of the Master Deed, the Master Deed shall govern.

Section 2. Amendment. These Bylaws may be amended in accordance with the Condominium Act and the provisions of the Master Deed.

Section 3. Definitions. All terms used in these Bylaws have the same meaning as set forth in the Master Deed or the Condominium Act.

ARTICLE XV
REMEDIES FOR DEFAULT

Section 1. Default by a Co-owner. Any Co-owner default 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 or any combination of the foregoing, 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. A Co-owner's, non-Co-owner occupant's or guest's failure 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 attorneys' fees incurred in obtaining their compliance with the Condominium Documents, including actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations and actual costs and legal fees incurred in any court proceedings. 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 residents or guests, including proceedings in the appellate courts, and 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. The Association, if successful, shall also be entitled to recoup the costs and attorneys' fees incurred in defending any claim, counterclaim or other matter. All costs and attorneys' fees that the Association is entitled to recover or recoup from any Co-owner or their licensees or invitees under this Section may be assessed to the Co-owner and against the Co-owner's Unit, secured by the lien on the Co-owner's Unit, and collected in the manner provided in Article II of these Bylaws.

Section 2. Association's Right to Abate. The violation of the Condominium Documents shall also give the Association or its authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or 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 Condominium Documents. The Association has no liability to any Co-owner arising out of its exercise of its removal and abatement power.

Section 3. Assessment of Fines. The violation of the Condominium Documents by any Co-owner or their licensees or invitees shall be grounds for assessment by the Association, acting through its Board of Directors, of monetary fines for the violation in accordance with Article XVI of these Bylaws.

Section 4. Failure to Enforce Rights. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition that may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provisions, covenant or condition in the future.

Section 5. 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 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 6. Rights of Co-owners. A Co-owner may maintain an action against the Association to compel enforcement 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, but may recover fees as may be ordered by a court from another Co-owner if successful in obtaining compliance with the Condominium Documents.

Section 7. Limitation on Suits Against the Developer and Others Involved in the Condominium Prior to the Transitional Control Date. A person or entity shall not maintain an action against any Developer, residential builder, licensed architect, contractor, sales agent or manager of a Condominium arising out of the development or construction of the Common Elements, or the management, operation, or control of the Condominium prior to the Transitional Control Date, more than 3 years from the Transitional Control Date, or 2 years from the date the cause of action accrues, whichever occurs later. Further, notwithstanding any provisions in the Master Deed or these Bylaws to the contrary, the Association shall not levy any assessment or expend any Association funds for the purpose of funding otherwise permitted litigation against the Developer, or any of its affiliates or successors or assigns, relating to the development or construction of the Common Elements, or the management, operation, or control of the Condominium prior to the Transitional Control Date, without first obtaining the written approval of more than 60% of all Co-owners, after first disclosing in writing to all Co-owners the exact nature of the intended proceeding, the estimated total costs of that proceeding, the estimated total time involved for the proceeding, the name, qualifications and fee schedule of counsel proposed to be chosen by the Association to prosecute the proceeding, and the name, qualifications, fee schedule and evaluations of any architect, engineer, CPA or other professional advisor chosen or hired by the Association to evaluate and establish the basis of any claim of the Association to be pursued in the intended proceeding.

ARTICLE XVI
FINES

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

involved Co-owner. The Co-owner shall be deemed responsible for violation whether it occurs as a result of their personal actions or the actions of their family, guests, tenants or any other person admitted through the Co-owner to the Condominium.

Section 2. Procedures. Prior to imposing any fine, the Board will adhere to the following procedures:

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 reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, electronic transmission, or personal delivery, to the Co-owner at the Unit address or, if designated, the address the Co-owner designates in writing.

B. Hearing and Decision. The offending Co-owner shall be provided a scheduled hearing before the Board at which the Co-owner may offer evidence in defense of the alleged violation. Except as otherwise determined by the Board, the hearing before the Board may be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than 7 days from the date of the notice. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or if the Co-owner fails to appear at the scheduled hearing, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

Section 3. Fines. Upon violation of the Condominium Documents and upon the decision of the Board as recited above, the following fines may be levied:

FIRST VIOLATION	No fine will be levied unless the Board determines that the nature of the violation is such as to be best deterred if a fine is imposed for a first violation
SECOND VIOLATION	$25.00 Fine
THIRD VIOLATION	$50.00 Fine
FOURTH VIOLATION AND ALL SUBSEQUENT VIOLATIONS	$100.00 Fine

The Board of Directors may make changes in fine amounts or adopt alternative fines pursuant to Article VI, Section 13 of these Bylaws and without the necessity of amending 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 Condominium, and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur each successive week during which a violation continues or in such intervals as may be set forth in the Association's rules and regulations; however, no hearings other than the first hearing shall be required for successive violations if a violation has been found to exist. Nothing in this Article shall be construed as to prevent the Association from pursuing any other remedy under the Condominium Documents or the Condominium Act for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

Section 4. Collection of Fines. The fines levied pursuant to this Article shall be (a) assessed to the Co-owner and against the Co-owner's Unit, (b) secured by the lien on the Co-owner's Unit, (c) immediately be due and payable, and (d) collected in the manner provided in Article II and Article XV of these Bylaws.

ARTICLE XVII
RESERVED RIGHTS OF DEVELOPER

Any and all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or granted to the Developer or its successors shall terminate, if not sooner assigned to the Association, at the conclusion of the Development and Sales Period. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, as far as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination of any real property rights granted or reserved to the Developer or its successors and assignees in the Master Deed or elsewhere including, but not limited to, access easements, utility easements and all other easements created and reserved in such documents which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby.

ARTICLE XVIII
SEVERABILITY

If any term, provision, or covenant of these Bylaws or the Condominium Documents is held to be partially or wholly invalid or unenforceable for any reason, the holding shall not affect, alter, modify or impair in any manner any other term, provision or covenant of any documents or the remaining portion of any term, provision or covenant that is held to be partially invalid or unenforceable.