

EXHIBIT A
BYLAWS
FOREST CREEK

ARTICLE I
ASSOCIATION OF CO-OWNERS

Forest Creek, a residential Condominium Project located in the City of Ann Arbor, Washtenaw County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation (the “Association”), organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. Except as may be necessary to facilitate the borrowing of funds by the Association, the share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his or her Unit. The Association shall keep current copies of the Master Deed, all amendments in the Master Deed, and other Condominium Documents for the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

ARTICLE II
ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Co-owners thereof in accordance with the following provisions:

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

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

(a) **Budget: Regular Assessments.** The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 2(c) below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget. The annual assessments as so determined and levied shall constitute a lien against all Units as of the first day of the fiscal year to which the assessments relate. Failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish such lien or the liability of any Co-owner for any existing or future assessments.

(b) **Additional Assessments.** The Board of Directors, in its sole discretion, may levy an additional assessment at any time for the following purposes:

- (i) to meet deficits incurred or anticipated because the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium;
- (ii) to provide replacements of existing Common Elements;
- (iii) to provide additions to the Common Elements not exceeding \$5,000.00 annually for the entire Condominium Project; or
- (iv) for any emergencies, as determined in the Board of Director's sole discretion.

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

(c) **Special Assessments.** Special assessments, in addition to those described in subparagraph (a) and (b) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to:

- (i) Additions to the Common Elements of a cost exceeding \$5,000.00 for the entire Condominium Project per year.
- (ii) Any other unusual common expenses benefiting less than all the Units, or any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project or by their licensees or invitees, must be specially assessed against the Unit(s) involved, including, but not limited to, any sums owed by a Co-owner under the Condominium Documents, any previously unpaid proportionate share of expenses, irrespective of whether such proportionate share of expenses could have been assessed under any prior version of the Condominium Documents, or any other contracts entered into between a Co-owner and the Association.
- (iii) To purchase a Unit upon foreclosure of the lien for assessments described in Section 4 herein.
- (iv) For any other appropriate purpose not elsewhere herein described.

Special assessments referred to in this subparagraph (c) (but not including those assessments referred to in subparagraph 2(a) or (b) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Co-owners in number and in value. Notwithstanding the foregoing, special assessments levied under subparagraph 2(c)(ii) may be levied in the Board's sole discretion and without Co-owner consent. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

(d) **Apportionment of Assessments.** All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with each Co-owner's proportionate share of the expenses of administration as provided in Article V, Section 2 of the Master Deed and without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit except as otherwise specifically provided in the Master Deed. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in periodic installments, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means.

Section 3. Penalties for Default. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Delinquent assessments shall be subject to an interest charge of seven (7%) percent per annum on the unpaid balance. A late charge of Twenty Five Dollars (\$25.00) shall be assessed for any assessment in default paid more than ten (10) days after its due date. The Board of Directors may, upon 30 days' notice to the co-owners, change the amount of the late charge to meet the needs of the Association. Such late charge shall not be deemed to be a penalty or interest upon the funds due to the Association but is intended to constitute a reasonable estimate of the administrative costs and other damages incurred by the Association in connection with the late payment of assessments. All payments shall be applied first against late

charges, attorney fees, interest and costs and thereafter against assessments in order of oldest delinquency.

Each Co-owner (whether one or more persons or entities) shall be and remain personally liable for the payment of assessments (including interest, late charges and costs of collection and enforcement of payment) pertinent to the Co-owner's Unit which may be levied while such Co-owner is the owner thereof. In the event that there is a land contract transaction involving a Unit, the seller and the purchaser shall both be personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the subject Condominium Unit which are levied up to and including the date upon which the land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit.

Section 4. Liens for Unpaid Assessments. Sums assessed to the Association which remain unpaid, including but not limited to regular assessments, special assessments, interest, fines and late charges, shall constitute a lien upon the Unit or Units in the Project owned by the Co-owner at the time of the assessment and upon the proceeds of sale thereof. Any such unpaid sum shall constitute a lien against the Unit as of the first date of the fiscal year to which the assessment, fine or late charge relates and shall be a lien prior to all claims except real property taxes and first mortgages of record. All charges which the Association may levy against any Co-owner shall be deemed to be assessments for purposes of this Section and Section 108 of the Act.

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

Section 6. Enforcement.

(a) **Remedies.** In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments or both. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his or her Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon seven days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to (1) withhold or escrow assessments; (2) 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 agent have not provided services or management to a Co-owner in default; (3) utilize any of the General Common Elements of the Project and (4) vote at any meeting of the Association so long as such default continues. However, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his or her Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him or her. The Association may also assess fines for late payment or non-payment of assessments in

accordance with the provisions of Article XVII, Section 1(d) of these Bylaws. All of these remedies shall be cumulative and alternative.

(b) **Foreclosure proceedings.** Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Project shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law.

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

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

Section 7. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments

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

Section 8. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which acquires title to the Unit pursuant to the remedies provided in the mortgage and any purchaser at a foreclosure sale in regard to said first mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the acquisition of title by such holder, purchaser or assignee (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit). If title is acquired via deed in lieu of foreclosure, the grantee under such deed shall be fully liable to the Association for all amounts owed on the Unit.

Section 9. Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 10. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 11. Construction Lien. A construction lien (mechanic's lien) otherwise arising under Action No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to the limitations set forth in Section 132 of the Act, including the following:

(a) A construction lien (mechanic's lien) for work performed upon a Condominium Unit or upon a Limited Common Element, may attach only to the Condominium Unit upon which the work was performed.

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

(c) A construction lien (mechanic's lien) may not arise or attach to a Condominium Unit for work performed on the Common Elements not contracted by the Association of Co-owners.

(d) An Association's lien upon a Unit has priority over any construction lien in accordance with MCL 559.208.

ARTICLE III

ARBITRATION

Section 1. Scope and Election. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners or between a Co-owner or Co-owners and the Association shall, upon the election and written consent of both of the parties to any such disputes, claims or grievances, and written notice to the Association, if applicable, be submitted to arbitration and the parties thereto shall accept the arbitrators' decision as final and binding; provided that no questions affecting the claim of title to any person to any free or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration. Any agreement to arbitrate pursuant to the provisions of this Article III, Section 1 shall include an agreement between the parties that the judgment of any Circuit Court of the State of Michigan may be rendered upon any award rendered pursuant to such arbitration.

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

Section 3. Election of Remedies. Election by the parties to submit such disputes, claims or grievances to arbitration shall preclude them from litigating such disputes, claims or grievances in the Court.

Section 4. Mediation. The Association may, but is not obligated to, take enforcement action when a dispute under the Condominium Documents is solely a dispute between Co-owners involving an alleged nuisance or offensive behavior, not involving damage to the Common Elements and not involving a violation of the Association's architectural or maintenance standards. In any dispute between Co-owners, the Co-owners must first work in good faith with each other to resolve their differences before the complaining Co-owner reports an alleged violation of the Condominium Documents to the Association. A Co-owner's complaint to the Association about another Co-owner must: (a) be in writing; (b) give as much detail as possible concerning the dispute; (c) provide specific information about what informal efforts to resolve the matter were undertaken by the complaining Co-owner; and (d) provide the name, address, phone number(s), and email address(es) of the complaining Co-owner. In instances involving a dispute between two (2) or more Co-owners that has been presented to the Association, the Association may compel the disputing Co-owners to first attempt to mediate the dispute before considering any other action. All compelled mediation will be conducted by qualified outside mediators at the expense of the disputing Co-owners. In all other instances, mediation will be totally voluntary and upon agreement of the disputing parties.

ARTICLE IV

INSURANCE

Section 1. Extent of Coverage. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workers compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements and certain other portions of the Condominium Project as set forth below, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) **Responsibilities of Co-owners and Association.** All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners. Each Co-owner may obtain insurance coverage at his or her own expense upon his or her Unit. It shall be each Co-owner's responsibility to determine by personal investigation or from his or her own insurance advisors the nature and extent of insurance coverage adequate to his or her needs and thereafter to obtain insurance coverage for his or her personal property and any additional fixtures, equipment and trim (as referred to in subsection (b) below) located within his or her Unit or elsewhere on the Condominium and for his or her personal liability for occurrences within his or her Unit or upon Limited Common Elements appurtenant to his or her Unit, and also for alternative living expense in event of fire, and the Association shall have absolutely no responsibility for obtaining such coverages. The Association, as to all policies which it obtains, and all Co-owners, as to all policies which they obtain, shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right to subrogation as to any claims against any Co-owner or the Association, except that such waiver shall not excuse the Co-owner from liability for amounts due under Article VI, Section 15 of the Bylaws.

(b) **Insurance of Common Elements and Fixtures.** All Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Association in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium Project with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total project destruction if the insurance proceeds failed, for some reason, to be equal to the total costs of replacement). All information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours so that Co-owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting to change the nature and

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

(c) **Premium Expenses.** All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(d) **Proceeds of Insurance Policies.** Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article I of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

(e) **Determination of Primary Carrier.** It is understood that there may be overlapping coverage between Co-Owners' policies and those of the Association, as required to be carried pursuant to this Article. In situations where both coverage/policies are applicable to given loss, the provisions of this subsection shall control in determining the primary carrier.

(i) **Association's Insurance.** The Association's insurance will be primary, and the Co-owner's insurance will be secondary after the Association's insurance is exhausted, in the following circumstances:

(1) In cases of property damage to the General Common Elements or Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed; and

(2) In cases of liability for personal injury or otherwise, for occurrences in/on the Unit or in/upon a Limited Common Element for which Association is assigned responsibility for maintenance, repair, and

replacement pursuant to provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments).

(ii) **Co-owner's Insurance.** The Co-owner's insurance will be primary, and the Association's insurance will be secondary after the Co-owner's insurance is exhausted, in the following circumstances:

(1) In cases of property damage to the Unit and its contents, Limited Common Element or other element of property for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments), or incidental or consequential damages to any other unit resulting from an item, element, or occurrence for which Co-owner is assigned responsibility in Article IV of the Amended and Restated Master Deed; and

(2) In cases of liability for personal injury or otherwise, for occurrences in/on the Unit or in/upon a Limited Common Element for which Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments).

In all cases where the Association policy/carrier is not deemed the primary policy/carrier, if the Association's policy/carrier contributes to payment of loss, the Association's liability to the Co-owner shall be limited to the amount of insurance proceeds, and shall not in any event require or result in the Association paying or being responsible for any deductible amount under its policies. In cases where the Co-owner's policy is deemed primary for the purposes of covering losses where damage is incidental or caused by a General Common Element or the repair or replacement thereof, the insurance carrier of the Co-owner shall have no right of subrogation against the Association or its carrier.

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

Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

ARTICLE V

RECONSTRUCTION OR REPAIR IN THE EVENT OF A CASUALTY

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

(a) **Partial Damage.** If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by an affirmative vote of 67% or more of the Co-owners and 51% of the holders of first mortgages in the Condominium that the Condominium shall be terminated.

(b) **Total Destruction.** If the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt unless 80% or more of the Co-owners in value and in number agree to reconstruction by vote or in writing within 90 days after destruction.

Section 2. Repair in Accordance with Master Deed, Etc. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless holders of at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated is obtained plus 67% of the Co-owners in number and in value shall consent to do otherwise.

Section 3. Co-owner Responsibility for Repair.

(a) **Definition of Co-owner Responsibility.** If the damage is only to a part of a Unit which is the responsibility of a Co-owner to maintain and repair, it shall be the responsibility of the Co-owner to repair such damage in accordance with subsection (b) hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

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

the Co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

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

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

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

(a) **Taking of Unit.** In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Co-owner and Co-owner's mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and the Co-owner's mortgagee, as their interests may appear.

(b) **Taking of Common Elements.** If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

(c) **Continuation of Condominium After Taking.** In the event the Condominium continues after taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then the Master Deed shall also be amended to reflect

such taking and to proportionately re-adjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium of one hundred (100%) percent. A Condominium Unit partially taken shall receive a reallocated percentage of value based pro rata on the percentage taken. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner, but only with the prior approval of 51% of the votes of eligible holders of first mortgage liens on individual Units in the Condominium.

Section 6. Notification of FHLMC and FNMA. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLM") or by the Federal National Mortgage Association ("FNMA") then, upon request therefor by FHLMC, or FNMA, as the case may be, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000.00 in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC or FNMA exceeds \$1,000.00.

Section 7. Priority of Mortgagee Interests. Nothing contained in the Condominium documents shall be construed to give a Co-owner or any other party priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

Section 1. Residential Use. Units must be used for residential purposes only. No Unit shall be used for any commercial, manufacturing, industrial or business purposes that create any nuisances or liability exposures, such as, but not limited to, customer/client/patient visits, noise, traffic or parking congestion, odors, vibrations or anything else that might detract from the peaceful and residential character of Forest Creek. Subject to the foregoing and all other applicable restrictions, home offices are not necessarily forbidden. Timesharing and interval ownership is prohibited.

Section 2. Leasing and Rental.

(a) **Notice Requirement; Minimum Allowable Terms.** A Co-owner desiring to rent or lease a Condominium Unit, shall disclose that fact in writing at least twenty-one (21) days before leasing the Condominium Unit and shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. The Association may also require the use of a standard lease form. If no lease form is to be used, then the Co-owner shall supply the Association with the name and address of the potential lessee or other occupant(s), along with the amount and due dates of any rental or compensation payable to the Co-owner and the term of the proposed arrangement. Co-owners who do not live in the Unit they own shall keep the Association informed of their current correct address, phone number(s), and an

emergency phone number. No such lease shall be for a term of less than six (6) months without the prior written approval of the Board of Directors. Only entire units may be rented or leased. All leases shall prominently recite that the tenant is acknowledging receipt of all Condominium Documents and agrees to comply with same.

(b) **Mandatory Initial Residency Requirement.** No Co-owner shall be permitted to rent or lease a Unit until they have continuously resided in such Unit for at least one (1) year, except that this restriction shall not be applicable to the interests of the Federal Housing Association (FHA) or any other lender or underwriter affected by FHA Mortgage Regulations. No unit may be rented if the resulting number of units being rented at that time would exceed twenty-five (25%) percent of the units in the Condominium.

(c) **Compliance with Leasing Requirements.** The Board of Directors shall not approve any proposed rental or lease if:

(i) The Co-owner failed to provide the Board of Directors with an exact copy of the proposed lease at least twenty-one (21) calendar days in advance of the commencement date of the lease;

(ii) The proposed lease fails to prominently state that all occupants of the unit shall comply with all provisions of the Condominium Documents (Master Deed, Condominium Bylaws and Rules & Regulations);

(iii) The proposed lease does not provide that failure to comply with the Condominium Documents constitutes a default under the lease; and/or

(iv) The proposed lease does not provide that the Board has the power to terminate the lease or to institute an action to evict the tenant and for money damages after fifteen (15) days' prior written notice to the Co-owner in the event of a default by the tenant in the performance of the lease, including for violation of any provisions of the Condominium Documents.

(d) **Grandfathering Provision for Leasing Requirements.** Any Co-owner whose unit was subject to a Board approved rental or leasing agreement at the time that these Bylaws are adopted shall be exempt from application of the provisions of Article VI, Section 2 (b) to that unit for as long as that Co-owner maintains ownership of the unit. The exemption for that unit shall expire upon the first sale or transfer of the unit.

(e) **Rental Unit Defined.** A unit shall be deemed to be a "rental unit" for purposes of these restrictions if there is no owner of public record in occupancy.

(f) **Board's Authority to Allow Temporary Leasing.** If the proposed rental would result in more than twenty-five (25%) percent of the units being rental units, the Board of Directors may approve the temporary leasing or rental of the proposed condominium unit for a period of time not to exceed one year if one of the following circumstances is documented in a written request submitted to the Board of Directors:

- (i) the Co-owner needs to relocate because of a job transfer more than fifty miles from the current job location;
- (ii) the Co-owner has died and the Co-owner's personal representative or trustee desires to lease or rent the unit during the administration of the estate or trust of the deceased Co-owner;
- (iii) the Co-owner has been called to active duty in the armed forces of the United States;
- (iv) the Co-owner has been transferred to an extended care medical facility; or
- (v) other objectively verifiable hardships related to the health of the Co-owner.

Section 3. Violation of Condominium Documents by Tenants or Non-Co-owner Occupants. If the Association determines that the tenant or non-Co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:

- (a) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant or non-Co-owner occupant.
- (b) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or non-Co-owner occupant or advise the Association that a violation has not occurred.
- (c) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its own behalf an action for eviction against the tenant or non-Co-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-Co-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this subsection may be by summary proceedings. The Association may hold both the tenant or non-Co-owner occupant and the Co-owner liable for any damages caused by the Co-owner or tenant or non-Co-owner occupant in connection with the Condominium Unit or the Condominium and for actual legal fees incurred by the Association in connection with legal proceedings hereunder.

Section 4. Arrearage in Condominium Assessments. When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Condominium Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant. The form of

lease used by any Co-owner shall explicitly contain the foregoing provisions. Pursuant to the Michigan Condominium Act, if the tenant, after being notified, fails or refuses to remit rent otherwise due the Co-owner to the Association of Co-owners, then the Association of Co-owners may do the following:

- (a) issue a statutory notice to quit for nonpayment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.
- (b) initiate proceedings pursuant to MCL 559.212(4)(b).

Section 5. Alterations and Modifications of Units and Common Elements. No Co-owner shall make alterations in exterior appearance or make structural modifications to the Co-owner's Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, Limited or General, without the advance express written approval of the Board of Directors (which approval shall be in recordable form), including, but not by way of limitation, exterior painting or the erection of decks, antennas, lights, aerials, awnings, doors, shutters, newspaper holders, mailboxes, basketball hoops/backboards or other exterior attachments or modifications, nor shall any Co-owner damage or make modifications or attachments to walls between Units which in any way impair sound conditioning. Over the air reception devices including but not limited to satellite dish antennas shall not be attached or installed upon any General Common Element roof; such devices shall not be attached or installed upon any other General Common Element without the advance written permission of the Board of Directors. Over the air reception devices such as satellite dish antennas may be installed within Units or Limited Common Elements in accordance with the rules and regulations of the Federal Communications Commission. No attachment, appliance or other item may be installed which is designed to kill or repel insects or other animals by light or humanly audible sound.

The foregoing is subject to the applicable provisions of the Michigan Condominium Act 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 Act at MCL 559.147 a, as amended from time to time.

The Co-owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Co-owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the same manner as provided for the collection of assessments in Article II hereof. The Co-owner shall indemnify and hold the Association harmless from and against any and all costs, damages, and liabilities incurred in regard to said modification and/or improvement.

No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves 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 or reinstalling any materials, (whether or not installation thereof has been approved hereunder), that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

Section 6. Activities. No unsafe, unsanitary, unlawful or nuisance activity shall be carried on in any Unit or upon the Common Elements, Limited or General, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No hibachi, gas-fired grill, charcoal grill, smoker, or other similar device used for cooking, heating, or any other purpose, shall be used or kindled on any balcony or under any overhanging portion or within ten (10') feet of any structure. No unreasonably noisy activity shall be carried on in or on the Common Elements or in any Unit at any time. No Co-owner shall do or permit anything to be done or keep or permit to be kept in the Co-owner's Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: the use of fireworks, sparklers, paintball guns, air rifles, pellet guns, b-b guns, bows and arrows, or other similar dangerous weapons, projectiles or devices and the illegal use of any firearm.

Section 7. Pets. The following restrictions shall apply to pets:

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

animal on the premises, whether or not the Association has given its permission therefore.

(h) Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner.

(i) The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium.

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

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

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

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

Section 8. Aesthetics. The Common Elements shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. No unsightly condition shall be maintained on any patio, porch, balcony or deck and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such are not reasonably in use. Trash receptacles shall be maintained in areas designated therefore at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. In general, no activity shall be carried on nor condition maintained by a Co-owner, either in Co-owner's Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium at the discretion of the board.

Section 9. Vehicles. The following restrictions shall apply to vehicles:

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

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

(c) The Association retains the authority to issue parking permits for vehicles parked within the Common Elements of the Condominium Project. These permits are designed to regulate and manage parking access to ensure the efficient use of parking spaces and compliance with Condominium regulations.

(i) Permit Issuance Period: The Association will allocate a period of two months during which Co-owners are encouraged to request and obtain parking permits for their vehicles. This two-month window allows for a reasonable timeframe for Co-owners to obtain the necessary permits for their vehicles.

(ii) The association will make reasonable efforts to inform Co-owners and residents of the parking permit requirement, the two-month issuance period, and the consequences of parking without a valid permit, including the possibility of vehicle removal. Such notifications may include written notices, electronic communication, and signage within the Condominium Project.

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

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

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

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

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

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

(j) All other use of motorized vehicles anywhere on the Condominium Premises, other than passenger cars, authorized maintenance vehicles and commercial vehicles as provided in this Section 9, is absolutely prohibited.

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

(l) Enforcement: Subject to the notice, location, and content requirements of MCL 257.252k of the Michigan Vehicle Code, the Association may authorize the removal of any vehicle that remains parked on Common Elements without a permit for a continuous period exceeding four hours or for any other violation of this Section 9. The cost of such removal may be assessed to and collected from the Co-owner of the Unit responsible for the presence of the vehicle in the manner provided in Article II above. In such case, the Co-owner will be responsible for the costs incurred in having a towing company respond, even if the vehicle is moved and properly parked before the towing contract arrives at the Condominium.

Section 10. Advertising and Flags. No signs, notices, or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, except with prior written permission from the Association. No standards, colors, ensigns, penants, or flags (other than a flag of the United States of America no larger than 3' x 5' permitted by the Freedom to Display the American Flag Act of 2005, 4 U.S.C. § 5, or MCL 559.156a) may be displayed that are visible from the exterior of a Unit without the prior written permission of the Association.

Section 11. Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaw concerning the use of the Condominium may be made and amended from time to time by the Board of Directors of the Association. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners; any new provisions shall take effect 30 days from the furnishing of such notice.

Section 12. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repair to prevent damage to Common Elements or to another Unit. It shall be the responsibility of each Co-owner to provide the Association means of access to Co-owner's Unit and any Limited Common Elements appurtenant thereto during all periods of absence, and in the event of the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for any necessary damage to Co-owner's Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 13. Landscaping.

(a) No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements without the prior written approval of the Association, except to plant shrubs or flowers that are legal, non-dangerous and non-nuisance creating in a bed around the perimeter of the foundation of their respective unit up to a limit of 18 inches from the outside of the foundation wall.

(b) Any landscaping installed by the Co-owner pursuant to this Section 13 shall be maintained by the Co-owner and the Association shall have no responsibility for its maintenance.

(c) The Board of Directors shall have the authority to update the parameters of sub-section (a), above, as needed to suit the needs of the Association. These parameters include but are not limited to the distance limit from the foundation, for the creation of specific areas where such plantings are not allowed, and for the prohibition of specific plant types and/or species. Notice of such changes shall be furnished to Co-owners at least thirty (30) days before such changes take effect.

(d) Should, for any reason, the Association remove landscaping installed by a Co-owner, the association will charge the cost of removal to the unit that the co-owner is or was residing in. That Co-owner shall also indemnify the Association for any loss of the plants.

Section 14. Common Element Maintenance. Sidewalks, yards, landscaped areas, driveways, roads, parking areas, and porches shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements. Use of any recreational facilities in the Condominium may be limited to such time and in such manner as the Association shall determine by duly adopted rules and regulations.

Section 15. Co-owner Maintenance. Each Co-owner shall maintain his or her Unit and any Limited Common Elements appurtenant thereto for which he or she has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from damage to or misuse of any of the Common Elements by Co-owner(s), or Co-owner's family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the Co-owner in the manner provided in Article II hereof.

Section 16. Smoking. "Smoking" or to "smoke" refers to the inhaling, exhaling, burning, or vaporizing of any form of tobacco, tobacco-like product, cannabis (also known as marijuana), or cannabis-like product, including the inhalation of the smoke of burning tobacco, tobacco-like products, cannabis, or cannabis-like products. Smoking of any kind, including e-cigarettes and vapes, is strictly prohibited in any interior buildings or structures within the

Condominium Project, including within a Unit and parking garage. This section shall not be construed as to prohibit the smoking or cooking of meat or other food products in a patio grill, smoker, or other such similar device.

Section 17. Solar Energy Systems. The Association will adopt a written solar energy policy statement (“Solar Energy Policy”) that sets forth the terms and conditions under which solar energy systems may be installed by Co-owners. Unless the Homeowners’ Energy Policy Act, Act 68 of 2024, (the “Energy Policy Act”), is found to be unenforceable under Michigan law or is repealed, the Solar Energy Policy shall comply with the Energy Policy Act. The Solar Energy Policy may include any conditions or requirements permitted to be included that are not prohibited by the Energy Policy Act. Co-owners may install solar energy systems, as defined by the Energy Policy Act, only if the installation of the solar energy system complies with the Association’s written Solar Energy Policy.

Section 20. Energy-Saving Improvements or Modifications. The Association may adopt a policy statement regarding the installation of energy-saving improvements or modifications (“Energy-Saving Improvements Policy”) that sets forth the terms and conditions under which energy-saving improvements or modifications may be installed by Co-owners. Unless the Energy Policy Act is found to be unenforceable under Michigan law or is repealed, the Energy-Saving Improvements Policy will comply with the Energy Policy Act. The Energy-Saving Improvements Policy may include any conditions or requirements that are not prohibited by the Energy Policy Act. Co-owners may install energy-saving improvements or modifications, as defined by the Energy Policy Act, only if the installation of the energy-saving improvements or modifications complies with the Association’s Energy-Saving Improvements Policy.

To the extent allowed by the Energy Policy Act, the Energy-Saving Improvements Policy will include the following provisions: 1) the Co-owner is responsible for all costs, liability, insurance, installation, repair, maintenance, and replacement of the energy-saving improvement or modification, including any related electricity costs; 2) the Co-owner will indemnify the Association for any liability arising out of the energy-saving improvement or modification; and 3) the energy-saving improvement or modification must be installed in accordance with the manufacturer’s specifications. The Board, without the necessity of an amendment to these Amended and Restated Bylaws, may make changes regarding energy-saving improvements and modifications through Rules and Regulations so long as such changes are not prohibited by these Amended and Restated Bylaws or the Energy Policy Act.

ARTICLE VII

MORTGAGES

Section 1. Co-owner Duty to Give Notice. Any Co-owner who mortgages their Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled “Mortgages of Units”.

Section 2. Association Duties to Give Notices. The Association, upon receiving written notice, shall promptly issue notice to each holder or guarantor of a first mortgage happening of any of the following:

- (a) Any proposed amendment of the condominium documents effecting a change in (i) the boundaries of any unit or the exclusive easement rights appertaining thereto and/or (ii) interests in the general or limited common elements appertaining to any unit or the liability for common expenses appertaining thereto and/or the number of votes in the Association appertaining to any unit;
- (b) The purposes to which any unit or the common elements are restricted;
- (c) Any proposed termination of the condominium project;
- (d) Any condemnation loss or any casualty loss which affects a material portion of the condominium or which affects any unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;
- (e) Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgagee of such eligible holder, insurer or guarantor, where such delinquency has continued for sixty (60) days;
- (f) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.
- (g) The issuance of notice of an official meeting of the membership in which case each holder, insurer or guarantor of a first mortgage shall be allowed to designate a representative to attend such meeting.

ARTICLE VIII

VOTING

Section 1. Vote. Except as limited in these Bylaws, each Co-owner shall be entitled to one (1) vote for each Unit owned by such Co-owner.

Section 2. Eligibility to Vote. No Co-owner shall be entitled to vote at any meeting of the Association until they have presented a deed or other evidence of ownership of a Unit in the Condominium to the Association. Land contract vendees shall be recognized as owners unless the vendor provides the Association with a copy of the land contract expressly reserving voting privileges to the vendor. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. No Co-owner who is in default of a duty to pay any sum to the Association shall be entitled to vote until such default is cured.

Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the

Association on behalf of such Co-owner. Such notice shall state the name, address and telephone number of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name, address and telephone number of each person, firm, corporation, partnership, association, trust, or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

Section 4. Quorum. The presence in person or by proxy of twenty-five percent (25%) of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association. The written ballot of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the ballot is cast.

Section 5. Voting. Votes may be cast in person, by proxy, by a written ballot (which includes ballots cast via email) duly signed by the designated voting representative not present at a given meeting in person or by proxy, or by another other means allowed by the voting procedures adopted by the Board for a given vote, provided the same are not in vioaltion of the provisions of these Amended and Restated Bylaws or Michigan law. Proxies and any ballots must be filed with the Secretary of the Association, or such other person as the Association shall designate, at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than fifty (50%) percent in number of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association.

Section 7. Action without Meeting. Any action that may be taken at a meeting of the members may be taken without a meeting by written vote of the members. Written votes must be solicited in the same manner as provided in these Amended and Restated Bylaws for the giving of notice of meetings of members. Such solicitations must specify (a) the value of responses needed to meet the quorum requirements, (b) the percentage of approvals necessary to approve the action, and (c) the time by which written votes must be received in order to be counted. The form of written vote must afford an opportunity to specify a choice between approval and disapproval of each matter and provide that where the member specifies a choice, the vote will be cast in accordance with that choice. Approval by written vote will be constituted by receipt, within the time period specified in the solicitation, of (i) a value of written votes which equals or exceeds the quorum that would be required if the action were taken at a meeting and (ii) a value of approvals that equals or exceeds the value of votes that would be required for approval if the action were taken at a meeting at which the total value of votes cast was the same as the total value of written votes cast.

ARTICLE IX

MEETING

Section 1. Location; Procedure. Meetings of the Association shall be held at such suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Robert's Rules of Order, when not otherwise in conflict with the Articles of Incorporation, the Condominium Bylaws, the Condominium Master Deed or the laws of the State of Michigan.

Section 2. Annual Meeting; Agenda. Annual Meetings of members of the corporation shall be held at such date, time and place as the Board of Directors shall direct. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article X of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Corporation as may properly come before them. At the Annual Meeting of members, the order of business shall be as follows, unless otherwise determined by the Board of Directors:

- (a) Calling the meeting to order.
- (b) Proof of notice of the meeting.
- (c) Determination of Quorum.
- (d) Reading of minutes of the last previous Annual Meeting.
- (e) Reports from officers.
- (f) Reports from committees.
- (g) Election of directors.
- (h) Other business.

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

Section 4. Membership Meeting Notices. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner of record, at least ten (10) calendar days but not more than sixty (60) calendar days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association by

Article VIII, Section 3 of the Condominium Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association shall be deemed due notice. Each member shall be deemed to have consented to receiving notices electronically (email or text) if they provide the Association with their email/text address. Proxy and written ballot forms shall be distributed with the first notice of all business meetings.

Section 5. Adjournment for Want 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. At any such re-scheduled meeting the quorum requirement shall be reduced to ten percent (10%) of the Co-owners entitled to vote, except for voting on questions specifically provided herein to require a greater quorum.

Section 6. Appointment of Election Tellers. The Board of Directors shall appoint two (2) Co-owners who are not candidates or spouses or cohabitants of any candidates to serve as tellers of the ballots cast in every election, or with the consent of a majority of those in attendance, one or more representatives of the management company may serve as a ballot teller. It shall be the duty of such tellers to oversee the counting and tallying of the ballots so as to assure that the ballots are fairly and accurately handled and counted.

Section 7. Participation by Remote Communication. A member may participate in a meeting of the members via telephone or other means of remote communication if all persons participating in the meeting may communicate with each other. All participants will receive notice of the means of remote communication in use and the names of the participants in the meeting will be divulged to all members. Members participating in a meeting via remote communication are considered present in person and may vote at such meeting if all the following are met: (a) the Association implements reasonable measures to verify that each person considered present and permitted to vote at the meeting via remote communication is a member or proxy holder; (b) the Association implements reasonable measures to provide each member and proxy holder a reasonable opportunity to participate in the meeting and vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings; and (c) if any member or proxy holder votes or takes other action at the meeting via remote communication, a record of the vote or other action is maintained by the Association. The Association may hold a meeting of the members conducted solely via remote communication.

Section 8. Consent of Absentees. The transactions of any meeting of members, either annual or special, will be as valid as though made at a meeting held after regular call and notice if a quorum is present either in person, by proxy, or by absentee ballot and if, either before or after the meeting, each of the members not present in person, by proxy, or by absentee ballot signs a written waiver of notice or a consent to the holding of such meeting or there is an approval of the minutes. All such waivers, consents, or approvals must be filed with the corporate records or made a part of the minutes of the meeting.

Section 9. Minutes; Presumption of Notice. Minutes or a similar record of the proceedings of all meetings of members and the Board must be kept by the Association and, when signed by the President or Secretary, are presumed accurate. A recitation in the minutes of any such meeting that notice of the meeting was properly given is prima facie evidence that such notice was given.

ARTICLE X

BOARD OF DIRECTORS

Section 1. Eligibility; Compensation Prohibited. The affairs of the Association shall be governed by a Board of Directors, all of whom must be members of the Association except that officers, partners, trustees, employees or agents of members that are legal entities and not individual persons may be designated by such entities to serve as directors, if elected, of the corporation. Directors shall serve without compensation, whether by salary, stipend or otherwise except that they may be reimbursed for their out of pocket expenses incurred in the performance of their duties. No candidate for election or appointment to the Board of Directors shall be eligible if delinquent in the payment of any sum of money owed to the Association. Only one person per unit shall be eligible as a candidate notwithstanding the fact that the unit is jointly owned by two or more persons and/or entities. If a member is a partnership, then only a partner thereof shall be qualified and eligible to serve as a director. If a member is a corporation, then only a shareholder or a director thereof shall be qualified and eligible to serve as a director. If a member is a trust, then only a trustee or beneficiary of the trust shall be qualified and eligible to serve. Any co-owner landlord who is neither a partnership nor a corporation shall be qualified and eligible to serve as a director only in his or her individual capacity and the tenant or agent of such landlord shall not be qualified or eligible to serve as a director. No more than two non-resident co-owners may serve on the Board of Directors at any time. Each Director is obligated to provide such information and documentation as may be necessary for the Association to file a Beneficial Owner Information Report under the Corporate Transparency Act, 31 USC § 5336.

Section 2. Size, Terms of Office. The Board of Directors shall be composed of five (5) persons who shall manage the affairs of the corporation. Directors shall serve until their successors take office which shall be deemed to be at the time of their election. The term of office for each Director shall be two (2) years with terms staggered so that the terms of three or two board members, respectively, shall commence at the same time.

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

- (a) Management and administration of the affairs of and maintenance of the condominium project and the common elements thereof.

(b) To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.

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

(d) To rebuild improvements after casualty.

(e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the condominium project.

(f) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

(g) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien, on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than fifty (50%) percent of all of the members of the Association entitled to vote and present in person, by proxy or by written ballot.

(h) To establish and maintain a reserve fund for the periodic maintenance, repair and replacement of the Common Elements as required by the Act.

(i) To make rules and regulations in accordance with Article VI, Section 11 of the Condominium Bylaws.

(j) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

(k) To enforce the provisions of the Condominium Documents.

(l) The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed above, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium documents required to be performed by or have the approval of the Board of Directors or the members of the Association.

Section 4. Vacancies; Automatic Resignation. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director until a successor is elected at the next Annual Meeting of the Association. The Board may consider past service to the Association as a factor in the selection of any of its appointees; no Co-owner shall be eligible for appointment if delinquent in the payment of any amount owed the Association. In the event that any director is absent, without having given prior notice of the absences to the Association, from three board meetings in a calendar year, computed from annual meeting to annual meeting, he or she will be deemed to have resigned. Any director who is deemed to have resigned by three missed meetings in the year may submit a written request for reconsideration within ten business days from the date of the third missed meeting. The remaining board members will consider any matters raised in the written request for reconsideration at its next regularly scheduled meeting and take whatever action it deems appropriate.

Section 5. Recall. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by affirmative vote of at least fifty-one (51%) percent of the entire membership and a successor may then and there be elected to fill any vacancy thus created. Any Director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting.

Section 6. First Meetings of Boards. The first meeting of a newly elected Board of Directors shall be held within thirty(30) calendar days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected. No other notice shall be necessary to the newly elected Directors to constitute a duly called first meeting.

Section 7. Regular Board Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, fax, telephone or email, at least ten (10) days prior to the date named for such meeting. Directors may vote electronically (email or text) and if all Directors concur in doing so the vote shall have the same effect as if a meeting had been physically held. Directors may also participate in meetings via conference call or other means of remote communication by which all persons can communicate with each other.

Section 8. Special Board Meetings. Special meetings of the Board of Directors may be called by the President on three (3) calendar days' notice to each Director, given personally, by mail, fax, telephone or email, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of one Director. Directors may vote electronically (email or text) and if all Directors concur in doing so the vote shall have the same effect as if a meeting had been physically held. Directors may also participate in meetings via conference call or other means of remote communication by which all persons can communicate with each other.

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

Section 10. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. A Director may join in the action of a meeting by signing and concurring in the minutes thereof, and that shall constitute the presence of such Director for purposes of determining a quorum.

Section 11. Fidelity Bonds/Employee Dishonesty Insurance. The Board of Directors shall require that all directors, officers, agents and employees of the Association handling or responsible for Association funds and/or property shall be covered by adequate fidelity bonds and/or employees' dishonesty insurance purchased by the Association. The premiums on such bonds and/or insurance shall be expenses of administration. Such bonds and/or insurance shall not be less than the estimated maximum of funds held by the Association at any time, including maximum expected reserve funds and in no event less than a sum equal to three months aggregate assessments on all units plus reserve funds.

Section 12. Executive Sessions. The Board of Directors, in its discretion, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes which reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

Section 13. Conflicts of Interest. In the event any director shall have any relationship with, or interest in, any person or entity with whom or which the Association may have any contractual dealings, such director shall have an affirmative duty to disclose such relationship or interest, in writing, to the Board of Directors at a Board meeting as soon as such contractual dealings are contemplated or initiated.

ARTICLE XI

OFFICERS

Section 1. Officers; Compensation Prohibited. The principal officers of the Association shall be a President, a Secretary and a Treasurer, all of whom shall be members of the Association and members of the Board of Directors. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. No two offices may be held simultaneously by one person. Officers shall serve without compensation, whether by salary, stipend or otherwise except that they may be reimbursed for their out of pocket expenses incurred in the performance of their duties. Each officer is obligated to provide such information and documentation as may be necessary for the Association to file a Beneficial Owner Information Report under the Corporate Transparency Act, 31 USC § 5336

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

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

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

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of the meetings of the members of the Association; have charge of such books and papers as the Board of Directors may direct; and, in general, perform all duties incident to the office of the Secretary. The Secretary, or, in the absence or disability of the Secretary, the Treasurer, shall sign the minutes upon approval. Any Co-owner shall be entitled to obtain a copy of the approved and signed minutes except minutes of executive sessions of the Board; the Association shall have the right to require advance payment of the reasonable cost of providing requested copies of minutes.

Section 6. Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall review and oversee payment of all invoices. The Treasurer shall monitor the reserve funds of the Association and consult with the Board as necessary concerning such funds. All decisions concerning reserve funds shall be made by the Board and shall not be delegated to any third party. Withdrawals from reserve funds shall be approved in advance by signature of at least one

director if payable to the Association; if payable to any other party the signature of at least two directors shall be required. Reserve funds shall be used only for such purposes as are permitted under Michigan law. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors. The Treasurer may appoint a Budget Committee comprised of one or more Co-owners and Directors selected at the discretion of the Treasurer which shall consult with the Treasurer and the Board as to all budget matters; the Board shall have the sole responsibility to approve the budget.

Section 7. Miscellaneous. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE XII

FINANCE AND RECORDS

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours, subject to Section 4 below. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited or reviewed annually by an independent certified public accountant, as defined in MCL 339.720 of the Occupational Code. The Association may opt out of the requirements imposed by the preceding sentence on an annual basis by an affirmative vote of a majority of its members. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit or review and any accounting expenses shall be expenses of administration.

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

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

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

(a) In order to review the records the requesting Co-owner must submit a request in writing to the Board of Directors in care of the management agent (or if there is no management agent, to the Secretary of the Association).

(i) The request must state with reasonable particularity which books and records the Co-owner seeks to review, and must state the proper purpose for the review. A proper purpose is one that is reasonably related to the person's interest as a Co-owner.

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

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

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

(i) The Co-owner will be responsible for payment of the actual costs of all reproductions or copies of the requested documents. The Co-owner shall be informed of the per page copying cost before copies are made.

(ii) The Co-owner shall be responsible for payment for time spent by management agent personnel at the rate set by the management contract.

(c) The Association may deny a request to inspect the records within five (5) business days of the receipt of the Co-owner's initial request if it is determined that the request does not describe with reasonable particularity the books or records to be inspected; is not for a proper purpose; might impair the privacy rights of the members; or might impair the lawful purposes of the Association.

(d) These procedures shall also apply to requests for copies of books and records made by mortgagees of Units.

ARTICLE XIII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Indemnification of Directors and Officers. The Association shall indemnify any person who was or is party or is threatened to be made a party to a threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, other than an action by or in the right of the Association, by reason of the fact that he or she is or was a Director, Officer, or employee of the Association, against expenses, including attorneys' fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action, suit or proceeding, if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association or its members, was not guilty of willful and wanton misconduct or gross negligence and, with respect to a criminal action or proceeding, if the person had no reasonable cause to believe his or her conduct was unlawful. The termination of an action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Association or its members and, with respect to a criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful or was not guilty of willful and wanton misconduct or gross negligence; provided, however, that in the event of any claim for reimbursement or indemnification hereunder based upon settlement by the Director, Officer or other person seeking such reimbursement or indemnification, the indemnification provided for herein shall apply only if the Board of Directors (with the person seeking reimbursement or indemnification abstaining) approves such settlement and reimbursement or indemnification as being in the best interest of the Association. The foregoing right of reimbursement or indemnification shall be in addition to and not exclusive of other rights to which such Director, Officer or other person may be entitled. At least ten days prior to payment of any reimbursement or indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof.

The Association shall indemnify any person who was or is party or is threatened to be made a party to a threatened, pending or completed action or suit in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a Director, Officer, or employee of the Association, against expenses, including attorneys' fees and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action or suit, if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association or its members and was not guilty of willful and wanton misconduct or gross negligence. Indemnification shall not be made for a claim, issue or matter in which the person has been found to be liable to the Association except as provided in Section 564c of the Business Corporation Act.

Section 2. Directors' and Officers' Liability Insurance. Whether or not the Association would have the power to indemnify the persons under Sections 561 and 562 of the Nonprofit Corporation Act, the Association shall provide directors and officers liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability

arising out of the performance of their respective duties. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof.

ARTICLE XIV

AMENDMENTS

Section 1. Proposal. Amendments to these Amended and Restated Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or by one-third (1/3) or more in number of the Co-owners or by an instrument in writing signed by them.

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

Section 3. Voting. These Amended and Restated Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than sixty-six and two-thirds (66 2/3%) percent of all Co-owners in number and in value and if the proposed amendment will materially alter or change the rights of mortgagees as defined in MCL 559.190a(9), sixty-six and two-thirds (66 2/3%) percent of the eligible holders of first mortgages.

Section 4. When Effective. Any amendment to these Amended and Restated Bylaws shall become effective upon recording of such amendment in the office of the Washtenaw County Register of Deeds.

Section 5. Binding. A copy of each amendment to these Amended and Restated Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Amended and Restated Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Condominium irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XV

COMPLIANCE

The Association of Co-owners and all present or future Co-owners, tenants, land contract purchasers, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the Act, as amended, and with the Condominium Documents, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Condominium Premises shall signify that

the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE XVI

DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Amended and Restated Bylaws are attached as an Exhibit or as set forth in the Act. Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate.

ARTICLE XVII

REMEDIES FOR DEFAULT

Section 1. Relief Available. In the event of a default by a Co-owner, lessee, tenant, non-Co-owner occupant, or guest in their compliance with any terms of the Condominium Documents, the Association or another Co-owner or Co-owners shall be entitled to the following relief:

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

(b) **Recovery of Costs.** In the event of a default of the Condominium Documents by a Co-owner, non-Co-owner occupant, or guest, the Association shall be entitled to recover from the Co-owner, non-Co-owner occupant, or guest, the pre-litigation costs and attorney fees incurred in investigating and seeking legal advice concerning alleged or actual violations or obtaining their compliance with the Condominium Documents. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney fees (not limited to statutory fees) incurred pre-litigation and incidental to any court action or other proceeding as may be determined by the Court, but in no event shall any Co-owner be entitled to recover such attorney fees. The Association, if successful, shall also be entitled to recoup the costs and attorney's fees incurred in defending any claim, counterclaim or other matter from the Co-owner asserting the claim, counterclaim or other matter.

(c) **Removal and Abatement.** The violation of any of the provisions of the Condominium Documents, including the rules and regulations promulgated by the Board of Directors of the Association hereunder, shall also give the Association, or its duly authorized agents, the right, in addition to the rights set forth above, to enter upon the Common Elements, Limited or General, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents; provided, however, that judicial proceedings shall be instituted before items of construction are altered or demolished pursuant to this subsection. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

(d) **Assessment of Fines.** The violation of any of the provisions of the Condominium Documents, including any of the rules and regulations promulgated by the Board of Directors of the Association hereunder, by any Co-owner, tenant, non-Co-owner occupant, or guest, in addition to the rights set forth above, shall be grounds for assessment by the Association of a monetary fine for such violation. Failure to pay the fine will subject the Co-owner to all liabilities set forth in these Condominium Documents, including, without limitation, those described in Article II and this Article XVII of these Amended and Restated Bylaws.

(i) **Procedures.** Upon any violation being alleged by the Association, a written notice shall be sent to the offending Co-owner describing the facts constituting the alleged violation, the specific restriction alleged to have been violated and the notice shall set forth the date (no less than seven (7) days from the date of the notice), time and place for a hearing before the Board of Directors, at which the Co-owner shall have the right to appear before the Board and offer evidence in defense of the alleged violation. The Board shall issue a written notice of its determination within ten (10) days after the hearing and, upon finding that a violation has occurred, the Board of Directors may levy a fine in accordance with the following subsection.

(ii) **Fine Schedule.** Upon a determination that a material violation of any of the provisions of the condominium documents has occurred the following fines may be levied:

1 st Violation	-	No fine shall 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.
2 nd Violation	-	\$ 50.00 fine
3 rd Violation	-	\$ 125.00 fine
4 th Violation	-	\$ 250.00 fine
5 th and subsequent Violations	-	\$ 500.00 fine (each)

The Board of Directors, without the necessity of an amendment to these Amended and Restated Bylaws, shall have the authority to modify the above Fine Schedule in its discretion to better suit the needs of the Community through rules and regulations. Any such modification shall take effect 30 days from the mailing of notice of the modification to the Co-owners.

For purposes of this subSection, 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 is an owner of a Unit or occupant of the Condominium and is not based upon time or violations of different provisions. In the case of continuing violations, a new violation is deemed to occur each successive week during which a violation continues. No further hearings other than the first hearing is required for successive violations once a violation has been found to exist. Nothing in this Article will 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 2. Non-Waiver of Right. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.

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

ARTICLE XVIII

SEVERABILITY

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

ARTICLE XIX

CONFLICTS

In the event there exists any conflict among the terms and provisions contained within the Master Deed or these Condominium Bylaws, the terms and provisions of the Master Deed shall control.

