

LIBER 11648 727

FOURTH AMENDMENT TO MASTER DEED OF
NORTHCREST VILLAGE CONDOMINIUM

THIS FOURTH AMENDMENT TO THE MASTER DEED is made and executed on the 7th day of NOVEMBER, 1990, by the Northcrest Village Condominium Association, a Michigan Nonprofit Corporation, of 6441 Inkster #232, Birmingham, MI 48010, hereinafter referred to as "Association", represented herein by its Board of Directors, fully empowered and qualified to act on behalf of said Corporation in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended).

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WITNESSETH:

WHEREAS, the Association of Northcrest Village Condominium, a condominium project established pursuant to the Master Deed thereof recorded August 3, 1974, in Liber 5341, Pages 542-583, and First Amendment dated January 28, 1980, and recorded in Liber 7741, Pages 680-681, and Second Amendment dated December 1, 1980, and recorded in Liber 7943, Pages 237-241, and Third Amendment dated January 10, 1983, and recorded in Liber 8395, Pages 16-21, inclusive, Oakland County Records, and known as Oakland County Condominium Subdivision Plan No. 184, desires to amend said Master Deed, as previously amended, by restating in their entirety the Condominium Bylaws attached hereto as Exhibit "A", pursuant to the authority granted by Section 90 of the Michigan Condominium Act, as amended, (MCL 559.190), for the purposes of updating the Condominium Bylaws to meet existing needs of the Condominium and to reflect the provisions of the Michigan Condominium Act, as amended.

This Amendment shall not enlarge the common elements of the existing condominium project, or alter the existing percentages of value in the project.

The Master Deed, as previously amended, and Condominium Bylaws shall be amended upon obtaining the necessary approval of the co-owners and mortgagees having an interest in the project, as required by Section 90 of the Michigan Condominium Act (MCL 559.190), and upon recording with the Register of Deeds for Oakland County, as required by Section 73 of the Michigan Condominium Act (MCL 559.173).

NOW THEREFORE, the following changes are hereby made in the Northcrest Village Condominium Master Deed, as previously amended, and Exhibit A thereof, the Northcrest Village Condominium Bylaws:

ARTICLE I OF AMENDMENT

The original Northcrest Village Condominium Bylaws (Exhibit A to the original Northcrest Village Condominium Master Deed, as previously amended,) shall, upon recordation of this Fourth Amendment to the Northcrest Village Condominium Master Deed in the Office of the Register of Deeds for Oakland County, be repealed and deleted in their entirety and shall be of no further force and effect. Said Northcrest Village Condominium Bylaws shall be superseded and replaced by the attached RESTATED CONDOMINIUM BYLAWS OF NORTHCREST VILLAGE CONDOMINIUM, which upon recordation as part of this Amendment, shall become the Condominium Bylaws for this Project, and the new Exhibit A to the Northcrest Village Condominium Master Deed.

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ARTICLE II OF AMENDMENT

In all other respects, other than as hereinabove indicated, the original Master Deed of Northcrest Village Condominium, as recorded and previously amended, including the Condominium Subdivision Plan attached thereto as Exhibit B, and excluding the Condominium Bylaws attached thereto as Exhibit A (which are restated in their entirety as part of this Fourth Amendment), is hereby ratified and affirmed.

IN WITNESS WHEREOF, the Association has executed this Fourth Amendment to the Northcrest Village Master Deed the 7th day of November, 1990.

SIGNED IN THE PRESENCE OF:

NORTHCREST VILLAGE CONDOMINIUM ASSOCIATION

Susan J. Eibey
Susan J. Eibey
Sally D. Wallace
Sally D. Wallace

By: Edwin Levy, President

STATE OF MICHIGAN

COUNTY OF WAYNE

On this 7th day of November, 1990, before me personally appeared Edwin Levy, who, being by me duly sworn, did say that (s)he is the President of Northcrest Village Condominium Association, a Michigan Non-profit Corporation, and that the said instrument was signed on behalf of said Corporation by authority of the Board of Directors.

Patricia I. DiVito
Patricia I. DiVito, Notary Public
Wayne County, Michigan
My Commission Expires: 6/25/91

DRAFTED BY AND WHEN RECORDED
RETURN TO:
Mark F. Makowar
600 Renaissance Ct #1400
Detroit, MI 48243

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EXHIBIT A
RESTATED CONDOMINIUM BYLAWS
NORTHCREST VILLAGE CONDOMINIUM

ARTICLE I

ASSOCIATION OF CO-OWNERS

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

SECTION 2. These Bylaws are designated as the Condominium Bylaws and relate to the manner in which the Condominium and the common affairs of the co-owners of the Condominium Units shall be administered.

SECTION 3. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

A. Each Co-owner shall be a member of the Association and no other person or entitled shall be entitled to membership.

B. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to a Unit in the Condominium.

C. Except as limited in these Bylaws, each Co-owner (including the Developer) shall be entitled to one vote for each Condominium Unit owned when voting by number and one vote, the value of which shall equal the total of the percentages allocated to the Units owned by such Co-owner as set forth in the Master Deed, when voting by value. Voting shall be by value except in those instances when voting is specifically required to be both in value and in number. In the case of any unit owned jointly by more than one co-owner, the voting rights appurtenant to that unit may be exercised jointly as a single vote or may be split if all the joint co-owners of the unit so agree in writing. The Developer shall be entitled to vote at meetings only for those units owned by the Developer which are completed and for which a certificate of occupancy has been issued.

D. No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in subparagraph (e) below or by a proxy given by such individual representative.

E. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership,

association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided. At any meeting the filing of such written notice as a prerequisite to voting may be waived by the chairman of the meeting.

F. There shall be an annual meeting of the members of the Association commencing with the First Annual Meeting held as provided in Section 7 of this Article I. Other meetings may be provided for in the Bylaws of the Association. Notice of time, place and subject matter of all meetings, as provided for in the Bylaws of the Association. Notice of time, place and subject matter of all meetings, as provided in the corporate Bylaws of the Association, shall be given to each Co-owner by mailing the same to each individual representative designated by the respective Co-owners.

G. The presence in person or by proxy of one fifth (1/5) in number and in value of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

I. Unless otherwise provided, any action which could be authorized at a meeting of the members shall be authorized by the vote of a simple majority in value, of those co-owners voting in person or by proxy at said meeting in accordance with the provisions of this Section 3. The foregoing statement and any other provision of the Master Deed, these Bylaws or the Corporate Bylaws requiring the approval of a majority (or other stated percentage) of the members or co-owners shall be construed to mean, unless otherwise specifically stated, a majority (or other stated percentage) in value of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association duly called and held.

J. Other provisions as to voting by members, not inconsistent with the provisions herein contained, may be set forth in the Association Bylaws.

SECTION 4. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least one (1) time a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be a certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive

a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration. The Association also shall maintain on file current copies of the Master Deed for the Project, any amendments thereto and all other Condominium Documents and shall permit all Co-owners, prospective purchasers and prospective mortgagees interested in the Project to inspect the same during reasonable hours.

SECTION 5. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be members of the Association except for the First Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto elected by the Developer prior to the First Annual Meeting of Members held pursuant to Section 6 of this Article I. If a member is a partner or corporation, then any partner or employee of the partnership, or officer, director or employee of the corporation shall be qualified to serve as a director.

A. 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 powers and duties imposed by these Bylaws, or any further powers and duties which may be imposed by resolution of the members of the Association or which may be set forth in the Association Bylaws, the Board of Directors shall be responsible specifically for the following:

- (1) Management and administration of the affairs of and maintenance of the Condominium Project, the Common Elements thereof, all to the extent set forth in the Master Deed or elsewhere in the Condominium Documents.
- (2) To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (3) To carry insurance and collect and allocate the proceeds thereof in the manner set forth in Article IV hereof.
- (4) To rebuild improvements after casualty, subject to the terms hereof.
- (5) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- (6) 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, including (but without limitation) the lease or purchase of any unit in the Condominium for use by a resident manager. The purchase, sale, mortgage or lease of any real property (including any unit in the Condominium) and the granting of any easements or rights-of-way shall be subject to the approval of fifty (50%) percent of the co-owners in value voting at a meeting duly called and held.

- (7) 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 in number and in value.
- (8) To make rules and regulation in accordance with Article VI, Section 5 of these Bylaws.
- (9) 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.
- (10) To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Unit Co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Association, the Federal National Mortgage Association, the Government National Mortgage Association and/or any other agency of the federal government or the State of Michigan.
- (11) To enforce the provisions of the Condominium Documents.

B. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 5(a) of this Article I, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In the event the Board does employ professional management for the Association, the Board shall secure the written approval of each institutional holder of a first mortgage lien on any unit in the Condominium prior to terminating professional management and assuming self-management. In no event may the Board enter into any contract for management, the maximum term of which is greater than two years.

C. All of the actions (including, without limitation, the adoption of any Rules and Regulations for the Association, and any undertakings or contracts entered into with others on behalf of the Association) of the first Board of Directors of the Association named in its Articles of Incorporation or any successors thereto elected by the Developer before the First Annual Meeting of Members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the first or any subsequent annual meeting of members so long as such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

SECTION 6. The Association Bylaws shall provide the designation, number, term of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association in furtherance of the provisions and purposes of the Condominium Documents and not inconsistent therewith. Officers may be compensated but only upon the affirmative vote of more than sixty (60%) percent of all Co-owners in number and in value.

SECTION 7. The first annual meeting of the members of the Association may be convened only by the Developer and may be called, in the Developer's discretion, at any time on or before the earlier of the dates provided for the first annual meeting in subsections 0-B and 0-C of this Article 1. The date, time and place of such first annual meeting shall be set by the Board of Directors, and at least ten (10) days written notice thereof shall be given to each co-owner. Thereafter, an annual meeting shall be held each year on such date as is specified in the Corporate By-Laws.

SECTION 8. The following provisions shall apply notwithstanding the fact that the first annual meeting may not have been called:

A. An advisory committee of non-developer co-owners shall be established either 120 days after conveyance of legal or equitable title to non-developer co-owners of one-third (1/3) of the units that may be created, or one (1) year after the initial conveyance or legal or equitable title to a non-developer co-owner of a unit in the project, whichever occurs first. The advisory committee shall meet with the Condominium project Board of Directors for the purpose of facilitating communications and aiding the transition of control to the Association of co-owners. The advisory committee shall cease to exist when a majority of the Board of Directors of the Association of co-owners is elected by the non-developer co-owners.

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

C. Notwithstanding the formula provided in subsection B, fifty-four (54) months after the first conveyance of legal or equitable title to a non-developer co-owner of a unit in the project, if title to not less than seventy-five (75%) percent of the units that may be created has not been conveyed, the first annual meeting shall be called; and the non-developer co-owners have the right to elect, as provided in the Condominium documents, a number of members of the Board of Directors of the Association of co-owners equal to the percentage of units they hold, and the Developer has the right to elect, as provided in the Condominium documents, a number of members of the Board equal to the percentage of units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection B. Application of this subsection does not require a change in the size of the Board as determined in the Condominium Documents.

D. If the calculation of the percentage of members of the Board that the non-developer co-owners have the right to elect under subsection B, or if the product of the number of members of the Board, multiplied by the percentage of units held by the non-developer co-owners under subsection C results in a right of non-developer co-owners to elect a fractional number of members of the Board, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number

shall be the number of members of the Board that the non-developer co-owners have the right to elect. After application of this formula, the Developer shall have the right to elect the remaining members of the Board. Application of this subsection shall not eliminate the right of the Developer to designate one (1) member as provided in subsection B.

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

SECTION 9. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonable incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof.

SECTION 10. Any reference to the "first Board of Directors" in the Master Deed, these By-Laws, the Corporate By-Laws or the Articles of Incorporation shall mean and refer to the Board of Directors named in the Articles of Incorporation, including any successor or additional director appointed by the first Board of Directors prior to the first annual meeting of the members of the Association.

ARTICLE II

ASSESSMENTS

SECTION 1. 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. Special assessments and property taxes shall be assessed against the individual condominium units identified as units of the condominium subdivision plan and not on the total property of the project or any other part thereof, except for the year in which the condominium project was established subsequent to the tax day. Taxes and special assessments which become a lien against the property in that year subsequent to the establishment of the condominium project shall be expense of administration of the project and paid by the co-owners as provided in this article. The taxes and special assessments shall not be divided or apportioned on the tax roll. Special assessments and property taxes in any year in which the property existed as an established condominium project on the tax day shall be assessed against the individual condominium unit, notwithstanding any subsequent vacation of the condominium project. Condominium units shall be described for such purposes by reference to the condominium unit number of the condominium subdivision plan and the caption thereof together with the liber and page of the county records in which the approved master deed is recorded. Assessments for subsequent real property

improvements to a specific condominium unit shall be treated as a separate single unit of real property and shall not be combined with any other unit or units and no assessment of any fraction of any unit or combination of any unit with other units or fraction thereof shall be made, nor shall any division or split of the assessment of taxes of any single condominium unit be made notwithstanding separate or common ownership thereof.

SECTION 2. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the common elements or the administration of the Condominium shall be expenses of administration; and all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests of the co-owners against liabilities or losses arising within, caused by or connected with the common elements or the administration of the Condominium shall be receipts of administration.

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

A. 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, including a reasonable allowance for contingencies and reserves. Any budget adopted shall include an allocation to a reserve fund for maintenance, repairs and replacement of those common elements that must be replaced on a periodic basis, in accordance with subsection (c) hereof. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each co-owner and the assessment for the year shall be established based upon said budget. The Board of Directors shall have the authority to increase the general assessment as it shall deem to be necessary in the Board's sole discretion, provided that increases in the general assessment shall be required for only the following: (i) to meet deficits incurred or anticipated because current assessments are insufficient to pay the costs of operation and maintenance; (ii) to make necessary replacements of common elements; or (iii) for any emergencies.

B. Special assessments may be made by the Board of Directors from time to time for such purposes as (i) payment of any obligation of the Association, (ii) payment for necessary repairs or replacements, or (iii) payments for capital improvements; provided, however, that in any fiscal year of the Association, expenditures for capital improvements in any fiscal year, may not exceed five (5%) percent of the current years annual operating budget, unless such expenditures are approved by a sixty (60%) percent majority of the co-owners in value. The first Board of Directors shall not authorize any capital improvements at the expense of the Association.

C. The Board of Directors shall maintain a reserve fund for major repairs and replacements and emergency expenditures, which reserve fund shall be in the amount of not less than ten (10%) percent of the Association's annual budget (excluding that portion of the budget allocated to the reserve fund itself) on a noncumulative basis. The Association may increase or decrease the reserve fund but may not reduce it below ten (10%) percent of the annual budget of the Association. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium to determine if a greater amount should be set aside in reserve or if additional reserve funds should be established for any other purposes.

D. Mechanics liens attaching to any portion of the condominium premises shall be subject to the following limitations and Section 132 of the Act:

- (1) Except as provided herein, a mechanics 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.
- (2) A mechanics lien for work authorized by the Developer or principal contractor and performed upon the common elements may attach only to condominium units owned by the Developer at the time of recording of the statement of account and lien.
- (3) A mechanics lien for work authorized by the association 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.
- (4) A mechanics lien may not arise or attach to a condominium unit for work performed on the common elements not contracted for by the Developer or the Association.

SECTION 4. All assessments levied against the co-owners to cover expenses of administration shall be apportioned among and paid by the co-owners, including the Developer to the extent of the occupied units owned by the Developer, in accordance with the percentage of value allocated to each unit in the Master Deed without increase or decrease for the existence of any rights to the use of limited common elements appurtenant to a condominium unit. Annual assessment shall be payable by co-owners in twelve (12) equal monthly installments. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the rate of seven (7%) percent per annum until paid in full. The Board of Directors may also adopt uniform late charges pursuant to Section 5 of Article VI of these Bylaws. Each co-owner (whether one or more persons) shall be personally liable for the payment of all assessments levied against the unit. A co-owner selling a unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve, account or other asset of the Association. Sums assessed to a co-owner which are unpaid constitute a lien upon the unit or units in the development owned by the co-owner at the time of the assessment before other liens except tax liens on the condominium unit in favor of any state or federal taxing authority and sums unpaid on the first mortgage of record, except that past due assessments which are evidenced by a notice of lien, recorded as provided hereafter in Section 6 of this Article have priority over a first mortgage recorded subsequent to the recording of the notice of lien. The lien upon each condominium unit owned by the co-owner shall be in the amount assessed against the condominium unit, plus a proportionate share of the total of all other unpaid assessments attributable to condominium units no longer owned by the co-owner but which became due while the co-owner had title to the condominium units. The lien may be foreclosed by an action or by advertisement in the name of the condominium project on behalf of the other co-owners.

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

SECTION 6. The Association may enforce collection of delinquent assessments by a suit of law for money judgment or by foreclosure of the statutory lien that secures payment of assessments. The lien that secures payment of the Association assessments shall extend to the residential dwelling and similar improvements located within the perimeter of each Co-owner's Unit. 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 such lien 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 obligation of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit (and improvements) with respect to which assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this Section 6 and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, of a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of records. Such affidavit shall be recorded in the Office of the Register of Deeds in the county in which the Project is located prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder to under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the representative designated above and shall inform such representative that he may request a judicial hearings by bringing suit against the Association. The expenses incurred in collecting unpaid assessments, including interests, costs, actual attorneys' 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 his Unit. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his 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 (7) days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize

any of the general Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit for the Unit from the Co-owner thereof or any persons claiming under him, and if the unit is not occupied by the co-owner, to lease the condominium unit and collect and apply the rental therefrom.

SECTION 7. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit, and except for claims evidenced by a Notice of Lien recorded prior to the recordation of the first mortgage.

SECTION 8. Notwithstanding any other provision of the Master Deed, these Bylaws, the Corporate Bylaws or the Articles of Incorporation of the Association, there shall be no assessment levied by the Association for any purpose against any unit owned by the Developer which is not completed and occupied as a residence, and no unit shall be deemed completed until the unit has been issued a certificate of occupancy by the local building authority. The Association shall have no obligation for maintenance of such uncompleted units. Any unavoidable, direct expenses incurred by the Association for uncompleted units, such as for insurance or utilities used by the Developer within the unit, shall be reimbursed monthly by the Developer to the Association.

SECTION 9. Upon the sale or conveyance of a condominium unit, any unpaid assessment against the condominium unit shall be paid out of the net proceeds of the sale price to the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision thereof for taxes or special assessments due and unpaid and (b) payments due under first mortgages having priority to the unpaid assessments. A purchaser of a condominium unit is entitled to a written statement from the Association setting forth the amount of unpaid assessments outstanding against the unit and the purchaser is not liable for any unpaid assessment in excess of the amount set forth in such written statement, nor shall the unit be subject to any lien for any amounts in excess of the amount set forth in the written statement. Any purchaser or grantee who fails to request a written statement from the Association as provided herein at least five days before the conveyance shall be liable for any unpaid assessments against the unit together with interest, costs and attorneys' fees incurred in connection with the collection of such assessments.

ARTICLE III

ARBITRATION

SECTION 1. 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 and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the

Association, be submitted to arbitration and parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

SECTION 2. No Co-owner of the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

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

SECTION 4. Any civil action proposed by the Board of Directors on behalf of the Association, other than for the collection of delinquent assessments, shall be subject to prior approval of a majority of the co-owners. After the first annual meeting of the members of the Association, the foregoing percentage requirements shall be determined without regard to any units which may be owned by the Developer.

ARTICLE IV

INSURANCE

SECTION 1. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the common elements of the Condominium, and such other insurance as the Board of Directors deems advisable, and all such insurance shall be carried and administered in accordance with the following provisions:

A. All such insurance shall be purchased by the Association for the benefit of the Association, the co-owners and their mortgagees, as their interests may appear; and provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of co-owners. Unit owners may obtain additional insurance upon their units, at their own expense, in addition to the coverage carried by the Association. It shall be each co-owner's responsibility to obtain insurance coverage for personal property located within a unit or elsewhere in the Condominium and for personal liability for occurrences within a unit or upon limited common elements appurtenant to a 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 and all co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any co-owner or the Association.

B. All common elements of the Condominium shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall also include interior walls within any unit and the pipes, wires, 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, or such replacements thereof as do not exceed the cost of such standard items. Any improvements made by a co-owner within a unit shall be covered by insurance obtained by and at the expense

of said co-owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said co-owner and collected as a part of the assessments against said co-owner under Article II hereof.

C. All premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

D. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, the co-owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction, and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Condominium unless all of the institutional holders of first mortgages on units in the Condominium have given their prior written approval.

SECTION 2. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the general Common Elements thereof and 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 full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

ARTICLE V

RECONSTRUCTION OR REPAIR

SECTION 1. If any part of the Condominium shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

A. If the damaged property is a common element or a unit, the 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 a unanimous vote of all of the co-owners in the Condominium that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any unit in the Condominium has given prior written approval of such termination.

B. If the Condominium is so damaged that no unit is tenantable, and if each institutional holder of a first mortgage lien on any unit in the Condominium has given its prior written approval of the termination of the Condominium, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless seventy-five (75%) percent or more of all co-owners in number agree to reconstruction by vote or in writing within ninety (90) days after the destruction. The seventy-five (75%) percent majority required by this subsection (b) shall be applied to all existing co-owners and shall not mean seventy-five (75%) percent of the co-owners attending a meeting.

SECTION 2. 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 the co-owners shall unanimously decide otherwise.

SECTION 3. 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 Section 4 hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

SECTION 4. Each co-owner shall be responsible for the reconstruction and repair of the interior of the co-owner's unit, including, but not limited to, floor coverings, window shades, draperies, interior walls (but not any common elements therein), interior trim, furniture, light fixtures and all appliances, whether freestanding 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 is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 5 of this Article. If any other interior portion of a unit is covered by insurance held by the Association for the benefit of the co-owner, the co-owner shall be entitled to receive the proceeds of insurance relative thereto, and if there is a mortgagee endorsement, the proceeds shall be payable to the co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any unit or any part of the common elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any unit in the Condominium.

SECTION 5. Subject to the responsibility of the individual co-owners as outlined in Section 4 above, the Association shall be responsible for the reconstruction and repair of the common elements (except as specifically otherwise provided in the Master Deed) and any incidental damage to a unit caused by such common elements or the reconstruction and repair thereof. Immediately after a casualty causing damage to property for which the Association has the responsibility of repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, the funds for the repayment of the costs thereof are insufficient, assessments shall be made against all co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of the repair.

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

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

B. If a condominium unit is taken by eminent domain, the undivided interest in the common elements appertaining to the condominium unit shall thenceforth appertain to the remaining condominium units, being allocated to them in proportion to their respective undivided interests in the common elements. The Court shall enter a decree reflecting the reallocation of the undivided interest in the common elements as well as for the condominium unit.

C. If portions of a condominium unit are taken by eminent domain, the court shall determine the fair market value of the portions of the condominium unit not taken. The undivided interest for each condominium unit in the common elements appertaining to the condominium units shall be reduced in proportion to the diminution in the fair market value of the condominium unit resulting from the taking. The portions of undivided interest in the common elements thereby divested from the co-owners of a condominium unit shall be reallocated among the other condominium units in the condominium project in proportion to their respective undivided interests in the common elements. A condominium unit partially taken shall receive the reallocation in proportion to its respective undivided interest in the common elements. A condominium unit partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court under this subsection. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the co-owner of the condominium unit partially taken for that portion of the undivided interest in the common elements divested from the co-owner and not re-vested in the co-owner pursuant to the following subsection, as well as for that portion of the condominium unit taken by eminent domain.

D. If the taking of a portion of a condominium unit makes it impractical to use the remaining portion of that condominium unit for a lawful purpose permitted by the condominium documents, then the entire undivided interest in the common element appertaining to that condominium unit shall thenceforth appertain to the remaining condominium units, being allocated to them in proportion to their respective undivided interests in the common elements. The remaining portion of that condominium unit shall thenceforth be a common element. The remaining portion of that condominium unit shall thenceforth be a common element. The court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the co-owner of the condominium unit for the co-owner's entire undivided interest in the common elements and for the entire condominium unit.

E. Votes in the association of co-owners and liability for future expenses of administration appertaining to a condominium unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining condominium units, being allocated to them in proportion to the relative voting strength in the association of co-owners. A condominium unit partially taken shall receive a reallocation as though the voting strength in the association of co-owners was reduced in proportion to the reduction in the undivided interests in the common elements.

F. In the event the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any co-owner, but only with the prior written approval of all holders of first mortgage liens on individual units in the Condominium.

G. In the event any unit in the Condominium, or any portion thereof, or the common elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the units in the Condominium.

SECTION 7. In the event that any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC"), or in the event any mortgage is held by or insured by the United States Department of Housing and Urban Development ("HUD"), the Association shall give FHLMC and HUD 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, or any loss to or taking of any unit, or part thereof, if the loss or taking exceeds TEN THOUSAND (\$10,000.00) DOLLARS in amount.

SECTION 8. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit 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 Condominium Unit 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. No Unit in the Condominium shall be used for other than residential purposes, and the Common Elements shall be used only for purposes consistent with the use herein stated. No co-owner shall carry on any commercial activities anywhere on the premises of the Condominium.

SECTION 2. A Co-owner (including the Developer) may lease his Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the same manner as specified in Section 13 of this Article VI. No Co-owner shall lease less than an entire Unit in the Condominium. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents.

SECTION 3.

A. No co-owner shall make alterations in exterior appearance or make structural modifications to any unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the common elements, limited or general, without the express written approval of the Board of Directors including but not limited to, exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters or other exterior attachments or modifications; nor shall any co-owner damage or make modifications or attachments to common element walls between units which in any way impair soundconditioning qualities of the walls. The Board of Directors may approve only such modifications as do not impair the soundness, safety, utility or appearance of the Condominium.

B. Notwithstanding the previous subparagraph A, a Co-owner may make improvements or modifications to the Co-owner's Condominium Unit, including Common Elements and the route from the public way to the door of the Co-owner's Condominium Unit, at the Co-owner's expense, if the purpose of the improvement or modification is to facilitate access to or movement within the unit for handicappers or to alleviate conditions that could be hazardous to handicappers, subject to the following:

- (1) The improvement or modification shall not impair the structural integrity of a structure or otherwise lessen the support of a portion of the Condominium Project, nor unreasonably prevent passage by other residents of the Condominium Project upon the Common Elements.
- (2) The Co-owner shall be liable for the cost of repairing any damage to a Common Element caused by building or maintaining the improvement or modification, and such improvement or modification shall comply with all applicable state and local building requirements and

health and safety laws and ordinances and shall be made as closely as possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed modification.

- (3) Before an improvement or modification allowed by this subsection is made the Co-owner shall submit plans and specifications for such alteration to the Association for approval. If the proposed alteration substantially conforms to the requirements of this subsection, the Association shall not deny the same without good cause. A denial shall be in writing, delivered to the Co-owner, listing the changes needed for the proposed alteration to conform. Any requests for approval by the Association under this subsection shall be acted upon not later than sixty (60) days after the required plans and specifications are submitted. Failure of the Association to approve or deny a request within the sixty (60) day period shall entitle the Co-owner to undertake the alteration without the approval of the Association.
- (4) Any Co-owner making an alteration pursuant to this subsection shall maintain liability insurance, underwritten by insurer authorized to do business in this state, in an amount adequate to compensate for personal injuries caused by the exterior alteration, but the Co-owner shall not be liable for acts or omissions of the Association with respect to the exterior alteration, and the Co-owner shall not be required to maintain liability insurance with respect to any Common Element.
- (5) The Association shall be responsible for the cost of any maintenance of an exterior alteration, unless the maintenance cannot reasonably be included with the regular maintenance performed by or paid for by the Association, in which case the Co-owner shall be responsible for the cost of the alteration.
- (6) A Co-owner having made an alteration allowed by this subsection shall notify the Association in writing of the Co-owner's intention to convey any interest in or lease his or her Condominium Unit to another, not less than thirty (30) days before the effective date of the conveyance or lease. Not more than thirty (30) days after receiving such a notice, the Association may require that the Co-owner remove the alteration and restore the premises at the Co-owner's expense. In the absence of the required notice of conveyance or lease, the Association may at any time remove or require the Co-owner to remove the alteration at the Co-owner's expense, however, the Association may not remove or require the removal of an alteration if the Co-owner conveys or leases the Condominium Unit to a handicapper who needs the same type of alteration, or to a person who's parent, spouse or child is a handicapper, requiring the same type of alteration and who resides within the Unit.

SECTION 4. No immoral, improper, unlawful or offensive activity shall be carried on or upon the Common Elements, limited or general, or any Unit, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium, nor shall any unreasonably noisy activity be carried on the Common Elements or any Unit. No Co-owner shall do or permit anything to be done or keep or permit to be kept on his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without 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.

SECTION 5. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use of the Common Elements or the rights and responsibilities of the co-owners and the Association with respect to the Condominium or the manner of operation of the Association and of the Condominium may be made and amended from time to time by any Board of Directors of the Association, including the First Board of Directors (or its successors elected by the Developer) prior to the First Annual Meeting of the entire Association held as provided in Article I, Section 7 of these Bylaws. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Co-owners in number and in value.

SECTION 6. The Common Elements, limited or general, 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. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonable necessary to permit periodic collection of trash. The Common Elements shall not be used in any way for the drying, shaking, or airing of clothing to other fabrics. Automobiles may be washed only in area approved by the Association. In general, no activity shall be carried on nor condition maintained by a Co-owner either in his Unit or upon the Common Elements, which detracts from or spoils the appearance of the Condominium.

SECTION 7. Sidewalks, yards, landscaped areas, driveways, roads, parking area and porches shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the Common Elements.

SECTION 8. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers, motorcycles, off-the-road vehicles, all terrain vehicles or vehicles other than automobiles and non-commercial pick-up trucks and passenger vans used as an occupant's primary means of transportation, may be parked or stored upon the premises of the Condominium, unless parked in an area specifically designated therefor by the Association. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Nothing herein contained shall be construed to require the Association to approve the parking of such vehicles or designate an area therefor. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area thereof. Non-operational vehicles or vehicles with expired license plates shall not be parked on the Condominium Premises without written permission of the Association. Non-emergency maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises, unless specifically approved by the Board of Directors. In the event that there arises a shortage of parking spaces, the Association may construct such additional parking facilities on the General Common Elements as the Association, in its discretion, determines. The Association may cause vehicles parked or stored in violation of this Section or of any applicable rules and regulations of the Association to be removed from the Condominium Premises and the cost of such removal may be assessed to, and collected from, the Co-owner of the Unit responsible for the presence of the vehicle in the

manner provided in Article II hereof. Co-owners shall, if the Association shall require, register with the Association all vehicles maintained on the Condominium Premises. The Board of Directors may promulgate reasonable rules and regulations governing the parking and use of vehicles in the Condominium Project consistent with the provisions hereof.

SECTION 9. No Co-owner shall use, or permit the use by an occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows, slingshots, or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Premises, nor shall any Co-owner use or permit to be brought into the buildings in the Condominium any flammable oils or fluids such as gasoline, kerosene, naphtha, benzine, or other explosives or articles deemed to be extra-hazardous to life, limb, or property, without in each case obtaining the written consent of the Association.

SECTION 10. No signs or other advertising devices shall be displayed which are visible from the exterior of a unit, including "For Sale" signs, without written permission from the Association.

SECTION 11. No animal, including household pets, shall be maintained by any Co-owner unless specifically approved in writing by the Association. In granting such approval, the Association shall be guided by the type, size, weight and disposition of the animal (it is the intent of this restriction to limit the number of dogs and cats and other animals in the Project). No animals may be kept or bred for any commercial purpose. Any pets permitted to be kept in the Condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose upon the Common Elements and any animal shall at all times be attended by some responsible person while on the Common Elements. No savage or dangerous animal of any type shall be kept and any Co-owner who causes any animal to be brought, maintained or kept on the premises of the Condominium for any length of time shall indemnify and hold harmless the Association for any loss, damage or liability, including attorney fees and costs, which the Association may sustain as a result of the presence of such animal on the premises, whether such animal is permitted or not, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. Each Co-owner shall be responsible for the collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance costs to the Association of accommodating animals within the Condominium. The Association shall have the right to require that any animal be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. The Association may, after notice and hearing, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulation of the Association. The term "animal" or "pet" as used in this section shall not include small domesticated animals which are constantly caged or confined such as birds or fish. Those animals being maintained by Co-owners as of the date that these Restated Bylaws take effect as a result of being recorded in the office of the Register of Deeds for Oakland

County, which would otherwise be prohibited without approval as required hereunder, shall be deemed approved by the Association: PROVIDED, however, that said animals must be maintained in accordance with the provisions of this Section. Said approval shall not extend automatically to any new pets or replacements of existing pets, nor shall it in any way detract from the Association's rights to additionally assess co-owners, revoke approval, deny future approvals or otherwise enforce the terms hereof from their effective date forward.

SECTION 12. The Association or its duly authorized agents shall have access to each Unit and any limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and any limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Co-owner to provide the Association means of access to his 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 his 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. The leasing of Units in the Project shall conform to the following provisions:

A. A Co-owner, including the Developer, desiring to rent or lease a Condominium Unit, shall disclose that fact in writing to the Association 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. If the Developer desires to rent Condominium Units before the transitional control date, it shall notify either the advisory committee or each Co-owner in writing.

B. Tenants or Non-co-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements shall so state.

C. 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:

- (1) The Association shall notify the Co-owner by certified mail advising of the alleged violation by tenant.
- (2) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
- (3) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or Non-co-owner and tenant or Non-co-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this Section may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages caused by the Co-owner or tenant in connection with the Condominium Unit.

D. When a Co-owner is in arrearage 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.

SECTION 14. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements unless approved by the Association in writing, which approval shall not be unreasonably withheld. Any such landscaping performed by the Co-owner and any such trees, shrubs, or flowers planted by the Co-owner shall be performed and/or planted, as the case may be, in a manner consistent with the landscaping in other portions of the Condominium Premises. Any such landscaping performed by the Co-owner and any such trees, shrubs, or flowers planted by the Co-owner shall be the responsibility of the Co-owner to maintain. In the event that such Co-owner fails to adequately maintain such landscaping performed by the Co-owner and any such trees, shrubs, or flowers planted by the Co-owner to the satisfaction of the Association, the Association shall have the right to perform such maintenance and assess and collect from the Co-owner the cost thereof in the manner provided in Article II hereof. The Co-owner shall also be liable for any damages to the Common Elements arising from the performance of such landscaping or the planting of such trees, shrubs, or flowers, or the continued maintenance thereof.

SECTION 15. No unsightly condition shall be maintained upon any courtyard or patio area and only furniture and equipment consistent with ordinary courtyard or patio use shall be permitted to remain there during seasons when courtyards or patios are reasonably in use and no furniture or equipment of any kind shall be stored on any courtyard or patio during seasons when they are not reasonably in use. In no event shall any furniture or equipment be placed in an area adjacent to the front entrance of a Unit.

SECTION 16. Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements, and each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements be him, or his 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 excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount.) Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement.

SECTION 17. None of the restrictions contained in this Article VI shall apply to the activities of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation and Corporate Bylaws as the same may be amended from time to time.

SECTION 18. Any and all costs, damages, expenses and/or attorneys fees incurred by the Association in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 11 of these Bylaws, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to and collected from the responsible Co-owner or Co-owners in the manner provided in Article II hereof.

SECTION 19. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-owners, and all persons interested in the Condominium.

ARTICLE VII

MORTGAGES

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

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

SECTION 3. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

ARTICLE VIII

AMENDMENTS

SECTION 1. These Bylaws and any Exhibit hereto may be amended as provided in the Act in the following manner.

A. Amendments may be made and recorded by the Association if the amendment does not materially alter or change the rights of a co-owner or mortgagee and is approved by the owners of a simple majority of the number of units in the Condominium.

B. Except as otherwise provided herein, these Bylaws, may be amended by the Association, even if the amendment will materially alter or change the rights of the co-owners or mortgagees, with consent of not less than two-thirds (2/3) in number and value of the co-owners and mortgagees. A mortgagee shall have one vote for each mortgage held. The Association may make no amendment without the written consent of the Developer as long as the Developer owns any units in the Condominium or has the right to contract the Condominium.

C. Notwithstanding any other provision of this Article VIII, any provisions relating to the ability or terms under which a co-owner may rent a unit, may not be modified without the consent of each affected co-owner and mortgagee. A co-owner's condominium unit dimensions or appurtenant limited common elements may not be modified without the co-owner's consent.

D. Any amendment to these By-Laws (but not the Corporate By-Laws) shall become effective upon recordation in the office of the Register of Deeds in the county in which the Condominium is located. A copy of each amendment to these By-Laws shall be made available to every member of the Association after adoption; provided, however, that any amendment 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. These By-Laws may not be amended in any manner to eliminate or conflict with any mandatory provision of the Act or any applicable law or any provision of the Master Deed, nor may they be amended to materially reduce or eliminate the rights of any first mortgagees without the consent of the mortgagees affected.

ARTICLE IX

COMPLIANCE

The Association of Co-owners and all present or future Co-owners, tenants, future tenants, 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 provisions of the Act, Master Deed, these By-Laws, the Corporate By-Laws, the Articles of Incorporation of the Association and the Rules and Regulations of the Condominium. In the event the such Master Deed, By-Laws or Articles of Incorporation conflict with the provisions of any Statute, the Statute shall govern. If any provision of these By-Laws or the Corporate By-Laws conflicts with any provision of the Master Deed, the Master Deed shall govern. If any provision of the Corporate By-Laws conflicts with any provision of these By-Laws, these By-Laws shall govern.

ARTICLE X

DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit or as set forth in Act 59, Public Acts of 1978, as amended from time to time.

ARTICLE XI

REMEDIES FOR DEFAULT

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

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

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

C. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, limited or general, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.

D. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless Rules and Regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-owners. Thereafter, fines may be assessed only upon notice to the offending Co-owner and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

SECTION 2. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provisions, covenant or condition in the future.

SECTION 3. 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 XII

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 are held to be partially invalid or unenforceable.

CERTIFICATION

STATE OF MICHIGAN)
)SS
COUNTY OF WAYNE)

I, Linda K. Garrett, being first duly sworn, depose and state as follows:

1. That I am the managing agent for the Northcrest Village Condominium Association, the corporation named in and which executed the attached Fourth Amendment to the Northcrest Village Master Deed.
2. That the attached Amendment was submitted by me to all the co-owners of units in the Northcrest Village Condominium for the purpose of voting thereon, and that according to our records said co-owners approved all provisions of said Amendment by a vote of more than two thirds (2/3) of all those qualified to vote in number and value.
3. That records of said consents are maintained in our office located at 6441 Inkster Rd. #232, Birmingham, MI 48010.

FURTHER, AFFIANT SAYETH NOT.

Linda K. Garrett

Linda K. Garrett

Acknowledged, subscribed, and sworn to before me this 1st day of NOVEMBER, 1990.

[Signature]

JAMES J. DAVIS, Notary Public
Wayne County, Michigan
My Commission Expires: 6/25/91

CERTIFICATION

STATE OF MICHIGAN)
)SS
COUNTY OF WAYNE)

I, Mark F. Makover, being first duly sworn, deposes and states as follows:

1. That I am the attorney for the Northcrest Village Condominium Association, the corporation named in and which executed the attached Fourth Amendment to the Northcrest Village Master Deed.
2. That I personally sent a copy of the within Amendment to all mortgagees of record of those units qualified to vote, as listed in the records of the Oakland County Register of Deeds for the purpose of obtaining approval of said mortgagees to the Fourth Amendment to the Northcrest Village Master Deed.
3. That more than two thirds (2/3) of said mortgagees, through a duly authorized agent or officer, have submitted a written consent to the attached Amendment which are maintained in the Northcrest Village Condominium Association file located in my office at 600 Renaissance Center, Suite 1400, Detroit, MI 48243.

FURTHER AFFIANT SAYETH NOT.



Mark F. Makover

Subscribed and sworn to before me
this 10th day of NOVEMBER,
1990.



Patricia I. DiVitto, Notary Public
Wayne County, Michigan
My Commission Expires: 6/25/91