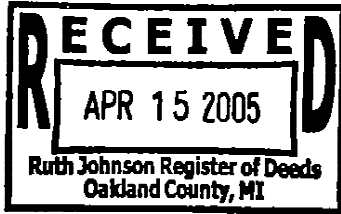


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04/15/2005 09:47:40 A.M. RECEIPT# 40630  
PAID RECORDED - OAKLAND COUNTY  
RUTH JOHNSON, CLERK/REGISTER OF DEEDS

FIRST AMENDMENT TO  
CONSOLIDATING MASTER DEED  
OF  
THE FAIRWAYS CONDOMINIUM

Oakland County Condominium Subdivision Plan No. 576

This First Amendment to the Consolidating Master Deed of The Fairways Condominium is made, as required or permitted by the provisions of MCL 559.101 et. seq., this 7th day of April, 2005, by Fairway Condominium Association, a Michigan Nonprofit Corporation (Association). *Consolidated Master Deed recorded 9-28-1993, in Liber 13999 pages 883 thru 964. JMS*

The Association desires by recording this First Amendment to the Consolidating Master Deed, with Exhibit A, the Restated Condominium Bylaws, and Exhibit B, the Condominium Subdivision Plan, to reaffirm the establishment of the real property described below, and all of the improvements and appurtenances as a residential Condominium Complex under the provisions of the Condominium Act of Michigan. This First Amendment to the Consolidating Master Deed is recorded with the consent of the Co-owners of units in the Condominium Subdivision per the provisions of MCL 559.190 as amended.

*000576*

*582*

The Association reaffirms the establishment of THE FAIRWAYS CONDOMINIUM as a Condominium under the Condominium Act and declares that THE FAIRWAYS CONDOMINIUM shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved and in any other manner used, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this First Amendment to the Consolidating Master Deed and Exhibits A and B, all of which run with the land and are a burden and a benefit to the Association, its successors, and assigns, and any persons acquiring or owning an interest in such real property, their grantees, successors, heirs, executors, administrators and assigns. This First Amendment to the Consolidating Master Deed and Restated Condominium Bylaws replace and supersede the original Consolidating Master Deed and Condominium Bylaws of The Fairways Condominium, and any amendments. In all other respects, the Condominium Subdivision plans remain unaltered, ratified and in full force and effect.

O.K. - KB

**ARTICLE I  
TITLE AND NATURE**

The Condominium Complex is known as The Fairways Condominium, Oakland County Condominium Subdivision Plan No. 576. The Condominium Complex is established in accordance with the Act.

The buildings and units contained in the Condominium, including the number, boundaries, dimensions and area of each unit, are depicted completely in the Condominium Subdivision Plan (~~attached~~) as Exhibit B. The depiction on the recorded Plans may not accurately reflect the units as actually constructed. To the extent that a variance may occur, the unit and its limited common elements as built shall supersede and replace the recorded Plans. Each building contains individual residential units and each unit has its own entrance from and exit to a Common Element. Each Co-owner has an exclusive right to his/her unit and an undivided and inseparable right to share the Common Elements with other Co-owners of the Condominium Project.

\* as recorded in the Consolidated Master Deed. (JNS)

**ARTICLE II  
LEGAL DESCRIPTION**

The land which is submitted to the Condominium Complex established by this First Amendment to the Consolidating Master Deed is particularly described as follows:

A parcel of land in Troy, Oakland County, Michigan:

Part of the Northwest ¼ of Section 11, T. 2 N., R. 11 E., City of Troy, Oakland County, Michigan, described as beginning at a point on the South Right-of-Way line of Square Lake Road (60 feet wide, ½ width), said point being distant S. 89° 24' 58" E. 547.04 feet and S. 00° 07' 02" W. 33.00 feet and S. 38° 19' 32" W. 34.14 feet from the N.W. corner of said Section 11, thence from said point of beginning and along said South Right-of-Way line of Square Lake Road S. 89° 24' 58" E. 767.28 feet to a point on the West Right-of-Way line of Hillmore Street (30 feet wide, ½ width), thence along said West line of Hillmore Street S. 00° 05' 38" W. 772.84 feet; thence N. 89° 24' 16" W. 300.00 feet; thence the following (8) eight courses and distances along "The Fair Ways Estates: as recorded in Liber 208, Page 19 through 21 inclusive Oakland County Records N. 00° 05' 38" E. 26.40 feet, N. 89° 24' 16" W. 527.26 feet, N. 00° 11' 17" E. 15.49 feet, N. 89° 12' 03" W. 164.13 feet N. 00° 47' 57" E. 21.87 feet, N. 08° 50' 24" W. 100.00 feet, 17.41 feet along the arc of a curve to the right, said curve having a radius of 103.50 feet, a central angle of 09° 38' 29", a chord length of 17.39 feet and a chord bearing of S. 85° 58' 46" W. and N. 89° 12' 03" W. 196.92 feet to a point on the East Right-of-Way line of Rochester Road (75 feet wide, ½ width); thence along said East Right-of-Way line of Rochester Road N. 00° 19' 28" E. 167.16 feet; thence N. 56° 57' 50" E. 262.62 feet; thence N. 38° 19' 32" E. 376.48 feet to the point of beginning, containing 17.67 acres of land and being subject to easements, agreements and restrictions of record and all governmental limitations. Above

legal covers entire The Fairways Condominium, Oakland County Condominium Plan #576, sidwell no. 20-11-102-000 Units 1-100.

**ARTICLE III  
DEFINITIONS**

Certain terms are used not only in this First Amendment to the Consolidating Master Deed and Exhibits A and B, but are or may be used in various other instruments including the Articles of Incorporation, the Corporate Bylaws, and rules and regulations of Fairway Condominium Association, and deeds, mortgages, liens, land contracts, easements, licenses, rights of way, and other instruments affecting the establishment of, or transfer of, interests, rights, responsibilities and obligations in The Fairways Condominium as a condominium. Wherever used in such documents or any other pertinent instruments, the terms shall be defined as follows:

Section 1. **Act.** The "Act" means the Michigan Condominium Act, Act 59 of the Public Acts of 1978, being MCL 559.101 et seq. as amended.

Section 2. **Association.** "Association" or "Association of Co-owners" means Fairway Condominium Association, which is the non-profit corporation organized under Michigan law of which all Co-owners are members by virtue of ownership of a unit in the Condominium Complex. The corporation shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to the Co-owners by the Condominium Documents or Michigan law.

Section 3. **Bylaws.** "Bylaws," "Restated Bylaws," or "Condominium Bylaws" means Exhibit A to this First Amendment to the Consolidating Master Deed. These Bylaws state the substantive rights and responsibilities of the Co-owners.

Section 4. **Common Elements.** "Common Elements", used without modification, means both the General and Limited Common Elements described in Article IV of this First Amendment to the Consolidating Master Deed.

Section 5. **Condominium Documents.** "Condominium Documents" means this recorded First Amendment to the Consolidating Master Deed and its Exhibits, including the Restated Condominium Bylaws, original Subdivision Plans, the Corporate Bylaws, the Articles of Incorporation, Rules and Regulations and any other instrument referred to in these documents, or any other recorded documents which affect the rights and obligations of a co-owner or other parties of the Condominium.

Section 6. **Condominium Premises.** "Condominium Premises" means and includes the land described in Article II and the buildings, all improvements and structures, and all easements, rights of way, licenses and appurtenances belonging to The Fairways Condominium.

Section 7. **Condominium Project, Condominium Premises, Community, Complex or Condominium.** "Condominium Project, Condominium Premises, Community, Complex or Condominium" means The Fairways Condominium as an approved and recorded Condominium Subdivision.

Section 8. **Condominium Subdivision Plan.** "Condominium Subdivision Plan" means Exhibit B to this First Amendment to the Consolidating Master Deed.

Section 9. **Control Date.** "Control Date" means the date on which a proposed amendment to the Condominium Documents is approved by the requisite number of Co-owners.

Section 10. **Co-Owner or Owner.** "Co-Owner or Owner" shall mean a person, firm, corporation, partnership, association, trust, or other legal entity or any combination, who or which owns a Condominium unit within the Condominium Project, and may include a land contract vendee. When the terms co-owner or owner are used in the Condominium Documents regarding the observance or performance of obligations or conditions, the terms refer to any person having an interest in the use or occupancy of a unit or entering on the Condominium Premises. These persons include co-owners, family members, guests, licensees, invitees, tenants, lessees, land contract vendees or vendors, employees, contractors, or agents.

Section 11. **Corporate Bylaws.** "Corporate Bylaws" means the Bylaws adopted per the Nonprofit Corporations Act, MCL 450.2101 et seq., which govern the procedures of the Association as a corporate entity.

Section 12. **Default or Co-owner Fault.** "Default or Co-Owner Fault" means those circumstances as determined by the Board of Directors of the Association constituting a co-owner's act of commission or omission (including without limitation, negligence, misuse, or neglect) regarding any provision of the Condominium Documents, or the written directives or requests of the Board of Directors. The term co-owner includes persons or entities claiming through a co-owner or in connection with a co-owner.

Section 13. **Limited Common Element.** "Limited Common Elements" means a portion of the Common Elements reserved in the First Amendment to the Consolidating Master Deed for the exclusive use of less than all of the co-owners, or which in fact services less than all of the co-owners of the Association whether or not the First Amendment to the Consolidating Master Deed so states.

Section 14. **Mortgagee.** "Mortgagee" means the holder of any mortgage on any unit or other portion of the Condominium.

Section 15. **Percentage of Value.** "Percentage of Value" means the percentage assigned to each Condominium unit as reflected in Article V of the First Amendment to The Fairways Condominium Consolidating Master Deed.

Section 16. **Person.** "Person" means an individual, firm, corporation, partnership, association, trust, the State, or an agency of the State, or any other legal entity or combination of legal entities as defined by Michigan law.

Section 17. **Record.** "Record" means to record as provided by Michigan law relating to the recording of deeds or other evidences of title subject to applicable provisions of the Condominium Act.

Section 18. **Record Date.** The "record date" for voting purposes is the date sixty-one days prior to a transaction (whether the transaction is a meeting date or ballot return date) by which a person must have acquired title to or an interest in a unit to be entitled to notice and the right to vote.

Section 19. **Resident Owner.** The term "resident owner" means a Co-owner who maintains a unit within the Condominium Complex as the primary residence.

Section 20. **Unit or Condominium Unit.** "Unit" or "Condominium Unit" means the portion of the Condominium Project designated and intended for separate ownership and residential use as described in the First Amendment to the Consolidating Master Deed for The Fairways Condominium, and Exhibit B.

For purposes of these definitions whenever any reference is made to one gender, it includes a reference to any and all genders where appropriate; similarly, whenever a reference is made to the singular, the reference includes the plural where appropriate and vice versa.

**ARTICLE IV  
COMMON ELEMENTS**

The Common Elements of the Project are depicted and described in Exhibit B and below as follows:

Section 1. The General Common Elements are:

- (a) The land described in Article II including roads, walks, driveways, parking areas, and landscaped areas.
- (b) The electrical transmission systems throughout the Condominium Complex to the point of connection with the unit electrical meter.
- (c) The gas distribution system throughout the Condominium Complex to the point of connection with the unit meter.
- (d) The telephone system throughout the Condominium complex up to the point of entry to each unit.

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(e) The water distribution system throughout the Condominium complex to the point of connection with the common building meter.

(f) The sanitary sewer system throughout the Condominium Complex up to the point of entry to the unit.

(g) The telecommunications system, up to, but not including, connections to provide service to individual units.

(h) Foundations, supporting columns, unit perimeter walls, roofs, ceilings, floor construction between unit levels, gutters, downspouts, chimneys and roof vents, including exterior windows and surfaces and exterior door surfaces.

(i) The storm drainage system throughout the Community including any metering or meters.

(j) The sprinkler system throughout the Community including any metering or meters.

(k) Mailbox enclosure and supporting structures, but not including mailboxes, keys, locks or similar items.

(l) The entrance signs and lighting servicing the signs.

(m) The exterior site lighting and any other exterior lighting throughout the Community, wherever located, including posts and meters, if any.

(n) The Community swimming pool, hot tub, pool deck and pool servicing equipment and the Community clubhouse.

(o) Tennis courts, ponds, two gate houses and two gazebos.

(p) Such other Elements of the Project either as depicted as General Common Elements on Exhibit B or not designated or defined as General or Limited Common Elements which are not enclosed within the boundaries of a unit, and which are intended for common use or necessary to the existence, upkeep, aesthetics and safety of the Community as a whole.

Some or all of the utility lines, systems (including mains, meters and service leads) and equipment, and the telecommunications system, described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the telecommunications systems, shall be Common Elements only to the extent of any interest attributable to the unit owners.

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The Association may assign parking spaces on an equitable basis or to accommodate persons with disabilities.

Section 2. Limited Common Elements are reserved to the exclusive use and enjoyment of the Co-owner of the unit to which the Limited Common Elements are appurtenant. The Limited Common Elements are:

- (a) Each patio and deck area in the Condominium Complex as shown on Exhibit B.
- (b) Each individual porch in the Condominium Complex as shown on Exhibit B.
- (c) Each individual drive as shown on Exhibit B.
- (d) Each individual air-conditioner compressor, pad, duct work, and any related operational accessories.
- (e) Each sump pump, and all related operational equipment.
- (f) The interior surfaces of unit perimeter walls and ceilings and floors contained within a unit.
- (g) The interior surfaces of windows, doors, window screens, door walls and screen doors in each unit.
- (h) The exterior water spigots accessed from the Common Elements.
- (i) Each fireplace.
- (j) Each garage and garage door opener and hardware.
- (k) Any other elements of the Project which are used exclusively by less than all of the Co-owners or to which access is restricted to less than all of the Co-owners.

Section 3. (a) Every unit Co-owner is responsible for the decoration, maintenance, repair and replacement of their following Limited Common Elements:

- (1) their interior surfaces of unit perimeter walls, ceilings and floors, and fireplaces contained within a unit;
- (2) their windows and window screens;
- (3) their door walls, and screens, except that the Association is responsible for the maintenance and replacement of the front and rear entrance doors;

- (4) their air conditioner compressor, pad, duct work, and any related operational accessories;
- (5) their garage interior and garage door openers and hardware;
- (6) their sump pump and all related operational equipment.
- (7) exterior spigots

(b) Co-owner responsibilities must be performed according to specifications provided in Rules and Regulations of the Association. All areas of the above Limited Common Elements visible from the exterior of the unit must be maintained according to appearance standards adopted by the Board of Directors.

(c) The Association is responsible for the costs of maintenance, repair and replacement of all Common Elements not listed above as assigned to the co-owners except for decks. Co-owners are responsible for maintenance of their decks; the Association is responsible for repair and replacement of the decks. If repair or replacement to any Common Element is required because of damage caused by a co-owner, the cost of repair or replacement is that of the co-owner.

(d) Furnaces, humidifiers, water heaters, water purifiers and similar environmental appliances are not Common Elements and are the sole responsibility of the co-owner serviced. Duct work, venting, laundry vents, circuit breaker panels are not common elements and are the sole responsibility of the co-owner.

Section 4. If the Co-owner fails or refuses to perform the decoration, maintenance, repair or replacement responsibilities required above within a reasonable time period determined in the sole discretion of the Board of Directors, the Association, upon written notice to the Co-owner, has the right to cause the repairs, maintenance or replacement to be accomplished. The costs incurred by the Association are chargeable to the Co-owner and collected in the same manner as assessments per Article VI of the Condominium Bylaws.

Section 5. No Co-owner shall use the unit or the Common Elements in any manner inconsistent with the purposes of the Community, the terms and provisions of the Condominium Documents or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of the Co-owner's unit or the Common Elements.

Section 6. Co-owner additions and modifications, even though approved by the Association, shall not be considered Limited or General Common Elements in any case, and are the complete responsibility of the Co-owner. Should the Association require access to any elements of the Condominium Complex which necessitates the moving or destruction of all or part of any such addition or modification, all costs, damages and expenses involved in providing access and restoring the addition or modification shall be borne by the Co-owner.



**ARTICLE V  
UNIT DESCRIPTION AND PERCENTAGE OF VALUE**

Section 1. Each Unit in the Condominium is described in this paragraph with reference to the Condominium Subdivision Plan of The Fairways Condominium attached as Exhibit B. Each unit includes the space contained within the finished unpainted walls and ceilings and from the finished subfloor. With respect to any unit basement, the unit includes the space contained within the unpainted surfaces of the basement floor and walls, and the uncovered underside of the first floor joists.

Section 2. There are 100 units in The Fairways Condominium. The percentage of value for each unit is stated below. The method and formula used by the Developer was to divide the square footage of each unit by the total square footage of all units. Garages, optional lofts and basements were excluded from square footage calculations. The percentage of value determines each Co-owner's share in the Common Elements, the Co-owner's share in the proceeds and expenses of administration and the value of the Co-owner's vote. The total value of the complex is 100%.

Section 3. The following percentages of value are assigned to the units:

Schedule of Percentages of Value

| <u>Unit Number</u> | <u>Percentage of Value</u> |
|--------------------|----------------------------|
| 1                  | .96%                       |
| 2                  | .96%                       |
| 3                  | 1.14%                      |
| 4                  | 1.14%                      |
| 5                  | .96%                       |
| 6                  | .96%                       |
| 7                  | .72%                       |
| 8                  | .94%                       |
| 9                  | .96%                       |
| 10                 | 1.14%                      |
| 11                 | 1.14%                      |
| 12                 | .96%                       |
| 13                 | .96%                       |
| 14                 | .96%                       |
| 15                 | .96%                       |
| 16                 | 1.14%                      |
| 17                 | 1.14%                      |
| 18                 | .96%                       |
| 19                 | .96%                       |
| 20                 | .96%                       |
| 21                 | .96%                       |
| 22                 | 1.14%                      |

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|    |       |
|----|-------|
| 23 | 1.14% |
| 24 | .96%  |
| 25 | .96%  |
| 26 | .96%  |
| 27 | .96%  |
| 28 | 1.14% |
| 29 | 1.14% |
| 30 | .96%  |
| 31 | .96%  |
| 32 | .72%  |
| 33 | .94%  |
| 34 | .96%  |
| 35 | 1.14% |
| 36 | 1.14% |
| 37 | .96%  |
| 38 | .96%  |
| 39 | .72%  |
| 40 | .94%  |
| 41 | .96%  |
| 42 | 1.14% |
| 43 | 1.14% |
| 44 | .96%  |
| 45 | .96%  |
| 46 | .96%  |
| 47 | .96%  |
| 48 | .96%  |
| 49 | .96%  |
| 50 | .96%  |
| 51 | .96%  |
| 52 | 1.14% |
| 53 | 1.14% |
| 54 | .96%  |
| 55 | .96%  |
| 56 | .96%  |
| 57 | .96%  |
| 58 | 1.14% |
| 59 | 1.14% |
| 60 | .96%  |
| 61 | .96%  |
| 62 | .96%  |
| 63 | .96%  |
| 64 | 1.14% |
| 65 | 1.14% |
| 66 | .96%  |
| 67 | .96%  |
| 68 | .96%  |

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|     |       |
|-----|-------|
| 69  | .96%  |
| 70  | 1.14% |
| 71  | 1.14% |
| 72  | .96%  |
| 73  | .96%  |
| 74  | .96%  |
| 75  | .96%  |
| 76  | .96%  |
| 77  | .96%  |
| 78  | .96%  |
| 79  | .96%  |
| 80  | 1.14% |
| 81  | 1.14% |
| 82  | .96%  |
| 83  | .96%  |
| 84  | .96%  |
| 85  | .96%  |
| 86  | 1.14% |
| 87  | 1.14% |
| 88  | .96%  |
| 89  | .96%  |
| 90  | .96%  |
| 91  | .96%  |
| 92  | .96%  |
| 93  | .96%  |
| 94  | .72%  |
| 95  | .94%  |
| 96  | .96%  |
| 97  | 1.14% |
| 98  | 1.14% |
| 99  | .96%  |
| 100 | .96%  |

**ARTICLE VI  
EASEMENTS**

Section 1. The Developer has executed an Agreement and Irrevocable Petition for Public Improvements (the "Agreement") with the City of Troy. The Agreement provides that the Developer and all future Co-owners of the Condominium shall pay a proportionate share of the cost of widening Hillmore Street in and along the City of Troy right-of-way. The Hillmore Street right-of-way is shown on the Condominium Plan and is included in the Condominium. Hillmore Street may be widened to include this right of way. The Agreement is intended to run with the land and will be binding on all persons acquiring an interest in the Condominium. Among other things, it provides that each owner of an interest in the Condominium property shall be obligated to pay a portion of the special assessment levied against the Condominium property in order to widen

Hillmore Street. When the City of Troy decides to widen Hillmore Street each Condominium Co-owner shall be obligated to pay, as a part of their property taxes or assessments, any special assessment for the cost of such widening which may be levied by the City.

Section 2. If any portion of a unit or Common Element encroaches upon another unit or Common Element due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of the encroachment throughout its existence, and for maintenance after rebuilding in the event of any destruction or casualty. There is a permanent easement for the maintenance and repair, renovation, restoration, reconstruction or replacement of Common Elements, which is administered by the Board of Directors. There are easements to, through and over those portions of the land, structures, buildings and improvements, and interior walls as may be reasonable for the reconstruction, replacement, removal, installation, maintenance and repair of all public utilities necessary to the Condominium. The Easements of support exist with respect to any unit interior wall which supports a Common Element. Also included in this Article VI are easements created as a result of condemnation or eminent domain proceedings or easements created from time to time by the Board of Directors of the Association (including without limitation those created as a result of repairs, renovations or alterations made or approved by the Board of Directors) or in documents affecting or pertaining to the Condominium Project. In addition, each Condominium unit shall have and shall be subject to all easements of necessity in favor of such Condominium unit or in favor of the other Condominium units and the Common Elements.

Section 3. The Board of Directors or its agents or employees have a perpetual and non-exclusive right of access to each Condominium unit:

- a. To inspect, maintain, renovate, replace and make repairs to the Common Elements contained in the unit or elsewhere in the Project; and
- b. To prevent damages or deterioration to the Common Elements or to other Condominium units; and
- c. To perform any operations required in connection with the maintenance, repair, replacement, renovation or improvement of or to the Common Elements, or any equipment, facilities or fixtures affecting or serving the unit, other units or the Common Elements; and
- d. To remedy or abate any violations of the Condominium Documents or laws, orders, ordinances, rules or regulations of any governmental authority having jurisdiction.

Section 4. The Association, acting through its Board of Directors, is empowered and obligated to grant easements, licenses, rights-of-entry and rights-of-way over,

under and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium.

Section 5. The Association and its agents or contractors and all public or private utilities shall have such easements as may be necessary over the Condominium Premises, including all units and Common Elements to fulfill any responsibility of maintenance, repair, decoration, renovation or replacement which it or any of them are required or permitted to perform under the Condominium Documents, by law or contract with the Condominium

Section 6. The Association, acting through its Board of Directors is empowered to grant easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "telecommunications") to the Complex or any unit in the Complex.

However, the Board of Directors shall not enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installation, marketing or sharing periodic subscriber service fees, are receipts affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and are the property of the Association.

**ARTICLE VII  
AMENDMENT**

Section 1. The First Amendment to the Consolidating Master Deed and Restated Condominium Bylaws may be amended with the prior consent of two thirds of the Co-owners in number. Each first mortgagee of record of a unit in the Condominium has one vote for each unit on which a mortgage is held, where mortgagee votes are required. Mortgagee votes required by this Section are limited to the categories and procedures designated in MCL 559.190(a) as amended.

1. Persons, other than the Board of Directors, causing or requesting an amendment to the Condominium Documents are responsible for the costs and expenses of the amendment. If amendments receive the vote of the prescribed number of Co-owners and mortgagees, then the costs will be reimbursed by the Association. Costs of amendments proposed by the Board of Directors are expenses of administration.

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2. The Association, acting through its Board of Directors, reserves the right to amend the First Amendment to the Consolidating Master Deed and Restated Condominium Bylaws without the consent of Co-owners or mortgagees for all purposes deemed reasonable and necessary to effectuate the intent of the Documents, where such amendments do not materially alter or change the rights of Co-owners or mortgagees.

3. Co-owners shall be notified of proposed amendments, under paragraph 2, not less than 10 days before the amendment is recorded.

Section 2. A Co-owner's unit dimensions or appurtenant Limited Common Elements may not be modified without the Co-owner's consent.

Section 3. The percentage of value of the units shall not be modified without the consent of each affected Co-owner and mortgagee.

Section 4. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of 80% of all Co-owners.

FAIRWAY CONDOMINIUM ASSOCIATION

BY: Barbara Boyajian  
Barbara Boyajian  
Its President

STATE OF MICHIGAN )  
                                  )SS.  
COUNTY OF OAKLAND )

On this 7th day of April, 2005, the foregoing instrument was acknowledged before me by Barbara Boyajian, President of Fairway Condominium Association, who attested that this document received the approval of two-thirds of the co-owners of Fairway Condominium Association.

PATRICIA GARGARO  
Notary Public, Oakland County, MI  
My Commission Expires Oct. 24, 2007

Patricia Gargaro  
Notary Public  
Oakland County, Michigan  
My Commission Expires: 10-24-07  
Acting in Oakland County.

First Amendment to  
Consolidating Master Deed  
Drafted by:

Schlottman & Wagner, P.C.  
Judi M. Schlottman (P35479)  
44511 North Gratiot Avenue  
Clinton Township, MI 48036  
(586) 465-1330

When recorded, return to drafter.



**THE FAIRWAYS CONDOMINIUM**

**EXHIBIT "A"**

**TO FIRST AMENDMENT TO THE CONSOLIDATING MASTER DEED**

**RESTATED CONDOMINIUM BYLAWS**

This First Amendment to the Consolidating Master Deed Exhibit A, Restated Condominium Bylaws of The Fairways Condominium is made, as required or permitted by the provisions of MCL 559.101 et. seq., this 7th day of April, 2005, by Fairway Condominium Association, a Michigan Nonprofit Corporation (Association).

**ARTICLE I**

**DEFINITIONS**

All terms used in these Bylaws have the meaning as stated in the First Amendment to the Consolidating Master Deed to which these Bylaws are attached as an Exhibit. Any reference made to one gender includes any and all genders where appropriate; similarly, any reference to the singular includes the plural where appropriate.

**ARTICLE II**

**ASSOCIATION OF CO-OWNERS**

Section 1. The Fairways Condominium, a residential Condominium located in Troy, Oakland County, Michigan, is administered by an Association of co-owners which is a non-profit corporation, called the "Association" organized under applicable Michigan law.

Section 2. The Association is responsible for the management, maintenance, operation and administration of the Common Elements and easements and affairs of the Condominium Project in accordance with the First Amendment to the Consolidating Master Deed, these Bylaws, the Articles

of Incorporation, the Corporate Bylaws, duly adopted Rules and Regulations of the Association and Michigan law. All co-owners in the Condominium Project and all persons including, without limitation, tenants, lessees, vendees or other non-co-owner occupants or members of their family or household, or other persons using or entering upon or acquiring any interest in any unit or the Common Elements, are subject to the provisions and terms of the Condominium Documents.

Section 3. Each purchaser of a unit in the Condominium becomes a co-owner upon obtaining title to a unit in the Condominium. A Land Contract purchaser is a co-owner for all purposes consistent with the Condominium Documents. The Land Contract purchaser is presumed to be the co-owner for voting purposes unless the Land Contract provides to the contrary or the Land Contract seller submits a dated written statement to the Association providing to the contrary. Both the Land Contract seller and the Land Contract purchaser shall be jointly and severally responsible for all obligations imposed by the Condominium Documents and Michigan law.

Section 4. Each co-owner becomes a member of the Association upon purchase of a condominium unit. No other person or entity is entitled to membership. The share of a co-owner in the funds, reserves and assets of the Association cannot be assigned, pledged or transferred in any manner except with the co-owner's unit in the Condominium. A co-owner selling a unit is not entitled to any refund whatsoever from the Association for any reserve or other asset of the Association.

Section 5. The Association shall keep current copies of the First Amendment to the Consolidating Master Deed, any amendments to the Master Deed and other Condominium Documents available at reasonable business hours to co-owners, prospective purchasers and prospective mortgagees of units in the Condominium, subject to the provisions of MCL 450.2101, et. seq.

**ARTICLE III**

**BOARD OF DIRECTORS**

Section 1. The affairs of the Association are governed by a Board of Directors, all of whom shall be resident members of the Association. Directors and officers may be compensated but only in compliance with Section 6.

The Board Members shall have Association assessments accounts which are current and shall be members in good standing of the Association. A co-owner declared by the Board of Directors or its authorized agent to be in default of any of the Condominium Documents shall not vote or serve as a member of the Board of Directors. If default occurs after the member has been seated on the Board, then upon written notice to the member by



the Board, removal shall be automatic and immediate. No more than one person per unit owned may serve on the Board of Directors. No more than one seat on the Board of Directors may be held by any person or persons who either individually or collectively holds title or a beneficial interest in common to a unit in the condominium.

Section 2. The Board of Directors is comprised of five members. Three members are elected one year and two members are elected the following year. All directors serve for a term of two years. Elected Board members hold office until their successors are elected, qualified, and hold their first meeting of the Board of Directors. The manner of election, meetings, quorum, and voting requirements are provided for in the Corporate Bylaws.

Section 3. The Board of Directors has all the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things that are not prohibited by the Condominium Documents or Michigan law, or required to be exercised and performed by the co-owners. In addition to the general duties imposed by these Bylaws, or those which may be stated in the Articles of Incorporation and Corporate Bylaws, the Board of Directors shall be responsible specifically as follows:

- (a) To manage and administer the affairs of and maintenance of the Condominium Project and the Common Elements.
- (b) To determine, levy, collect and disburse assessments, fines, late charges, or other charges against and from the co-owners of the Association and to use the proceeds for the purposes of the Association, including without limitation, the maintenance, repair or replacement of the Common Elements of the Project.
- (c) To obtain insurance and distribute insurance proceeds in accordance with the provisions of Article VIII of these Bylaws.
- (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- (f) To purchase or otherwise acquire any units offered for sale or surrendered by their owners on behalf of the Association, subject to any limitations in the Condominium Documents.
- (g) To purchase units in the Condominium Project at foreclosure or other judicial or sheriff sales on behalf of the Association.

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- (h) To sell, lease, mortgage, vote the votes appurtenant to (other than for the election of members of the Board of Directors) or otherwise deal with units acquired by the Association.
- (i) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including easements, rights-of-way and licenses) on behalf of the Association in furtherance of the Association's purposes.
- (j) To borrow money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Elements. If any sum borrowed by the Board of Directors on behalf of the Association is not repaid by the Board, a co-owner who has paid to the creditor the proportion of the sum which the co-owner's interest in the Common Elements bears to the interest of all of the co-owners in Common Elements, shall be entitled to obtain from the creditor a release of any judgment or other lien filed or claimed by the creditor against the co-owner's unit. This provision shall not be construed to afford the creditor any right against any individual co-owner.
- (k) To adopt, enforce, amend, revoke, revise, or suspend Rules and Regulations convenient to the administration of affairs and operation of the Condominium Project. Any Rule and Regulation is subject to adoption, review, revocation, suspension and amendment as provided in Article XII, Section 14 of these Bylaws.
- (l) To establish committees as deemed necessary, convenient, or desirable and to appoint persons to the committees for the purpose of implementing the administration and operation of the Condominium Project and to delegate to committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the co-owners.
- (m) To enforce the provisions of the Condominium Documents.
- (n) To carry out the purposes of the Association and to have all the powers conferred upon nonprofit corporations and Associations of co-owners by the Michigan law, necessary to carry out those purposes.
- (o) In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance,

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repair, replacement and operation of the Condominium Project and to the accomplishment of any of the purposes of the community.

Section 4. The Board of Directors may employ a professional management agent for the Association to perform those duties and services the Board of Directors authorizes. The Board of Directors may delegate to the 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. No Board Member or Officer of the Board of Directors shall have any affiliation with the management agent.

Section 5. The Board of Directors or its authorized agent shall keep detailed books of account showing all expenditures and receipts of administration. The books of account 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, Association minutes, and contracts concerning the administration and operation of the Condominium Project will be available for examination by any co-owner or the co-owner's designated voting representative, or mortgagee, prospective purchasers or prospective mortgagees, as limited by the provisions of MCL 450.2101 et seq. as amended. A co-owner desiring to view records of the Association shall tender a prior written request to the Board of Directors and is responsible for costs of any copies of records viewed.

- (a) The Board of Directors shall prepare and distribute a financial statement to each unit at least once a year, the contents of which shall be defined by the Board of Directors.
- (b) The books of account shall be audited or reviewed at least annually by qualified independent accountants. The audit does not have to be a certified audit. The costs of the audit or review and any accounting and distribution expenses shall be expenses of administration.
- (c) Any institutional holder of a first mortgage of record on any unit in the Condominium is entitled to receive a copy of the Association's annual financial statement within 90 days after the end of the Association's fiscal year upon written request.

Section 6. Directors and officers may be compensated only upon the affirmative vote of a majority of the co-owners present at a meeting of the Association called for that purpose. The amount of the compensation must also be approved by a majority of the co-owners present at the meeting. The

amount of compensation may be changed at each Annual Meeting upon the vote of a majority of the co-owners present.

The Corporate 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 other provisions pertinent to officers of the Association consistent with the provisions and purposes of the Condominium Documents.

- Section 7. (a) A person who is or was a director, officer, employee, non-director volunteer or agent of the Association shall be indemnified by the Association in any threatened, pending or completed action:
- (i) In a civil, administrative or investigative action if the person acted in good faith and in a manner the person believed was in the best interests of the Association or its co-owner members; and,
  - (ii) In a criminal proceeding, if the person had no reasonable cause to believe the conduct was unlawful.
  - (iii) The indemnification provided by this section applies to expenses actually and reasonably incurred by the person in connection with the action.
  - (iv) The term "expenses" includes attorney fees, judgments, penalties, fines, costs and amounts paid in settlement.
  - (v) The termination of any civil, administrative or investigative action by judgment, order or settlement, does not create a presumption that the person did not act in good faith or in the best interest of the Association or its co-owner members.
  - (vi) The termination of any criminal action by conviction, plea of no contest or a plea that is the equivalent of a no contest does not create a presumption that the person had reasonable cause to believe the conduct was unlawful.
- (b) This provision does not eliminate or limit the personal liability of a director or officer for any of the following:
- (i) A breach of the director's or officer's duty of loyalty to the corporation, or its co-owner members.
  - (ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.

- (iii) A transaction from which the director or officer derived an improper personal benefit.
  - (iv) An act or omission occurring before the effective date of this provision granting limited liability.
  - (v) An act or omission that is grossly negligent.
- (c) Fairway Condominium Association assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer occurring on or after the effective date of this provision granting limited liability if all of the following are met:
- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
  - (ii) The volunteer was acting in good faith;
  - (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
  - (iv) The volunteer's conduct was not an intentional tort;
  - (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as proved in section 3135 of the insurance code of 1956, MCL 500.3135.
- (d) At least ten days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all co-owners of the proposed indemnification. Such payment must be approved by a majority vote of the Board of Directors, without the vote of any director seeking indemnification. If there has been no judicial determination concerning the nature of the conduct, the Board of Directors may rely upon a written opinion of counsel.

**Section 8.** Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the co-owners shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so appointed shall be a Director until a successor is elected at the next Annual Meeting of the Association.

**Section 9.** Any Board Member may be removed with or without cause at any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken. The affirmative vote of more than

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50% in number and in value of all co-owners qualified to vote shall be required for removal. A successor may be elected at the meeting to fill any vacancy thus created. The quorum requirement for the purpose of filling the vacancy is 35%. Any Director whose removal has been proposed by the co-owners shall be given an opportunity to be heard at the meeting.

**ARTICLE IV**

**MEETINGS OF THE ASSOCIATION**

- Section 1. Meetings of the Association shall be held at a suitable place convenient to the co-owners as may be designated by the Board of Directors.
  
- Section 2. The presence, in person, by written vote, or by proxy, of 35% percent in value of the co-owners eligible to vote constitutes a quorum for holding a meeting of the members of the Association. If the purpose of the meeting is to vote on questions specifically required by the Condominium Documents to have a greater quorum, then the greater quorum requirement is controlling. The written vote of a qualified co-owner furnished at or prior to a meeting when the co-owner is not present at the meeting will be counted in determining the presence of a quorum for that meeting. The quorum required for meetings of the Association called for purposes of recall of a Board Member or Members shall be 65% of the co-owners, present in person. Proxies and written ballots shall not be used for quorum purposes in the case of a recall meeting.
  
- Section 3. There shall be an Annual Meeting of co-owners of the Association which shall be held at a date, time and place determined by the Board of Directors. The results of the annual election of Board Members shall be announced at the Annual Meeting and the coowners may transact any business of the corporation at the Annual Meeting. The Association shall have an Annual Meeting every twelve months.
  
- Section 4. The President of the Association shall call a special meeting of the co-owners when requested by written resolution of a majority of the Board of Directors or after receipt of a petition signed by one-third of the qualified designated voting representatives.
  
- Section 5. Co-owners, as of the record date, shall be given written notice of each annual or special meeting. The notice shall state the purpose of the meeting as well as the time and place where it is to be held and shall be sent to each unit, at least 10 days, but no more than 60 days prior to the meeting. The mailing, postage prepaid, of a notice to the designated voting representatives shall be deemed notice served. No business shall be transacted at a special meeting except as stated in the notice.

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Any member may waive this notice requirement by filing a written notice of waiver signed by the member with the records of the Association. The written waiver constitutes due notice as required by this section.

Section 6. 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 48 hours from the time the original meeting was called. New notices must be served for an adjournment which exceeds 48 hours.

Section 7. The transaction of business at any meeting of members, either annual or special, however called and notified, shall be as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy at the meeting. Members who are not present in person or by proxy at the meeting are deemed to have consented to action taken at the meeting unless the co-owner files a written objection to the form of call and notice of such meeting.

Section 8. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents.

Section 9. The order of business at all Annual members' meetings is: (a) proof of quorum; (b) proof of notice of meeting or waiver of notice; (c) reading and approval of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspectors of elections (when appropriate); (g) election of Directors (when appropriate); (h) unfinished business; (i) new business.

Section 10. Minutes, a tape recording or a similar record of the proceedings of co-owners' meetings is presumed truthfully to evidence the matters addressed at the meeting when verified by an Officer of the Association. A statement in the minutes that notice of the meeting was properly given is prima facie evidence that notice was given.

**ARTICLE V**

**VOTING**

Section 1. Except as limited in these Bylaws, each co-owner is entitled to one vote for each Condominium unit owned when voting by number or in value. Voting shall be in number except when voting is specifically required to be both in value and in number. Voting may be in person, by written ballot or by proxy.

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- Section 2. A co-owner is entitled to vote at any meeting of the Association after he/she has presented a deed or other evidence of ownership of a unit in the Condominium to the Association, on or prior to the record date. The vote of each co-owner may be cast only by the individual representative designated by the co-owner in the notice required in Section 3 of this Article or given by such individual representative. A co-owner who is delinquent in the payment of assessments, fines or other charges or otherwise in default of the provisions of the Condominium Documents at the time of the meeting is not eligible to vote in person or by proxy.
- Section 3. Each individual co-owner who is a natural person shall automatically be the designated voting representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of the co-owner. If two or more natural persons are co-owners of a unit, then notice from the Association shall be addressed to all such persons. However, if such co-owners cannot agree as to who will cast the vote, then no vote from that unit is allowed. In the event of ownership of a unit by other than a natural person, such as a corporation, trust, or estate, a written notice designating the person who may vote at Association meetings and receive notices shall be filed with the Association. The notice shall state the name and address of the units owned by the co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other legal entity who is the co-owner. If the co-owner is a corporation, partnership or other similar entity, then only an authorized agent shall be the designated voting representative. Such designee may be changed by the co-owner at any time by filing a new notice in the manner provided in this section. If no written notice is filed as required by this section, then the unit vote cannot be cast until the written notice is received.
- Section 4. Votes may be cast in person, by written ballot or by proxy signed by the designated voting representative not present at a given meeting in person, unless otherwise restricted by the Condominium Documents. Proxies must be filed with the Secretary of the Association or the management agent prior to the time of each meeting of the Association where the proxy will be used. Cumulative voting is prohibited.
- (a) Votes may be cast only in person or by proxy. Proxy voting may be prohibited at the discretion of the Board of Directors for certain matters, including without limitation, recall of Board Members or rescission of Association Rules and Regulations.
  - (b) A majority, except where otherwise provided in the Condominium Documents, shall consist of more than 50% in value of those eligible to vote and present in person or by proxy at a given meeting of the members of the Association. Whenever provided



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specifically in the Condominium Documents, a majority may be required to exceed a simple majority and may be required to be one of both number and value of units represented by designated voting representatives present in person, or by proxy, at a given meeting of the members of the Association.

- (c) In event of a casualty or catastrophic event causing damage or destruction to more than fifty percent of the Condominium Project, all quorum requirements for meetings of members shall be temporarily suspended. The President of the Board of Directors, or in his/her absence, any Board Member, shall be empowered to take those steps necessary and incur expenses of the Association attendant to attempt to secure, protect and safeguard the Complex, to notify insurance companies as necessary to preserve known insurance claims, and to collect and disburse proceeds of insurance for such purposes, notwithstanding the lack of meetings of members or membership approval if otherwise required. Every co-owner displaced or otherwise out of contact with the Association by the casualty or catastrophic event has the affirmative duty to notify the Board of Directors (or any Director) of their address for meeting notification purposes. Upon receipt of such notification for all co-owners, the suspension of quorum and meeting of members obligations shall cease and a meeting of members then and there called.
- (d) Any action which may be taken at a meeting of the members (except for removal of directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited within the 60 day period of giving notice of meetings of members. The solicitation shall specify: (a) the number of responses needed to meet the quorum requirement; (b) the percentage of approvals necessary to approve the action and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that where the co-owner specifies a choice, the vote shall be cast in accordance with the co-owner's specification. Approval by written ballot is obtained by timely receipt of: (i) the number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) the votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.
- (e) Other provisions as to voting by members, not inconsistent with these provisions, may be provided in the Corporate Bylaws.

**ARTICLE VI**

**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. Personal property taxes based upon the personal property shall be treated as expenses of administration.
- Section 2. Expenditures affecting the administration of the Project include costs incurred in the satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project. Receipts affecting the administration of the Condominium Project include all sums received as the proceeds of or pursuant to, a 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.
- Section 3. The expenses arising from the management, administration, and operation of the Association by the Board of Directors shall be levied against the Co-owners. 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. The budget shall project all expenses for the upcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reserve fund of at least 10% of the Association's current annual budget on a non-cumulative basis, for major repairs and replacements of Common Elements. This reserve fund must be funded by regular monthly payments rather than by special assessment, except in emergency or casualty circumstances. The minimum 10% standard required by this section may prove to be inadequate for the Community. The Board of Directors should carefully analyze the Community to determine if a greater amount should be set aside in this reserve fund. The Board of Directors may, in its discretion, create other operating or reserve funds for specific purposes or expenses. The Board of Directors may increase the general assessments if the Board finds that the revenues of the Association are insufficient to pay costs of operation.
  - (b) After adoption of the annual budget by the Board of Directors, copies of the budget shall be delivered to each unit owner and the assessments for the year shall be established based upon the budget. The delivery of a copy of the budget to each unit owner

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does not change the liability of any co-owner for any existing or future assessments.

- (c) The Board of Directors at any time may make special assessments for the payment of any obligation of the Association.
- (d) Fines, interest, late or administrative charges, or other costs and expenses imposed against a co-owner by the Board of Directors pursuant to the Condominium Documents shall be deemed assessments and shall be charged, collected and enforced in the same manner as all assessments pursuant to this Article, and the Condominium Act.

**Section 4. All assessments levied against co-owners shall be apportioned among and paid by the co-owners as follows:**

- (a) The common expenses associated with the maintenance, repair, renovation, restoration, or replacement of a Limited Common Element may be assessed against the Condominium unit serviced by the Limited Common Element at the time the expenses were incurred. If the Limited Common Element involved services more than one Condominium unit, the expenses may be specifically assessed against each of the affected Condominium units equally so that the total of the Assessment equals the total of the expenses.
- (b) Any other unusual expenses, late charges, fines, interest, administrative charges, costs or other charges benefiting less than all of the Condominium 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, guests, contractors, agents, employees or members of their family or household, may be assessed against the Condominium unit(s) involved.
- (c) The amount of all common expenses not assessed pursuant to subsections (a) and (b) may be assessed against the Condominium units in proportion to the percentage of value of each Condominium unit.

**Section 5. General assessments as determined in accordance with Article VI, Section 3(a) above shall be payable by the co-owners in 12 equal monthly installments, and/or in such other periodic installments as the Board of Directors may determine, commencing with ownership of a unit through deed or land contract or with any ownership interest in a unit by any other means. Monthly installments of the annual assessment are due on the first**

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day of each month. The payment of an assessment is in default if the assessment, or any part of it, is not received by the Association in full on or before the due date for the payment. A late charge shall be assessed by the Association upon any assessment that is not paid within 10 days of the due date for the assessment. The amount of the late charge shall be established by the Board of Directors with 15 days written notice to the designated voting representatives, together with any other conditions for imposition. Late charges are an administrative cost, not a penalty.

Assessments in default bear interest at the rate of 7% per annum or any higher rate allowed by law until paid in full. All payments shall be applied first to costs of collection including attorney fees, to late charges and interest, to fines or other charges, and then to assessments in order of oldest delinquency. A designation by the co-owner of any other method of application is not binding on the Association, and does not create an accord and satisfaction.

Each co-owner (whether one or more persons) is and remains personally liable for the payment of all assessments, late charges, costs of collection, fines, administrative charges or other costs pertinent to the co-owner's unit which may be levied while the co-owner has ownership of the unit.

Both a land contract seller and the land contract purchaser are personally liable for the payment of all assessments, charges, costs of collection, fines, administrative charges or other costs pertinent to the subject Condominium unit which are levied during the land contract term and any extension or termination, including any redemption periods from foreclosure or forfeiture of the land contract.

Section 6. All other assessments as determined in accordance with Article VI, Section 3(c) above shall be due and payable at the time and in the manner prescribed by the Board of Directors or as elsewhere contained in the Condominium Documents.

Section 7. No co-owner is exempt from liability for payment of assessments and for contribution toward the Association's expenses of administration by waiver of the use or enjoyment of any of the Common Elements or abandonment of the unit. No co-owner is exempt from payment of assessments based upon the failure of the Association or management agent to provide services or management to the co-owner.

Section 8. Sums assessed to a unit that are unpaid, together with interest, collection and late charges, advances made by the Board of Directors for taxes or other liens to protect the Association's lien, attorney fees and fines constitute a statutory lien on the unit. The Board of Directors may enforce

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collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien.

No co-owner may assert in answer or set-off to a complaint brought by the Association for nonpayment of assessments the fact that the Association or its agents have not provided the services or management to the co-owner.

The lien may be foreclosed by a judicial action or by advertisement in the name of the Association by the Board of Directors. Each co-owner and every other person who has any interest in the Condominium Complex, shall be deemed to have granted to the Association the unqualified right to elect to foreclose its 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 amended from time to time, shall be used 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. The redemption period following Association foreclosure through advertisement or judicial action shall be 6 months unless the unit is abandoned. If abandoned, the redemption period is 30 days. The Association is entitled to recovery of its interest, expenses, costs and attorney fees in addition to all other amounts secured by the lien as provided by the Condominium Documents and Michigan Law.

Each co-owner and every other person who has any interest in the Condominium Complex, is deemed to have authorized and empowered the Association to sell the unit against which the Association's lien is recorded and to receive, hold and distribute the proceeds of the sale in accordance with the applicable priorities.

Each co-owner acknowledges that at the time of acquiring title to the unit, the co-owner was notified of the provisions of this Section and that the co-owner voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments or other charges and a hearing on the same prior to the sale of the unit.

The Association, through its Board of Directors, may bid in at the foreclosure sale and acquire, hold, lease, mortgage or convey the Condominium unit.

A foreclosure proceeding may not be commenced without recordation and service of a notice of lien as follows:

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1. The Notice of lien shall set forth:
  - (i) The legal description of the Condominium unit or Condominium units to which the lien attaches.
  - (ii) The name of the co-owner of record of the unit.
  - (iii) The amounts due the Association of co-owners at the date of the notice, exclusive of interest, costs and attorney's fees. Future assessments, unless acceleration has occurred as provided for in this section, shall not be included in the amount stated in the notice of lien.
2. The notice of lien shall be in recordable form, executed by an authorized representative of the Association and may contain such other information as the Association may consider appropriate.
3. The notice of lien shall be recorded in the Oakland County Register of Deeds Office and shall be served upon the delinquent co-owner by first class mail, postage prepaid addressed to the designated voting representative at least 10 days in advance of commencement of the foreclosure proceeding. The notice of lien does not have to be recorded at the time of mailing.

An action to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien. An action for money damages and foreclosure may be combined in one action.

A receiver may be appointed in an action for foreclosure of the assessment lien and may be empowered to take possession of the Condominium unit, if not occupied by the co-owner, and to lease the Condominium unit and collect and apply any rentals as directed by the Court.

The expenses incurred in collecting unpaid assessments, including accelerated assessments, interest, costs, actual attorney's fees, collection costs and advances for taxes or other liens paid by the Association to protect its lien, are chargeable to the co-owner in default and secured by the lien on the unit.

In the event of default by any co-owner in the payment of any installment of the annual assessment levied against the co-owner's unit and in the event of default by any co-owner in the payment of any installment or portion of any additional or special assessment levied against the co-owner's unit, or any other obligation of a co-owner which, according to these Bylaws, may be assessed to, and collected from, the

responsible co-owner in the manner provided in this Article, the Association shall have the right to declare all unpaid installments of the annual assessment for the applicable fiscal year (and for any future fiscal year in which the delinquency continues) and all unpaid portions or installments of the additional or special assessments, if applicable, immediately due and payable. Such accelerated amounts may be deemed to be unpaid assessments for lien recordation purposes.

A co-owner in default shall not be entitled to vote at any meeting of the Association, and shall not be entitled to run for election as a Director or be appointed as a Director or an Officer of the Association so long as the default continues.

Section 9. In compliance with the provisions of the Act, the purchaser of any Condominium unit shall request a written statement from the Association regarding the outstanding amount of any past due unpaid Association monthly or special assessments, fines, administrative costs, and costs of collection, including actual attorney fees incurred.

The Association shall provide a written statement of such unpaid assessments, fines, administrative costs and costs of collection, including attorney fees as may exist, or a statement that none exist. The statement shall be binding upon the Association for the period stated.

Unless the purchaser or grantee requests the written statement from the Association at least 5 days before the purchase of the unit, the purchaser or grantee shall be liable for any unpaid regular or special assessments, fines, administrative costs and costs of collection, including attorney fees, against the unit accruing prior to the purchase or grant. The costs of collecting such amounts from the purchaser or grantee, including interest and attorney fees, shall also be charged to the purchaser or grantee.

Section 10. A Construction lien arising under MCL 570.1101 et. seq., as amended, is subject to the following limitations:

- (a) Except as provided in this section, a construction 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 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.

- (c) A Construction lien may not arise or attach to a Condominium unit for work which was performed on the Common Elements but not contracted for by the Association.

Section 11. All property taxes and special assessments levied by any public taxing authority shall be assessed against the individual condominium unit.

**ARTICLE VII**

**ARBITRATION**

Section 1. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or disputes, claims or grievances arising among or between co-owners and the Association may, upon the election and written consent of the parties to the disputes, claims or grievances, and written notice to the Association, be submitted to arbitration. The parties shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time are applicable to any arbitration. The costs of the arbitration will be borne by the requesting party.

Section 2. No co-owner or the Association is precluded from petitioning the Courts to resolve any disputes, claims or grievances.

Section 3. Election by co-owners and the Association to submit a dispute, claim or grievance to arbitration will preclude such parties from litigating the dispute, claim or grievance in the Courts.

**ARTICLE VIII**

**INSURANCE**

Section 1. The Association shall carry all risks insurance coverage which includes fire and extended coverage, vandalism and malicious mischief insurance, code reconstruction and debris removal and demolition, errors and omissions for the Board of Directors, and workers' compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the General Common Elements of the Condominium Project and any Limited Common Elements for which the Association has repair or replacement responsibility per Article IV of the First Amendment to the Consolidating Master Deed. The Association shall be conclusively deemed to be an excess carrier or provider and not the primary carrier of



the all risks insurance coverage and any riders. Insurance shall be carried and administered as follows:

- (a) All General Common Elements of the Condominium Project and such Limited Common Elements for which the Association has repair or replacement responsibility per Article IV of the First Amendment to the Consolidating Master Deed will be insured against fire and other perils covered by an extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. This determination will be made in consultation with the Association's insurance carrier and/or its representatives applying commonly employed methods for the reasonable determination of replacement costs. The 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 cost of replacement).

All information in the Association's records regarding insurance coverage is available to all co-owners on written request and reasonable notice during normal business hours so that co-owners are able to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly called meeting to change the nature and extent of any applicable coverages, if so determined, and if the change is available to the Association. 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 coverages.

- (b) Every co-owner must obtain primary insurance coverage at the co-owners' expense upon their unit and General Common Elements and upon Limited Common Elements for which the Co-owner has maintenance, repair or replacement responsibility per the provisions of the Condominium Documents. It shall be each co-owner's responsibility to obtain, by personal investigation from the co-owner's own insurance advisors, the nature and extent of insurance coverage adequate to the co-owner's needs and to obtain insurance coverage for any fixtures, wall coverings, window shades, draperies, light fixtures, windows, doors, doorwalls, screens, interior trim, equipment, appliances, floor coverings, unit modifications, and the personal property of the co-owner, their

licensees, invitees, guests, agents, employees, contractors or members of their family or household located within the co-owner's unit or Limited Common Elements, or elsewhere on the Condominium Premises. Each co-owner shall obtain coverage for the co-owner's personal liability for any and all losses, casualties or occurrences within the co-owners unit, on the General Common Elements, or on the unit's Limited Common Elements, and also for alternative living expense in event of casualty. The Association shall have absolutely no responsibility for obtaining such coverages or paying for co-owner(s) damages which the omitted coverage would have paid.

- (c) Each co-owner shall be responsible to obtain insurance coverage for damages or losses due to ice damming, mold testing and remediation costs, or personal injury attributable to or resulting from mold exposure, to the extent that such coverage is available to the co-owner. The Association shall have no responsibility to obtain coverage for any damages or losses attributable to or due to ice damming, mold testing and remediation costs, or personal injury attributable to or resulting from mold exposure. Any losses or damages due to or attributable to ice damming, mold testing or remediation costs, or personal injury attributable to or resulting from mold exposure, which are not covered by the co-owner's insurance as primary carrier, or the Association's insurance as secondary or excess carrier, shall be shared equally by the co-owner and the Association, regardless of whether maintenance, repair and replacement responsibilities for the source of the loss or damage are that of the Association or that of the co-owner.
- (d) Each co-owner shall provide proof of the insurance coverages required by Sections (b) and (c) to the Association annually upon the written request of the Board of Directors. 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-owners shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any co-owner or the Association. The liability insurance carried by the Association shall, where appropriate, contain cross-liability endorsements to cover liability of the co-owners as a group to another co-owner.

If a co-owner fails to obtain or maintain the insurance coverages required by Sections (b) and (c), then the co-owner shall be personally responsible for any out of pocket losses suffered by the Co-owner or any other injured party, and the Association shall have absolutely no responsibility to reimburse or cover those losses.

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- (e) Any improvements or enhancements made by a co-owner within a unit or to the Common Elements shall be covered by insurance obtained by, and at the expense of, the co-owner, as shall any items defined in Article IV of the First Amendment to the Consolidating Master Deed as the co-owner's responsibility. The Association shall have no responsibility to carry coverages for such improvements, enhancements or items, to submit to its insurer any claims by co-owners, or to pay any deductibles or co-owner losses in connection with such improvements, enhancements or items.
- (f) If Association insurance policies cover a loss which would otherwise be the responsibility of the affected co-owner, or if the affected co-owner and the Association have dual coverages, and as a result the Association receives insurance proceeds, then the Association may, but is not required to apply the insurance proceeds to the costs of such reconstruction, replacement or repair. In the event of dual coverage, the Association has no affirmative obligation to submit the loss to Association insurance companies.
- (g) All premiums for insurance policies purchased by the Association shall be expenses of administration.

Section 2. Proceeds of all insurance policies owned by the Association shall be received by the Board of Directors, held in a separate account and distributed to the Association and the co-owners and their mortgagees, as their interests may appear of record. Whenever repair or reconstruction of the Condominium shall be required as provided in Article X of these Bylaws, the proceeds of any insurance received by the Association as a result of the loss requiring repair or reconstruction shall be applied for such repair or reconstruction. Excess proceeds, if any, shall be maintained for the benefit of the Association in an insurance reserve fund. In no event shall the Association be required to remit excess proceeds to an affected co-owner, although the Association may do so pursuant to the provisions of Article X, Section 5(b) of these Bylaws.

The deductible amount required by virtue of a loss occasioned through the acts or omissions of a co-owner or the co-owner's family, guests, licensees, vendees, agents, lessees, or non-co-owner occupants which is covered by the Association's insurance shall be paid by the co-owner to whom the loss is attributable.

Section 3. Every co-owner, by ownership of a unit in the Condominium Project, is deemed to appoint the Association as their true and lawful attorney-in-fact to act in connection with matters concerning the maintenance of all risks coverage including fire and extended coverage, vandalism and malicious mischief, errors and omissions, liability insurance and workers'

compensation insurance, if applicable, pertinent to the Condominium Project, the units, and the Common Elements with such insurer as may, from time to time, provide insurance for the Condominium Project.

Without limitation on the generality of the foregoing, the Association, as attorney-in-fact, has full power and authority to purchase and maintain such insurance, to collect and remit premiums, to collect proceeds and to distribute the proceeds to the Association, the co-owners and mortgagees, as their respective interests may appear (subject to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of the co-owners and the Condominium as are necessary or convenient to the accomplishment of the above.

Section 4. Each co-owner or occupant, by ownership or use of a unit or the allowance or the maintenance of any condition or circumstance in or about the unit or the Common Elements of the Condominium which increases the hazards or risks or is considered an inherently dangerous activity (as determined in the reasonable discretion of the Board of Directors), has an affirmative duty to notify the Board of Directors as to the existence of the condition or circumstance. In addition, any co-owner who owns or permits the condition or circumstance shall carry sufficient insurance to cover the increased risks and hazards.

Section 5. Each co-owner has a duty to immediately notify the Board of Directors of any intended or actual lapse, cancellation, non-renewal, or discontinuance of insurance coverage obtained in compliance with this Article. Upon written request by the Board of Directors or its duly authorized agent, such co-owner shall furnish evidence of compliance with the insurance requirements.

**ARTICLE IX**

**CO-OWNER MAINTENANCE,  
RECONSTRUCTION, REPAIR OR ALTERATION**

Section 1. Each co-owner is responsible for reconstruction and repair as reflected in the First Amendment to the Consolidating Master Deed and as follows:

- (a) Every co-owner shall promptly perform all maintenance and repair work within the co-owner's unit, basement, or on the Common Elements, which, if omitted, would affect the community in its entirety or in a part belonging to other co-owners, being expressly responsible for the damages and liabilities that the co-owner's failure to do so may engender.

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- (b) Each co-owner is solely responsible for the interior repairs, including the unfinished surface of the drywall and decorating of the interior of the unit, regardless of whether damage or loss is caused by structural defect, damage to the Common Elements, deterioration, or fire, theft or vandalism. Every co-owner is responsible for maintenance of their deck, and maintenance and repair and replacement of his/her windows, doors, screens, doorwalls, storm windows, storm doors and all other Limited Common Elements stated in Article IV, Section 2 and 3 of the First Amendment to the Consolidating Master Deed and modifications to the unit preexisting the effective date of these amendments.
- (c) All maintenance, reconstruction, replacement and repair of installations servicing the unit, including telephones, cable access, appliances, sanitary installations, sump pumps, garbage disposals, interior doors, lighting, cabinets, floor coverings (including hardwood floors), window treatments, wall coverings, lighting fixtures and all other accessories, water faucets and taps, hot water heaters and fixtures, air conditioner, interior trim, appliances, furnaces, duct work, and air purification systems, shall be at the co-owner's expense.
- (d) Where co-owner's repair responsibility is dependent upon the Association's repair, the repair by the Association must precede that of the co-owner.

Section 2. Except as otherwise provided in Article IX, Section 3 of these Bylaws, no co-owner shall make any alterations, interior or exterior structural modifications, or additions or deletions to a unit, to the buildings or to any of the Common Elements, Limited or General, without prior written approval of the Board of Directors. The Board of Directors shall not approve any alterations, structural modifications, additions or deletions which would jeopardize or impair the utility, soundness, safety, appearance or aesthetics of the Condominium Community, or which are requested by a co-owner who has been declared in default by the Board of Directors.

A co-owner who receives the required written approval for any alteration or modification shall be responsible for maintenance, insurance, reconstruction, replacement, repair or removal of any and all such modifications or alterations unless otherwise agreed to in writing by the Board of Directors. Every co-owner shall have the affirmative obligation to notify their potential purchasers of modifications or alterations and the purchaser's responsibility for them prior to transfer of title or of any beneficial interest in the unit.

- (a) If the co-owner does not perform these obligations, the Association may perform any and all such maintenance, reconstruction, replacement, or repair or removal obligations and assess the costs and expenses incurred to the co-owner. These assessments are enforceable and collectible as provided in Article VI. The Association may also use other remedies available in the Condominium Documents or by law.
- (b) If the co-owner performs any alterations or modifications without receiving prior written approval from the Board of Directors, or installs a modification or alteration which does not correspond to Board approved parameters, the Association may summarily remove or abate the alteration or modification. The costs and expenses incurred in removal or abatement will be assessed to the co-owner and are enforceable and collectible as provided in Article VI. The Board of Directors may, in addition, pursue other remedies available in the Condominium Documents or by law.

Section 3. Alterations by co-owners with disabilities are subject to compliance with the following provisions:

- (a) A co-owner may make improvements or modifications to the co-owner's unit, including improvements or modifications to Common Elements and to the route from the public way to the door of the co-owner's unit, at his/her expense, if the purpose of the improvement or modification is to facilitate access to or movement within the unit for persons with disabilities who reside in or regularly visit the unit, or to alleviate conditions which could be hazardous to such persons. 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. The co-owner is liable for the cost of repairing any damage to a Common Element caused by building or maintaining the improvement or modification, unless the damage could reasonably be expected in the normal course of building or maintaining the improvement or modification. The improvement or modification may be made notwithstanding prohibitions and restrictions in the Condominium Documents, but shall comply with all applicable state and local building code requirements and health and safety laws and ordinances and shall be made as closely as reasonably possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed modification.
- (b) Before an improvement or modification allowed by Section 3(a) is made, the co-owner shall submit plans and specifications for the improvements or modifications to the Board of Directors for review

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and approval. The Board shall determine whether the proposed improvement or modification substantially conforms to the requirements of this Section, but shall not deny a proposed improvement or modification without good cause. If the Board of Directors denies a proposed improvement or modification, the Board shall list, in writing, the changes needed to make the proposed improvement or modification conform to the requirements of this Section, and shall deliver that list to the co-owner. The Board shall approve or deny the proposed improvement or modification not later than 60 days after the plans and specifications are submitted to the Board. If the Board of Directors does not approve or deny submitted plans and specifications within the 60 day period, the co-owner may make the proposed improvement or modification without the consent or the approval of the Association. A co-owner may bring an action against the Association and its Officers and Directors to compel those persons to comply with this Section if the co-owner disagrees with a denial by the Board of Directors of the co-owner's proposed improvement or modification.

- (c) An improvement or modification allowed by Section 3(a) that affects the exterior of the Condominium unit shall not unreasonably prevent passage by other residents of the Condominium Project. A co-owner who has made exterior improvements or modifications allowed by Section 3(a) shall notify the Association in writing of the co-owner's intention to convey or lease the Condominium unit to another, not less than 30 days before the conveyance or lease. Not more than 30 days after receiving a notice from a co-owner under this subsection, the Board of Directors may require that the co-owner remove the improvement or modification, at the co-owner's expense. If the co-owner fails to give timely notice of a conveyance or lease, the Board of Directors at any time may remove or require the co-owner to remove the improvement or modification, at the co-owners expense. However, the Board of Directors may not remove or require the removal of an improvement or modification if the co-owner intends to resume residence in the unit within 12 months or conveys or leases the Condominium unit to persons with disabilities who needs the same type of improvement or modification, or to a person who has a person residing with him/her who requires the same type of improvement or modification.
- (d) If a co-owner makes an exterior improvement or modification allowed under Section 3(a), the co-owner shall maintain liability insurance, underwritten by an insurer authorized to do business in Michigan, in an amount adequate to compensate for personal injuries caused by the exterior improvement or modification. The co-owner shall not be liable for acts or omissions of the Association

with respect to the exterior improvement or modification, and the co-owner is not required to maintain liability insurance with respect to any Common Element. The Association is responsible for the cost of any maintenance, repair and replacement of the improvement or modification or to the extent of the cost currently incurred by the Association for the unaltered Common Elements prior to installation of the improvement or modification. Any costs in excess of the amount incurred by the Association shall be billed to and paid by the co-owner.

- (e) As used in this Section, "persons with disabilities", means that term as defined in Section 2 of the State Construction Code Act of 1972, Act No. 230 of the Public Acts of 1972, being Section 125.1502 of the Michigan Compiled Laws, as may be amended.

Section 4. Except as otherwise provided in the Condominium Documents each co-owner shall also be responsible for the costs of the reconstruction, repair, replacement and maintenance to any other portion of the Condominium if the costs arise through the co-owner's actions, omissions, negligence or misuse, or the actions, omissions, negligence or misuse by the co-owner's family, guests, tenants, lessees, vendees, licensees, or invitees, agents, servants, employees or contractors and to the extent such costs are not defrayed by the proceeds of any insurance policy held by the co-owner.

Section 5. If any co-owner fails to immediately and timely commence or complete repairs, reconstruction, replacement or maintenance as required by this Article or other provisions of the Condominium Documents, after written notice to do so by the Board of Directors, the Board of Directors may have the required work performed and assess the costs and expenses incurred to the co-owner who was required to perform. The amounts so assessed may be enforced and collected as provided in Article VI of these Bylaws. The Association may also use those remedies available elsewhere in the Condominium Documents.

**ARTICLE X**

**REPAIR OR RECONSTRUCTION THROUGH CASUALTY**

Section 1. If any part of the Condominium property is damaged, the determination of whether or not it will 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 shall be rebuilt or repaired if any unit in the Condominium is tenantable, unless it is determined that the Condominium shall be terminated in compliance with Article X, Section 6.



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

Section 2. Any reconstruction or repair undertaken shall be substantially in accordance with the First Amendment to the Consolidating Master Deed and any available plans and specifications for the Complex to a condition as comparable, or as near as practicable, to the condition existing prior to damage unless two-thirds of the co-owners in number and in value decide otherwise.

Section 3. Immediately after a casualty causing damage to property which is covered by insurance obtained by the co-owners or the Association, the Association shall obtain reliable and detailed estimates of the cost to place the property in a condition as good as that existing before the damage.

Section 4. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair of the Common Elements by the Association, or if at any time during reconstruction or repair, or after completion of reconstruction or repair, the funds for payment of the costs are insufficient, assessments shall be made against the co-owners who own the damaged unit or units in sufficient amounts to provide funds to pay the estimated costs of reconstruction or repair. Such assessments shall be apportioned in accordance with the percentages of value of the units affected. Such assessments shall not require approval of the co-owners. The Association shall have a lien for any funds advanced on behalf of the co-owner or co-owners which lien may be enforced in the same manner as provided in Article VI of these Bylaws through foreclosure or as elsewhere provided in the Condominium Documents. If the damage is to the General Common Elements, all co-owners will be assessed for the deficiency in accordance with their respective percentages of value.

Section 5. If the damage is only to premises or part of a unit which is the responsibility of a co-owner to reconstruct, maintain, insure or repair, it is the responsibility of the co-owner to immediately reconstruct, repair or maintain against such damage in accordance with Article VIII and Article IX of these Bylaws.

- (a) The co-owner shall begin reconstruction, replacement or repair of any and all damages upon receipt of the insurance proceeds from the co-owner's insurance company or upon written notice to do so by the Board of Directors. The Association shall have no duty to release any insurance proceeds it may have received to the co-

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owner until repair, reconstruction or replacement has been properly completed. The co-owner is required to use the services of a licensed contractor, obtain at least two written estimates and provide an opportunity for the Board of Directors to review and reject any estimate.

- (b) Any portion of Association insurance proceeds received, which represent damage for which the responsibility of reconstruction or repair lies with a co-owner may be paid to the co-owner and the mortgagee of record jointly. Such proceeds may be used for reconstruction, replacement or repair when required by these Bylaws. The Association may require reasonable assurance that the proceeds will be used for reconstruction, replacement or repair as well as assurance for time, manner and method of performance.

Section 6. After complete or partial destruction of the Condominium, as a result of any casualty or at any other time, the Condominium may be terminated as follows:

- (a) Agreement of 80% of the qualified co-owners of the Condominium in number and in value to termination of the Condominium shall be evidenced by their execution of the termination agreement or of written ratification of the termination agreement. The termination shall become effective only when the agreement is recorded.
- (b) Upon recordation of the instrument terminating a Condominium Project the property constituting the Condominium Project shall be owned by the co-owners as tenants in common in proportion to their respective percentages of value immediately before recordation of this instrument. As long as the tenancy in common lasts, every co-owner or their heirs, successors, or assigns shall have an exclusive right of occupancy of that portion of the property which formally constituted the Condominium unit.
- (c) Upon recordation of the instrument terminating a Condominium Project, any rights the co-owners may have to the assets of the Association shall be in proportion to their respective percentages of value immediately before recordation of the instrument except that common profits shall be distributed in accordance with the Condominium Documents and Michigan law.

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**ARTICLE XI**

**EMINENT DOMAIN**

Section 1. The following provision shall control upon any taking by eminent domain:

- (a) If any portion of the Common Elements is taken by Eminent Domain, the award will be allocated to the co-owners in proportion to their respective percentages of value. The Board of Directors may negotiate on behalf of all co-owners for any taking of Common Elements. Any negotiated settlement as to the Common Elements approved by more than two-thirds of qualified co-owners in number and in value is binding on all co-owners.
- (b) If a Condominium unit is taken by Eminent Domain, the unit's appurtenant Common Elements will be reallocated to the remaining units, in proportion to their respective percentages of value. The Court shall enter a decree reflecting the reallocation of undivided interests produced by the taking, and the award shall include, without limitation, just compensation to the co-owner of the Condominium unit taken for the co-owner's undivided interests 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 will determine the fair market value of the portions of the Condominium unit not taken. The undivided interests for the Condominium unit in the Common Elements appertaining to the Condominium unit 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 interests in the Common Elements divested from the co-owner(s) of a Condominium unit shall be reallocated among other Condominium units in the Condominium Project according to their respective percentages of value. 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, and the award shall include just compensation to the co-owner of the Condominium unit partially taken for that portion of the undivided interests in the Common Elements divested from the co-owner and not revested in the co-owner, 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 unit's

entire undivided interest in the Common Elements shall be reallocated to the remaining Condominium units, in proportion to their respective percentages of value. The remaining portion of that Condominium unit shall be Common Element. The Court shall enter an Order reflecting the reallocation of undivided interests, 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 belonging to a Condominium unit taken or partially taken by eminent domain shall be reallocated to the remaining Condominium units in proportion to the relative voting strength in the Association. 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.

**ARTICLE XII**

**RESTRICTIONS**

Section 1. Each unit in the Condominium and the Common Elements shall be used for single-family residential purposes only.

The provisions of this section shall not be construed to prohibit a co-owner or tenant from maintaining a personal professional library, keeping personal, professional or business records or handling personal business or professional telephone calls in that co-owner's unit provided that there shall be no conduct of business of a nature to disturb the quiet enjoyment of the other co-owners, including customers, deliveries and pick-ups, parking or similar activities.

Section 2. Co-owners may lease their units for residential purposes if written disclosure of the lease transaction is submitted to the Board of Directors in the manner specified in subsection (d) below.

- (a) Prior written approval of the lease or rental agreement must be obtained from the Board of Directors, and the unit must be occupied by the lessee or tenant. There must be compliance with any ordinance requirements of the City of Troy and proof of compliance presented to the Board of Directors before leasing occurs.

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- (b) No co-owner shall lease less than an entire unit in the Condominium and no tenant shall be permitted to occupy, except under a written lease with a term of at least one year.

The written lease shall: (i) require the lessee to comply with the Condominium Documents and Rules and Regulations of the Association; (ii) provide that failure to comply with the Condominium Documents and Rules and Regulations is a default in the terms of the lease; and (iii) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after fifteen days prior written notice to the Condominium unit co-owner, in the event of default by the tenant in the performance of the lease. The Board of Directors may suggest or require a standard form lease for use by unit co-owners. Each co-owner of a unit shall, promptly following the execution of any lease of a Condominium unit, forward a conformed copy to the Board of Directors.

Under no circumstances shall transient tenants be accommodated. For purposes of this Section, a "transient tenant" is a non-co-owner residing in a Condominium unit a time period of 60 days, without a written lease.

- (c) The co-owner shall indemnify and hold the Association harmless as to any warranties concerning the Common Elements, whether express or implied, or as to the performance of the Association with regard to the unit or Common Elements.
- (d) A co-owner desiring to rent or lease a unit shall disclose the fact in writing to the Association at least 21 days before presenting a lease form to a potential lessee of the unit and, at the same time, shall supply the Association with a copy of the exact lease form for Board review for its compliance with the Condominium Documents. Copies of all leases entered into before the effective date of these Bylaws shall be supplied to the Association within 30 days from the effective date of these Bylaws.
- (e) If the Association determines that the tenant or non-co-owner occupant has failed to comply with the provisions of these Bylaws, the Association shall take the following action:
  - 1. The Association shall notify the co-owner by certified mail advising the alleged violation by the tenant or non-co-owner occupant.

- 2. The co-owner shall have 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.
  - 3. If after fifteen 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 nonco-owner occupant and simultaneously for money damages in the same action against the co-owner and tenant or nonco-owner occupant for breach of conditions of the Condominium Documents. The relief set forth in this subsection may be by Summary Proceeding. The Association may hold both the tenant or nonco-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 the legal proceedings.
- (f) 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. The tenant, after receiving the notice, shall deduct the arrearage and future assessments from rental payments due the co-owner as they fall due, and pay them to the Association. The deductions are not a breach of the rental agreement or lease by the tenant. The Association shall have the right to issue a Statutory Notice to quit for non-payment of rent to the tenant if the tenant does not tender remittance as required by this Section to the Association, and initiate proceeding based upon that notice. The form of lease used by any co-owner shall explicitly contain this provision.

Section 3. Alterations and modifications of units and Common Elements by co-owners shall be governed by Article IX of these Bylaws and in compliance with this Section.

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); make changes in any of the Common Elements, Limited or General; or changes in the exterior appearance of the community, without the express prior written approval of the Board of Directors. Examples of prohibited alterations include exterior painting or the installation of lights, aerials, awnings, doors, shutters, hot tubs, storage sheds, patio extensions

newspaper holders, basketball backboards, cable, or other exterior attachments or modifications. Co-owners shall not damage or make modifications or attachments to walls or floors between units which in any way impair sound conditioning provisions. Installations of window air conditioners or exhaust fans is prohibited.

Prior written notice to the Board of Directors as to location and manner of installation of satellite dishes is required.

The co-owner shall be responsible for the maintenance and repair of any approved modification. In the event that the co-owner fails to maintain and/or repair the approved modification to the satisfaction of the Board of Directors, the Association may undertake the maintenance and repair and assess the co-owner the costs incurred. The assessed costs may be collected from the co-owner as provided in Article VI of these Bylaws.

If an unapproved installation or modification is done by the co-owner, the Board of Directors may summarily remove the unapproved modification and charge the costs of removal to the co-owner.

The co-owner shall indemnify and hold the Board of Directors and the Association harmless from, and against, any and all costs, damages, and liabilities incurred in regard to the approved modification.

No co-owner shall install, nor shall the Board of Directors approve, any alteration or modification which in any way restricts access to any plumbing, water line, water line valves, water meter, sprinkler system valves, or any Element which affects the Association responsibility in any way. If access has been restricted by an approved modification or alteration which predates these Bylaws, then the Board of Directors or the designated agent of the Association may remove any covering or attachments of any nature, including patios, that restricts such access. The Board of Directors or its agent shall have no responsibility for repairing, replacing or reinstalling any materials that are damaged in the course of gaining access. The Board of Directors or its agents shall not be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

Section 4. No unlawful or offensive activity shall be carried on in any unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the co-owners of the Condominium.

Any activities or behavior for which three or more written complaints from different co-owners are received shall be conclusively deemed to constitute a nuisance or annoyance for purposes of enforcement action by

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the Association. No unreasonably noisy activity shall be carried on in or on the Common Elements or in any unit at any time.

- Section 5.
- (a) Only one cat or one dog may be maintained by any Co-owner, unless specifically approved in writing by the Board of Directors. Co-owners with more than one animal on the effective date of these amendments may continue to maintain the animals in the Community only until the pet's demise. No animal may be kept or bred for any commercial purpose. No pet shall be allowed to be obnoxious or offensive because of noise, barking, odor or unsanitary conditions. No animal may run loose at any time on the Common Elements and all animals must be leashed and attended by some responsible person while on the Common Elements. Pet sitting is prohibited.
  - (b) Deposits of fecal matter must be immediately removed from the Common Elements when occurring. If the Association is required to clean the Common Elements because the co-owner has not complied with this requirement, the costs of clean up are chargeable to the co-owner in the same manner as assessments.
  - (c) No savage or dangerous animal is permitted.
  - (d) Any co-owner who causes or allows any animal to be brought or kept upon the Condominium premises shall indemnify and hold the Association harmless for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission for the pet.
  - (e) The Association may charge co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article VI in the event that the Association determines the assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium.
  - (f) The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors may assess fines for the violation in accordance with these Bylaws and in accordance with duly adopted Rules and Regulations.
  - (g) The Association may, without liability to the pet owner, have any animal removed from the Community which the Board of Directors has determined is in violation of the Condominium Documents. The



costs incurred by the Association may be charged to the co-owner and collected as assessments in the manner provided in Article VI.

- Section 6.
- (a) 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.
  - (b) Trash receptacles must be maintained in the unit garage, including dumpsters rented by co-owners, except for the period of time necessary for collection of trash. All trash must be bagged before being placed in receptacles. Any and all costs and expenses incurred by the Association as a result of the failure to comply with this restriction will be charged to the responsible person and may be collected as assessments as provided in Article VI of these Bylaws. Arrangements must be made by the co-owner directly with the appropriate disposal authority for disposal of obsolete or abandoned personal property or disposable items that will not fit entirely into a trash receptacle, and these items shall be placed only in designated disposal areas.

Failure to comply may result in the imposition of a fine in accordance with the Rules and Regulations of the Association.

- Section 7.
- Co-owner vehicles must be parked in the unit garage or unit driveway only. Visitor parking is available on the common elements. The 17 parking spaces adjacent to the clubhouse and pool are intended for use of the individuals using the amenity and not for regular permanent use by co-owners. When the pool and clubhouse are not in use, the 17 spaces may be used for transient and guest parking.
- (a) No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, mopeds, all terrain vehicles, snowmobiles or snowmobile trailers may be parked or stored in the Condominium, unless parked or stored in the garage with the door closed. Garage doors shall be kept closed at all times except as may be reasonably necessary to gain access to or from the garage.
  - (b) No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently.
  - (c) Commercial vehicles and trucks cannot be parked in or about the Condominium unless involved with deliveries or pickups in the normal course of business.

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- (d) Location of commercial dumpsters is prohibited on the Condominium Premises unless approved in writing by the Board of Directors.
- (e) Co-owners shall register all vehicles maintained on the Condominium Premises with the Association if so requested by the Board of Directors.
- (f) Violation of these provisions allows the Board of Directors or its agent to remove the vehicle(s) from the Condominium without liability to the co-owner and to charge the costs of removal to the violator to be collected, where applicable, in accord with Article VI of these Bylaws.

Section 8. No unsightly condition as determined in the discretion of the Board of Directors shall be maintained upon any patio, porch, deck, balcony or driveway. No objects shall be maintained on any patio or porch which are inconsistent with ordinary use. No objects shall be placed on porches or decks which block or impede unit access.

Section 9. Every co-owner shall maintain their unit and any Common Element for which the co-owner has maintenance responsibility in a safe, clean and sanitary condition.

- (a) The use of kerosene or gasoline heating devices wherever located on the Condominium Premises is absolutely prohibited.
- (b) Each driveway leading to a garage may only be used by the unit owner which the drive services. Drives may not be obstructed or used for purposes for which they are not intended.
- (c) The cost of clean up of any spills of oil or chemical substances, including costs of repair or replacement of the damaged area, is the responsibility of the co-owner causing or contributing to the spill.
- (d) Each co-owner shall use due care to avoid damaging any of the Common Elements including telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other Common Elements servicing any unit which are appurtenant to or which may affect any other unit.
- (e) Automobiles may be washed only in the co-owner's unit driveway.
- (f) Each co-owner shall be responsible for damages or costs to the Association resulting from damage to Common Elements or units by the co-owner, members of the co-owner's family or household,

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tenants, lessees, vendees, guests, employees, contractors, licensees, invitees, or agents, insurance coverage notwithstanding.

- (g) Any costs or damages resulting from the failure to comply with the provisions of this Section shall be assessed to, and collected from, the responsible co-owner as provided in Article VI, or such other and further remedies as may be afforded elsewhere in the Condominium Documents or by Michigan Law.

Section 10. Access to Condominium Premises or units shall not be obstructed in any way nor shall common areas be used for purposes other than that for which they are reasonably and obviously intended.

Section 11. No person shall perform or allow any landscaping or plant any trees, shrubs or place any ornamental materials on the Common Elements, without prior written approval by the Board of Directors. Approval is subject to the requirements of the Rules and Regulations of the Association. Co-owners are responsible for the care of the areas planted and for the removal of debris after flowering is completed. If a co-owner does not fulfill these responsibilities, the Association may do so and charge the costs and expenses to the co-owner. These costs and expenses may be collected as assessments as provided in Article VI of these Bylaws. In addition, other penalties may be applicable as set forth in the Rules and Regulations of the Association.

Section 12. No co-owner shall use or permit the use of any firearm, air rifles, pellet guns, B-B guns, paint ball guns, archery equipment or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Premises or in a unit. Violations shall subject the co-owner to immediate confiscation of the device and fines as set forth in the Rules and Regulations of the Association, as well as any other remedies available through the Condominium Documents or Michigan law.

Section 13. No advertising devices shall be displayed upon the Common Elements, including "For Sale" signs. No advertising signs, including For Sale signs, may be displayed directly on unit premises such as exterior windows or walls. A Realtor's "Open House" directional sign or signs, not to exceed 3 signs, may be placed on the Condominium Common Elements on the weekends, not earlier than 1 hour prior to the open house, but must be removed within 1 hour after the "Open House" is over.

Section 14. Reasonable Rules and Regulations consistent with the Act, the First Amendment to the Consolidating Master Deed and these Restated Bylaws, concerning the administration of the Community and the use of, or pertaining to, the Common Elements may be made and amended from time to time by the Board of Directors. Copies of all such Rules and

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Regulations shall be furnished to all co-owners and shall become effective thirty days after mailing or delivery to the designated voting representative of each unit. Any Rule and Regulation or amendment is subject to review and revocation as follows:

- (a) A written petition signed by 25% of the qualified designated voting representatives and requesting a special meeting for review or a specific Rule or Regulation shall be presented to the Board of Directors;
- (b) Upon receipt of the Petition and verification of the signatures, the Board of Directors shall have 30 days in which to call a special meeting of the co-owners for the sole purpose of review of the specific Rule and Regulation;
- (c) At the special meeting, the affirmative vote of more than two-thirds of all qualified designated voting representatives of the Association in value to revoke the Rule and Regulation at issue will result in revocation of the Rule and Regulation effective immediately. Failure to obtain the requisite vote for revocation will validate the challenged Rule and Regulation;
- (d) The Board of Directors may promulgate, revise, repeal, and amend or revoke any Rule or Regulation subject to the above procedures.

Section 15. The Board of Directors or its authorized agents shall have access to each unit and any Limited Common Elements, from time to time, during reasonable working hours after notice to the co-owner, as may be necessary for the maintenance, reconstruction, repair or replacement of any of the Common Elements. The Board of Directors or its agents shall also have access to each unit and any Limited Common Elements at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another unit and/or to protect the safety and/or welfare of the residents of the Condominium.

It is the responsibility of each co-owner to select someone who can provide Association access to his/her unit in the co-owner's absence and provide the Association means to contact that individual if the co-owner's unit must be entered for necessary maintenance or repair. The Association shall make every reasonable effort to obtain access through the co-owner or the co-owner's designee. In the event that it is necessary for the Association to gain access to a unit to make repairs on an emergency basis to prevent damage to the Common Elements or another unit, or to protect the safety and welfare of the residents of the Condominium, the reasonable costs, expenses, damages and/or attorney

fees incurred by the Association in such undertaking shall be assessed to the responsible co-owner and collected as provided in Article VI.

Section 16. No co-owner may dispose of a unit in the Condominium, or any beneficial interest in a unit by sale or other transfer of interest without complying with the following terms or conditions:

- (a) A co-owner intending to make a sale or other transfer of interest of a unit in the Condominium, or any beneficial interest in the unit shall give written notice of the intention delivered to the Board President or the management agent and shall furnish the name and address of the intended purchaser and such other information as the Board of Directors may reasonably require. Prior to the sale of a unit, the selling co-owner shall provide a copy of the Condominium Documents to the proposed purchaser. If the co-owner does not notify the Association of the proposed sale or if the co-owner does not provide the prospective purchaser with a copy of the Condominium Documents, the purchaser shall be liable for an administrative charge as stated in the Rules and Regulations. If the administrative charge is not paid, it shall be assessed and collected as provided in Article VI. This provision shall not be construed so as to relieve the purchaser of the obligation to comply with the provisions of the Condominium Documents.
- (b) A holder of any mortgage which comes into possession of a unit through to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed in lieu of foreclosure, shall be subject to the provisions of this Section 16.

Section 17. Any and all costs, damages, and expenses, including actual attorney fees incurred by the Association in enforcing any of the restrictions in this Article XII or Rules and Regulations promulgated by the Board of Directors under Article XII, Section 14 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 family members, guests, tenants, contractors, licensees or invitees, may be assessed to and collected from the responsible co-owner in the manner provided in Article VI for collection of delinquent assessments.

**ARTICLE XIII**

**MORTGAGES**

Section 1. Any co-owner who mortgages a unit may upon written request from the Association, notify the Association of the name and address of the

mortgagee, and the Association will maintain such information in a book entitled "Mortgages of units". The Association may report any unpaid Assessments due from the co-owner of any unit to the holder of any first mortgage covering any unit. The Association may, upon written request, also give the mortgagee written notification of any other default in the performance of the obligations of the co-owner that is not cured within sixty days.

- Section 2. The Association may, upon receipt of written request, notify each first mortgagee of record appearing in the Book of the name of the company insuring the Condominium through the Association's master policy.
- Section 3. Upon prior written request submitted to the Association, any institutional holder of a first mortgage of record 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 the meeting.

**ARTICLE XIV**

**REMEDIES FOR DEFAULT**

- Section 1. Any default by a co-owner, the co-owner's family members, guests, licensees, invitees, contractors, subcontractors, nonco-owner occupants, or vendees shall entitle the Association or another co-owner or co-owners to the following relief:
  - (a) Failure to comply with any of the terms and provisions of the Condominium Documents or the Act, including any of the Rules and Regulations shall be grounds for relief, which may include an action to recover sums due for damages, injunctive relief, foreclosure of lien, or other amounts due as provided by the Condominium Documents or any combination. Relief may be sought by the Association, or if appropriate, by any aggrieved co-owner or co-owners. In such a proceeding the prevailing party may be awarded its costs and expenses including reasonable attorney fees.
  - (b) In the event of a default of the Condominium Documents by a co-owner and/or non-co-owner resident or guest, the Association shall be entitled to recover from the co-owner and nonco-owner resident or guests the pre-litigation costs and actual attorney fees incurred in obtaining their compliance with the Condominium Documents, as well as actual litigation costs, including actual attorney fees.

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If a co-owner files an action against the Association or initiates arbitration or administrative proceedings which are found frivolous by the court, tribunal or agency, then the co-owner shall be responsible to reimburse the Association for its actual costs and attorney fees incurred in defense.

- (c) The violation of any of the provisions of the Condominium Documents, including the Rules and Regulations shall also give the Board of Directors, or its duly authorized agents, the right, in addition to the above rights, to enter upon the Common Elements or into any unit, where reasonably necessary, and summarily remove and abate, at the expense of the co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any co-owner arising out of the exercise of its removal and abatement power. All such chargeable costs and expenses shall be collected as provided in Article VI 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 right of the Association or of any such co-owner to enforce such right, provision, covenant or condition in the future.

Section 3. All rights, remedies and privileges granted to the Association or any co-owner or co-owners by the Condominium Documents or the laws of Michigan 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 exercising the right from exercising such other and additional rights, remedies or privileges as may be available at law or in equity.

**ARTICLE XV**

**ASSESSMENT OF FINES**

Section 1. The violation by any co-owner, unit occupant or guest of any of the provisions of the Condominium Documents is grounds for assessment of monetary fines against the involved co-owner. The co-owner is responsible for the violation whether the violation occurs as a result of his or her personal actions or the actions of his or her family, guests, tenants or any other person admitted through the co-owner to the Condominium Premises.

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Section 2. When a violation is alleged, the following procedures will be followed:

- (a) Notice of the violation must be sent by first class mail, postage prepaid, or personally delivered to the Designated Voting Representative. The notice must include the Condominium Document provision violated and a specific description of the factual nature of the alleged offense to place the co-owner on notice of the violation.
- (b) The offending co-owner has an opportunity to appear before the Board of Directors and offer evidence in defense of the alleged violation. The appearance before the Board may be at its next scheduled meeting, but in no event shall the co-owner be required to appear less than 7 days from the date of the notice.
- (c) Failure to respond to the notice of violation constitutes a default.
- (d) After the co-owner appears before the Board and presents evidence of defense, or if the co-owner fails to respond, the Board will, by majority vote of a quorum of the Board, decide if a violation has occurred. The Board's decision is final.

Section 3. Following a violation of any of the provisions of the Condominium Documents and after either default of the offending co-owner or the decision of the Board as recited above, the following fines will be levied:

- (a) **First Violation.** No fine.
- (b) **Second Violation.** \$50.00 fine.
- (c) **Third Violation.** \$75.00 fine.
- (d) **Fourth Violation.** \$125.00 fine.
- (e) **Subsequent Violations** will be subject to a fine in the amount to be determined in the discretion of the Board of Directors.

The co-owner must receive notice of each violation and be afforded an opportunity to appear before the Board of Directors prior to fine levy.

Section 4. The fines levied are assessed to the co-owner and due and payable with the next regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the co-owner to all remedies provided in the Condominium Document including, those described in Article VI and Article XIV of these Bylaws.



**ARTICLE XVI**

**AMENDMENTS**

Section 1. The Condominium Documents may be amended with the prior consent of two thirds of the qualified co-owners in number. Each first mortgagee of record of a unit in the Condominium shall have one vote for each unit on which a mortgage is held, where mortgagee votes are required. Mortgagee votes required by this Section shall be limited to the categories and procedures designated in MCL 559.190(a).

(a) Persons, other than the Association's Board of Directors, causing or requesting an amendment to the Condominium Documents are responsible for the costs and expenses of the amendment. The costs for amendments based upon a vote of the prescribed majority of co-owners and mortgagees are borne by the Association. Costs of amendments proposed by the Board of Directors are expenses of administration.

(b) The Association, acting through its Board of Directors, reserves the right to amend the Condominium Documents without the consent of co-owners or mortgagees for all purposed deemed reasonable and necessary to effectuate the intent of the Documents, where such amendments do not materially alter or change the rights of co-owners or mortgagees.

(c) Co-owners and mortgagees of record shall be notified of proposed amendments, under subparagraph (b) above, not less than 10 days before the amendment is recorded.

Section 2. A co-owner's unit dimensions or appurtenant Limited Common Elements may not be modified without the co-owner's consent.

Section 3. The percentage of value of the units shall not be modified without the consent of each affected co-owner and mortgagee.

Section 4. Any amendment of these Bylaws is effective on the date of recording in the office of the Oakland County Register of Deeds.

Section 5. A copy of each amendment to these Bylaws shall be furnished to every unit in the Condominium Association after recordation. Any amendment to these 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.

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ARTICLE XVII

COMPLIANCE

The Association and all present or future co-owners, tenants, land contract purchasers, or co-owners' licensees, contractors, invitees, guests or family members 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 in a unit or the use of or entry upon the Condominium Premises signifies that the Condominium Documents are accepted and ratified. If the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE XVIII

SEVERABILITY

If 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, the holding shall not affect, alter, modify or impair in any manner 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.

DATED: April 7, 2005

FAIRWAY CONDOMINIUM ASSOCIATION

BY *Barbara Boyajian*  
Barbara Boyajian  
ITS PRESIDENT

STATE OF MICHIGAN )  
                                  )SS.  
COUNTY OF OAKLAND )

On this 7th day of April, 2005, the foregoing instrument was acknowledged before me by Barbara Boyajian, President of Fairway Condominium Association, who attested that this document received the approval of two-thirds of the co-owners of Fairway Condominium Association.

*Patricia Gargaro*  
Notary Public  
Oakland County, Michigan  
My Commission Expires: 10-24-07  
Acting in Oakland County.

First Amendment to the  
Consolidating Master Deed  
And Restated Condominium Bylaws  
Drafted by:

When recorded, return to drafter.

Schlottman & Wagner, P.C.  
Judi M. Schlottman (P35479)  
44511 North Gratiot Avenue  
Clinton Township, MI 43036  
(586) 465-1330

PATRICIA GARGARO  
Notary Public, Oakland County, MI  
My Commission Expires Oct. 24, 2007