

Water's Edge Condominium Association



Current Governing Documents (as amended)

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It has been created for reference use only.**

November 2022

Articles of Incorporation

ARTICLE I

The name of the corporation is WATERS EDGE CONDOMINIUM ASSOCIATION

ARTICLE II

The purpose of purposes for which the corporation is formed are as follows: This corporation does not contemplate pecuniary gain or profit to the co-owners thereof, and the purpose or purposes for which the corporation is formed are as follows:

To provide an entity pursuant to Section 13 of Act 229, Public Acts of 1963 as amended, to administer the affairs of the Waters Edge Condominium, a condominium located in Independence Twp., Oakland County, State of Michigan, and any extensions thereto as may hereafter be brought within the jurisdiction of this Association, and for these purposes to:

- (a) promote the health, safety and welfare of the residents living within the limits of said land;
- (b) maintain, repair and replace and operate the condominium property;
- (c) Own, acquire and build recreation acres, parking areas, playgrounds, streets, walks, including buildings, structures and personal property incident thereto;
- (d) supplement municipal services;
- (e) fix assessments to be levied against the co-owners of the condominium project;
- (f) enforce any and all covenants, restrictions and agreements applicable to the condominium project;
- (g) pay taxes, if any, and tangible, personal property of the condominium owned and possessed by the co-owners;
- (h) cooperate or merge with other associations having similar objectives and
- (i) insofar as permitted by law, do any other things that will promote the common benefit and enjoyment of the residents of the property

ARTICLE III

Location of the first registered office is 6788 Balmoral Terrace, Waterford, Oakland, Michigan, 48095. Post office address of the first registered office is: 6788 Balmoral Terrace, Waterford, Oakland, Michigan, 48095.

ARTICLE IV

The name of the first resident agent is Robert W. Tuson.

ARTICLE V

Said corporation is organized upon a non-stock basis. Said corporation is to be finances under the following general plan: assessments shall be imposed by means of restrictive covenants binding deed holders of the property described in Article II.

ARTICLE VI

The names and places of residence, or business, of each of the incorporators (and if a corporation organized upon a stock-share basis the number of shares of stock subscribed for by each) are as follows: *[3 names and addresses provided on document]*.

ARTICLE VII

The names and addresses of the first board of directors (or trustees) are as follows: *[5 names and addresses provided on document]*.

ARTICLE VIII

The term of the corporate existence is perpetual.

ARTICLE IX

The qualifications of members, the manner of their admission to the Corporation, the termination of membership, and voting by such members shall be as follows:

(a) Each Co-owner of a Unit in the Condominium shall be a member of the Corporation, and no other person or entity shall be entitled to membership.

(b) Membership in the Corporation shall be established by the acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds in the County where the Condominium is located, a Deed or other instrument establishing a change of record title to such Unit and the furnishing of evidence of same satisfactory to the Corporation, the new Co-owner thereby becoming a member of the Corporation, and the membership of the prior Co-owner thereby being terminated.

(c) The share of a member in the funds and assets of the Corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to the member's Unit in the Condominium.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this Corporation.

ARTICLE X

Section 1. A volunteer director, as defined in Section 110(2) of Act No. 162 of the Public Acts of 1982, as amended, and/or a volunteer officer are not personally liable to the Corporation or its members for monetary damages for a breach of the director's or officer's fiduciary duty. However, this provision shall not eliminate or limit the liability of a director or officer for any of the following:

(A) A breach of the director's or officer's duty of loyalty to the Corporation or its members.

(B) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law.

(C) A violation of Section 551(1) of Act No. 162 of the Public Acts of 1982, as amended.

(D) A transaction from which the director or officer derived an improper personal benefit.

(E) An act or omission occurring before the effective date of this Amendment.

(F) An act or omission that is grossly negligent.

Section 2. The Corporation 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 Amendment if all of the following are met:

(A) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.

(B) The volunteer was acting in good faith.

(C) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.

(D) The volunteer's conduct was not an intentional tort.

(E) 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 provided in Section 3135 of the Insurance Code of 1956, Act No. 218 of the Public Acts of 1956, being Section 500.3135 of the Michigan Compiled Laws.

Section 3. If, after the adoption of this Article by the Corporation, the Michigan Nonprofit Corporation Act is amended to further limit or eliminate the liability of a volunteer director, volunteer officer, or other volunteer, then a volunteer director, volunteer officer, or other volunteer shall not be liable to the Corporation or its members as provided in the Michigan Nonprofit Corporation Act, as amended.

Section 4. No amendment, alteration, modification or repeal of this Article X shall have any effect on the liability of any volunteer director, volunteer officer, or other volunteer of the Corporation with respect to any act or omission of such volunteer director, volunteer officer, or other volunteer occurring prior to such amendment, alteration, modification or repeal.

Section 5. The invalidity or unenforceability of any provision of this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

ARTICLE XI

Any action which may be taken at a meeting of the members of the Corporation (except for the election or removal of directors) may be taken without a meeting by written ballot of the

members. Ballots shall be solicited in the same manner as provided in the Bylaws for the Corporation for the giving of notice of meetings of members. Such solicitation shall specify:

- (a) The number of responses needed to meet the quorum requirements;
- (b) The percentage of approvals necessary to approve the action; and
- (c) The time by which ballots must be received in order to be counted.

The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt within the time period specified in the solicitation of:

- (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and
- (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

AMENDED MASTER DEED

“THE WATER’S EDGE – A CONDOMINIUM (as extended)”

(Act 229, Public Act of 1962, as amended)
Oakland County Condominium No. 29

WHEREAS, Developer has heretofore executed a Master Deed covering the following parcel of land and situated in the Township of Independence, County of Oakland, State of Michigan, described as follows:

Part of the S.E. ¼ of the S.W ¼ of Section 32 ... *[detailed coordinates]* ... to the POINT OF BEGINNING.

The Mean Traverse Line along the shoreline of Lester Lake for the above described property is described as: Beginning at said “Reference Point A”, thence ... *[detailed coordinates]* ... to said “Reference Point B” and the POINT OF ENDING. Subject to existing Right-of-Way for Andersonville Road across the NEly 33.00ft of the above description, the above description contains 3.0 acres, more or less.

WHEREAS, said Master Deed provided that said parcel of land shall be and continue as a Condominium project in accordance with the provisions of Act 229 of the Public Act of Michigan of 1963, as amended and

WHEREAS, said Master Deed has been recorded in Liber 5708, Page 7-33, et. seq. Oakland County Records; and

WHEREAS, Paragraph Eleventh of said Master Deed provides that “Any other provisions of this Master Deed notwithstanding, the territorial limits of the Condominium shall at the request of Developer, be extended to include all or any part of the following adjoining land or Condominiums thereon which shall be developed by Developer:

Part of the SE ¼ of the SW ¼ of Section 32 ... *[detailed coordinates]* ... to the centerline of Andersonville Road and the point of beginning.

The Mean Traverse Line along the shoreline of Lester Lake for the above described property is described as: ... *[detailed coordinates]* ... which contains 4.90 acres, more or less.

WHEREAS, pursuant to the provisions of said Paragraph Eleventh, Developer has made application to so extend the territorial limits of the condominium to include all of said adjoining lands or cordiaminums thereon;

NOW, THEREFORE, is the Township of Independence, County of Oakland, State of Michigan, on this 25 day of February 1972, W.H.R. INVESTMENT COMPANY, a limited partnership organized and existing under the laws of the State of Michigan whose principal office is situated at 6785

Balmoral Terrace, Waterford Township, Michigan, sometimes hereinafter referred to as Developer, represented in this Amended Master Deed by its General Partners, who are fully empowered and qualified to execute this Amended Master Deed on behalf of said limited partnership does hereby state:

FIRST: Developer has heretofore executed a Master Deed which has been recorded in Liber 5708, Page 7-33, et. seq. Oakland County Records, declaring that the following parcel of land situated in the Township of Independence, County of Oakland, State of Michigan, shall be and continue as a Condominium project:

Part of the S.E. $\frac{1}{4}$ of the S.W. $\frac{1}{4}$ of Section 32 ... *[detailed coordinates]* ... to the POINTN OF BEGINNING.

The Mean Traverse Line along the shoreline of Lester Lake for the above described property is described as: ... *[detailed coordinates]* ... the above description contains 3.0 acres, more or less

Which is subject to a construction mortgage to Pontiac State Bank executed by Developer and which has end mortgages by the co-owners covering portions of said parcel of land, and further subject to easements and restrictions of record.

SECOND: Developer owns an additional parcel of land situated in the Township of Independence, County of Oakland, State of Michigan, described as follows:

Part of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 32 ... *[detailed coordinates]* ... to the centerline of Andersonville Road and the point of beginning.

The Mean Traverse Line along the shoreline of Lester Lake for the above described property is described as: ... *[detailed coordinates]* ... which contains 4.0 acres, more or less.

THIRD: The enlarged parcel of land as extended by this Amended Master Deed, consisting of said original parcel of land together with said additional parcel of land, as described as follows: ... *[detailed coordinates]* ... to point of beginning. Containing 7 acres, more or less. SUBJECT TO an existing right-of-way over the NEly 33 ft. for Andersonville Road.

FOURTH: Developer hereby declares on behalf of itself, its successors, grantees and assigns, to its grantees and their respective heirs, successors and assigns as well as to any and all persons having, acquiring or seeking to have or acquire any interest of any nature whatsoever in and to any part of the real property hereinbefore described as follows:

- A. Said enlarged parcel of land from and after the date of the recording of this Amended Master Deed in the office of the Register of Deeds of Oakland County, Michigan, shall be and continue as a condominium project in accordance with the provisions of Act 229 of the Public Act of Michigan of 1963, as amended, and shall be further subject to all of the

provisions of said Public Act, this Amended Master Deed and the By-laws incorporated herein and from time to time amended as provided by law.

- B. The administering body authorized to administer the affairs of this condominium project shall be WATER'S EDGE CONDOMINIUM ASSOCIATION, a non-profit corporation organized under the laws of the State of Michigan, as hereinafter referred to in the By-laws incorporated herein.

FIFTH: The project consists of five buildings containing forty-six (46) individual one-family townhouses, all for residential purposes. Each of said dwelling units is capable of individual utilization on account of having its own exit to a common element of the project, and is attached by a common party wall or walls. Said buildings are designated in the plans attached hereto as Amended Exhibit B by the letters "A" through "E". Each of said dwelling units will be sold to a co-owner, each co-owner obtaining fee simple title to the dwelling unit and the land immediately under such dwelling unit, together with an undivided interest in the common elements of the project as hereinafter listed in this Amended Master Deed.

SIXTH: The dwelling units, including the number, boundaries, dimensions and area of each dwelling unit, are described more particularly in Paragraph Eight hereof and Exhibit B attached hereto. The dwelling units are numbered consecutively from 1 through 46 inclusive.

SEVENTH: The following facilities and elements of the project are common elements:

A. The general common elements of the project are:

(1) The parcel of land described in Paragraph Third hereof, including all sidewalks and walkways, less the land to which a co-owner has fee simple title and less the limited common elements, as set forth in Paragraph Seventh (B).

(2) Except as otherwise provided in this Paragraph Seventh, all parts of the improvements which are not included within said land to which a co-owner has fee simple title, excepting the limited common elements hereinafter described.

(3) An easement of support in every portion of another dwelling unit which contributes to the support of the building, and adjacent areas to which same may shift due to elements of ground conditions.

(4) The roofs, wiring, heat ducts and their supporting materials.

(5) Sewage, drainage and water systems and all equipment pertaining thereto, and the area in which they are located.

(6) The Community building and its facilities, the incinerators, and in general all devices and installations existing for common use.

(7) All other elements of the condominium project or amended condominium project (as provided in Paragraph Thirteen not hereinafter designated as limited common elements

which are intended for common use or necessary to the existence, upkeep and safety of the project or amended project.

(8) All utility installations and the areas in which located when they service multiple unites, including adjacent areas for entry for repair, maintenance and service.

B. The limited common elements of the project are a covered parking space appurtenant to each dwelling unit, and a patio appurtenant to each dwelling unit, the balcony appurtenant to specific dwelling units and the fireplace appurtenant to specific dwelling units, which are designated by the unit number to which they are assigned. Said limited elements are reserved in this Amended Master Deed for the use of specified dwelling units to the exclusion of the other dwelling units, and are more particularly set for in Exhibit B attached hereto.

C. No co-owner shall use his dwelling unit or the general or limited common elements in any manner inconsistent with the purposes of the project or in any manner which will interfere with or impair the rights of another co-owner in the use and enjoyment of his dwelling unit or the general or limited common elements.

EIGHTH: The dwelling units in the condominium are located and described in the plan of "THE WATER'S EDGE" (as extended) as surveyed and prepared by Robert McGinnis, Civil Engineer and Surveyor, Pontiac, Michigan, and attached hereto as Amended Exhibit B. There exists an individual asset of amended coordinates applicable to each building, as fully set forth in Exhibit B. The land to which a co-owner shall obtain fee simple title shall include all that land under and within the space contained within the four horizontal lines connecting the four corners delineated by the coordinate points given for each corner, less any general common elements contained therein.

- A. The percentage of value assigned to each dwelling unit in the condominium is hereinafter set forth in subparagraph B hereof. The percentage of value assigned to each dwelling unit shall be determinative of the proportionate share of each respective co-owner in the proceeds and expense of administration and for voting purposes. The total value of the project is 100%.
- B. The percentage value of all dwelling units and the respective buildings, designated by number and letter respectively, as identified on the condominium subdivision plans, is as follows:

<p>BUILDING "A"</p> <p>TOWNHOUSE NO. 1 – 2.287%</p> <p>" NO. 2 – 2.213%</p> <p>" NO. 3 – 2.213%</p> <p>" NO. 4 – 2.213%</p> <p>" NO. 5 – 2.213%</p> <p>" NO. 6 – 2.213%</p> <p>" NO. 7 – 2.213%</p> <p>" NO. 8 – 2.213%</p> <p>" NO. 9 – 2.213%</p> <p>" NO. 10 – 2.287%</p>	<p>BUILDING "D"</p> <p>TOWNHOUSE NO. 29 – 2.213%</p> <p>" NO. 30 – 2.146%</p> <p>" NO. 31 – 2.063%</p> <p>" NO. 32 – 2.063%</p> <p>" NO. 33 – 2.063%</p> <p>" NO. 34 – 2.138%</p>
<p>BUILDING "B"</p> <p>TOWNHOUSE NO. 11 – 2.287%</p> <p>" NO. 12 – 2.213%</p> <p>" NO. 13 – 2.213%</p> <p>" NO. 14 – 2.213%</p> <p>" NO. 15 – 2.213%</p> <p>" NO. 16 – 2.213%</p> <p>" NO. 17 – 2.213%</p> <p>" NO. 18 – 2.213%</p>	<p>BUILDING "E"</p> <p>TOWNHOUSE NO. 35 – 2.138%</p> <p>" NO. 36 – 2.063%</p> <p>" NO. 37 – 2.063%</p> <p>" NO. 38 – 2.063%</p> <p>" NO. 39 – 2.063%</p>
<p>BUILDING "C"</p> <p>TOWNHOUSE NO. 19 – 2.287%</p> <p>" NO. 20 – 2.213%</p> <p>" NO. 21 – 2.213%</p> <p>" NO. 22 – 2.213%</p> <p>" NO. 23 – 2.213%</p> <p>" NO. 24 – 2.213%</p> <p>" NO. 25 – 2.213%</p> <p>" NO. 26 – 2.213%</p> <p>" NO. 27 – 2.213%</p> <p>" NO. 28 – 2.287%</p>	<p>" NO. 40 – 2.063%</p> <p>" NO. 41 – 2.063%</p> <p>" NO. 42 – 2.063%</p> <p>" NO. 43 – 2.063%</p> <p>" NO. 44 – 2.063%</p> <p>" NO. 45 – 2.063%</p> <p>" NO. 46 – 2.138%</p>

NINTH: So long as the Developer owns one or more dwelling units in the project, the Developer shall be subject to the provisions of the Amended Master Deed and Exhibits A and B attached hereto. The Developer covenants to take no actions which well adversely effect the rights of the association of co-owners with respect to assurance against latent defects in the project or other rights assigned to the association of co-owners by reason of the establishment of the condominium.

TENTH: The percentage hereinbefore allocated to each dwelling unit in Paragraph Eight shall no be changed without the unanimous consent of all the co-owners expressed in an amendment to this Amended Master Deed duly approved and recorded.

ELEVENTH: If the condominium project is totally or partially damaged or destroyed or partially taken by eminent domain, the repair, reconstruction or disposition of the proerpty shall be as provided by the By-laws attached ereto as Exhibit A.

TWELFTH: In the event any portion of a dwelling unit or common element encroaches upon another dwelling unit or common element due to shifting, settling or moving of the building, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists.

The condominium shall have a permanent easement for the purpose of maintaining and repairing of the exterior of the dwelling units, the external improvements and the common elements, which easement shall be administered by the Association.

All agencies and companies furnishing utility services such as light, heat, power, water, communications, sewage and rubbish disposal, shall have an easement across said parcel of land described in Paragraph Third and through the buildings, improvements and structures thereon and in any wall or structure used or to be used for the installation, repair or maintenance of such services. Any costs, not paid for by the utility company, incurred in the opening and repairing of any wall or structure to install repair or maintain such utility services shall be an expense of administration to be assessed in accordance with the By-laws attached hereto as Exhibit A.

In accordance with State and Local governmental requirements all water mains and equipment serving the condominium project have been conveyed to the Township of Independence. In order to maintain and repair said system, its maine{?} and equipment, which are located on the property described in Paragraph THIRD, a 12 foot easement has been granted to the Township of Independence, being more particularly described as:

An easement of 12 ft. in width the centerline of which is part of the SE ¼ of the SW ¼ of Section 32 ... *[detailed coordinates]* ...

Per requirements of the Township of Independence as set forth in the Township Water Supply Agreement the Township shall operate the Condominium water system at the expense of the Developer until turned over, then by the Condominium Association when operative.

All expenses of the system as well as the water supply shall be chargeable to the Condominium or pro-rated to the Co-owners.

Further, a fund established by the Developer shall be maintained as an operating fund by the Condominium at all times to insure that no public funds will be expended on said system.

THIRTEENTH: The condominium project shall not be waived, vacated or revoked, or any of the provisions herein amended, excepting the developer shall have the absolute right to amend the Master Deed and its exhibits to correct errors and impracticable provisions found therein, and except as hereinafter provided, unless all of the owners and the mortgagees of all the mortgages covering the dwelling units unanimously agree to such waiver, termination, revocation or amendment by duly approved and recorded instruments.

Pursuant to the Michigan Horizontal Real Property Act, the undivided interest in said general common elements shall be appurtenant to each dwelling unit. Each undivided interest may not be partitioned.

FOURTEENTH: All terms used in this Amended Master Deed shall be constructed to have the same meaning as defined in Section 2 of the Act 229 of the Public Acts of Michigan of 1963, as amended. The term "dwelling unit", as used in this Amended Master Deed and the By-laws, shall be construed to be synonymous with the term "Apartment", as defined in said Section 3.

BY-LAWS OF "THE WATER'S EDGE" CONDOMINIUM, AS AMENDED

ARTICLE I

ASSOCIATION OF CO-OWNERS

Sec. 1. "THE WATER'S EDGE" condominium project, located in Independence Township, Oakland County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation (herein sometimes called the Association) organized under the laws of the State of Michigan.

Sec. 2. The Association shall manage, maintain and operate the condominium project and its common elements and shall be organized to do so in accordance with the laws of the State of Michigan, the Articles of Incorporation, the Master Deed, these By-laws and By-laws adopted by the Association.

Sec. 3. The Association may provide for independent management.

Sec. 4. The Association shall keep detailed books of account, showing all expenditures and receipts of administration, which shall specify the maintenance and repair expenses of the common elements and any other expenses incurred by, or in behalf of, the Association and the co-owners. Such accounts shall be open for inspection by co-owners during reasonable working hours and shall be audited annually by qualified auditors. The cost of such audit shall be an expense of administration.

ARTICLE II

MEMBERSHIP

Sec. 1. Each co-owner of a dwelling unit in "THE WATER'S EDGE" condominium project shall be a member of the Association. In addition, each co-owner of a dwelling unit which shall be built by the Developer on certain adjoining lands shall be a member of the Association if the Developer elects to extend the territorial limits of the condominium project as provided in Paragraph Eleventh of the Master Deed, where said adjoining land is more particularly described. No other person or entity shall be entitled to membership.

Sec. 2. Membership in the Association shall be established by recording with the Register of Deeds of Oakland County, Michigan, a Deed or other instrument establishing change of record title to a dwelling unit in the condominium project, or extensions thereof, and delivery to the Association of a certified copy of such instrument. The new co-owner(s) designated by such instrument shall thereby become (a) member(s) of the Association, and membership of the prior co-owner(s) shall thereby be terminated.

Sec. 3. The share of (a) co-owner(s) in the funds or assets of the Association cannot be assigned, pledged or transferred in any way, except as an appurtenance to his/her/their dwelling unit in the condominium project.

ARTICLE III

VOTING RIGHTS

Sec. 1. Co-owners shall file a dated "Designated Voter Registration Form" with the Secretary of the Association. This form shall provide the following information:

(a) The unit number and residence number of the dwelling.

(b) The names, addresses and signatures of all co-owners of the dwelling unit (individuals - or associations, corporations, firms, partnerships, trusts or other legal entities).

(c) The name, address and signature of the individual designated to vote at meetings of the Association and on issues and questions to be decided by co-owners, and to receive all notices and other communications from the Association on behalf of all co-owners of the dwelling unit. The designated voter can be changed at any time by all co-owners involved filing a new "Designated Voter Registration Form" with the Secretary of the Association. Votes of co-owners who have not filed this required form with the Secretary of the Association shall not be considered for any purpose.

Sec. 2. Except as otherwise provided in these By-laws, each designated voter shall be entitled to one vote, the value of which shall be equal to the percentage of value allocated to the dwelling unit or Deed. Voting shall be by value, except in those instances where it is required to be both in value and number. No co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until evidence of ownership of a dwelling unit in the condominium project has been presented to the Association. Votes of co-owners must be cast ONLY by the person named, on the "Designated Voter Registration Form" mentioned in Sec. 1, as the designated voter - in person, by absentee ballot or by proxy.

Sec. 3. The presence - in person, by absentee ballot or by proxy - of 25% of co-owners in value and number shall constitute a quorum at all meetings of the Association.

A majority of designated voters in value and number present at meetings of the Association - or voting by absentee ballot or by proxy - shall decide all questions and issues put to a vote, unless the topic(s) being considered call(s) for a decision by 66 2/3% or 75% of such designated voters. A proxy will be acceptable only for questions and issues calling for a "Yes" or "No" vote. Absentee ballots or proxies must be filed with the Secretary of the Association at least two days prior to a scheduled meeting.

ARTICLE IV

MEETINGS OF MEMBERS

Sec. 1. Meetings of the Association shall be held at a place convenient to co-owners designated by the Board of Directors.

Sec. 2. The first annual meeting of the Association shall be held within 60 days after the occurrence of both of the following events: The recording of the Master Deed to the condominium project and the sale and conveyance or occupancy of more than 60% of the dwelling units. Subsequent extension of the condominium project, as provided in Paragraph Eleventh of the Master Deed, shall not affect the prior activation of the Association and the co-owner(s) of each dwelling unit shall become (a) member(s) upon sale and conveyance or occupancy. Such first annual meeting shall be set by the Board of Directors and at least ten days' written notice thereof shall be given to all co-owners. Thereafter, there shall be annual meetings of the Association. Notice of the date, time and place of such meetings shall be given to all co-owners as provided in Sec. 4 of this Article. At such meetings there shall be elected, by ballot of the designated voters, a Board of Directors in accordance with the requirements of the By-laws of the Association. At this meeting co-owners may also transact such other business of the Association as may properly come before them.

Sec. 3. Special meetings of co-owners may be called by a vote of the majority of the Board of Directors and MUST be called by the Board upon receiving a written request from a majority of co-owners. Written notice of special meetings shall be given according to the provisions of Sec. 4 of this Article.

Sec. 4. The Secretary of the Association shall notify all co-owners of annual and special meetings of the Association in writing via appropriate means. Such written notification must be given at ten days, but not more than 20 days, prior to a scheduled meeting and shall state the purpose(s) of the meeting and its date, time and place.

Sec. 5. All powers, duties and authority vested in, or delegated to, the Association shall be exercised by the Board of Directors. Such powers, duties and authority shall include those existing under the common law, statutes of the State of Michigan, the Articles of Incorporation, the Master Deed, these By-laws and By-laws of the Association. Until the first meeting of the Association, its affairs shall be managed by the Board named in the Articles of Incorporation, which shall have the same powers and duties as an elected Board.

ARTICLE V

ASSOCIATION POWERS AND DUTIES

The powers and duties of the Association shall include the following:

- (a) To administer, manage, maintain and operate the condominium project and to make repairs and replacements within it as necessary for the benefit of co-owners.
- (b) To make and levy assessments against co-owners and dwelling units to defray necessary costs, to collect these assessments from co-owners and to use the funds collected for the benefit of co-owners.

(c) To reconstruct, as necessary, after any casualty and/or to further improve real and other property in the condominium project.

(d) To adopt, publish and amend rules and regulations governing real and other property in the condominium project, provided that such rules and regulations do not conflict with restrictions and/or limitations placed upon the use of such property in the Articles of Incorporation and the Master Deed.

(e) To sub-contract the management of the condominium project and to delegate to the management company hired all powers and duties of the Association except for those which the Articles of Incorporation and the Master Deed may require the Association to retain.

(f) To enforce by legal means the provisions of the Articles of Incorporation; the Master Deed; these By-laws; and the By-laws, rules and regulations of the Association regarding property in the condominium project.

(g) To pay all taxes and assessments which are liens against the condominium project (other than dwelling units and appurtenances thereto) and to assess the same against co-owners.

(h) To carry insurance against casualty and liability for the protection of co-owners and the Association.

(i) To pay all costs of power, water, sewer and other utility services billed to the condominium project and not to co-owners of individual dwelling units.

(j) To employ individuals and companies, for reasonable compensation, to perform the services required for the proper administration and maintenance of the condominium project and the Association.

(k) To acquire, operate, lease, manage and otherwise trade and deal with real and other property, including dwelling units in "THE WATER'S EDGE" condominium project, as may be necessary or convenient in the operation and management of the project in accomplishing the purposes set forth in the Articles of Incorporation.

ARTICLE VI

ASSESSMENTS

Sec. 1. The Association shall be assessed as the person or entity in possession of any tangible property of the condominium project owned or possessed in common by co-owners, and property taxes thereon shall be an expense of administration.

Sec. 2. All costs incurred by the Association in satisfaction of any liability - arising within, caused by, or connected with the common elements or the administration of the condominium project - shall be expenses of administration within the meaning of Section 16 of Public Act 229 of 1963, as amended. The Association shall establish a reasonable reserve of funds from which payment of expenses of administration shall be made. All sums received as proceeds of, or

pursuant to, any policy of insurance securing the interest of co-owners against liabilities or losses - arising within, caused by, or connected with the common elements or the administration of the condominium project - shall be receipts of administration.

Sec. 3. All assessments levied against co-owners to cover expenses of administration shall be apportioned among and paid by co-owners in accordance with the percentage allocated to each dwelling unit in Paragraph Sixth of the Master Deed. The Developer shall pay all such expenses of administration, except premiums on insurance purchased by the Association, pursuant to these By-laws until such time as 30% of the dwelling units described in Paragraph Sixth of the Master Deed have been sold and conveyed or are otherwise occupied. Once activated, assessments will continue, notwithstanding the extension of the condominium project as provided in Paragraph Eleventh of the Master Deed, provided, however, that maintenance of the units in the extension shall be done by the Developer (except insurance) until 30% of the units in the extended condominium project are sold and conveyed or otherwise occupied, at which time co-owners of all sold and conveyed or occupied units will pay the assessments, but based on the new percentage values set forth in the amended Master Deed. Premiums on insurance shall at all times be apportioned among and paid by co-owners in accordance with the percentage allocated to each dwelling unit. Thereafter, the Developer shall pay his share of such expenses of administration proportionate to the number of dwelling units which have been constructed and which are ready for occupancy but not yet sold and conveyed or occupied, including model dwelling units. Assessments shall be due and payable at such times as the Association shall determine. Payment of assessments shall be in default if such assessments, or any part thereof, are not paid in full to the Association on or before the due date for such payment. Assessments in default shall bear interest at the rate of 7% per annum until paid in full.

Sec. 4. No co-owner may be exempted from liability for a required contribution toward the expenses of administration by waiver of the use or enjoyment of the common elements or by abandonment of the owned dwelling unit.

Sec. 5. The Association may, at its option, enforce collection of delinquent assessments by suits at law for money judgement or by foreclosure of the lien(s) it holds. In an action of foreclosure a Receiver may be appointed to collect a reasonable rental for the dwelling unit from the co-owner(s) thereof. Expenses incurred in collecting unpaid assessments, including interest, costs and attorney fees, shall be chargeable to the co-owner(s) in default. The Association may also, at its option, discontinue the furnishing of (any) service(s) to the co-owner(s) in default upon seven days' written notice to such co-owner(s) of its intent to do so. Co-owners in default regarding assessments (regular or special), fees, fines, pet deposits or other charges due the Association shall not be entitled to vote at any meeting of the Association or be eligible for election to the Board of Directors so long as such default continues. The rights of the Association under this section shall include, but not be limited to, all of the rights of an administering body as provided in Section 16 of Public Act 229 of 1963, as amended.

Sec. 6. Until January 1st of the year immediately following such time as 30% of said dwelling units have been sold and conveyed or occupied, the maximum monthly assessment shall be \$25.00.

(a) From and after January 1st of the year immediately following such time as 30% of said dwelling units have been sold and conveyed or occupied, the maximum monthly assessment may be increased, effective January 1st of each year and without a vote of the co-owners, in conformance with the rise, if any, in the Consumer Price Index published by the Department of Labor of the federal government in Washington, D.C.

(b) The maximum monthly assessment may be increased by a vote of 4 out of 5 of the Board of Directors not to exceed \$10.00 per month per unit per fiscal year. Each co-owner shall be notified in writing of the proposed increase within 15 days of the vote. Said increase shall not take effect until 60 days after notification. If, within 30 days of the notice, the Board is provided with a petition containing 20 signatures of co-owners requesting a vote on the proposed increase, the Board of Directors shall call a special meeting to approve or reject the proposed increase. The increase in the assessment shall be decided by a simple majority of designated voters.

Sec 7. In addition to the annual assessment authorized in Section 6, the association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, or unexpected repair or replacement of any capital improvement upon the general common elements or the limited common elements, including the necessary fixtures and other related property. A special assessment shall be approved by 4 out of 5 Board of directors. Each co-owner of the association shall be notified of the special assessment within 15 days of the vote. The special assessment shall not take effect until 60 days after notification. If within 30 days of the notice the Board is provided with a petition containing 20 signatures of co-owners requesting a vote on the special assessment, the Board of Directors shall call a special meeting to approve or reject the special assessment. The special assessment shall be decided by a simple majority of designated voters.

ARTICLE VII

ARBITRATION

Sec. 1. Disputes, claims or grievances arising out of or relating to the interpretation or application of the Master Deed, By-laws and the Management Agreement if any; or any disputes, claims or grievances arising among or between co-owners, or between co-owners and the Association; shall, upon the election and written consent of the parties to such disputes, claims or grievances and written notice to the Association, be submitted to arbitration. The parties thereto shall accept the arbitrator's decision as final and binding. The commercial arbitration rules of the American Arbitration Association, as amended and currently in effect, shall be applicable to any such arbitration.

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

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

ARTICLE VIII INSURANCE

Sec. 1. The Association shall purchase and maintain a policy or policies insuring the Association, the co-owners and the manager against any liability to the public or to other co-owners, their invitees or their tenants incident to the ownership, use and maintenance of the condominium project, including personal liability exposure of the co-owners. Limitation of liability under such insurance shall be at least one hundred thousand dollars (\$100,000) for any one person insured and at least three hundred thousand dollars (\$300,000) for any one accident and for fifty thousand dollars (\$50,000) for property damage on each occurrence. Such limits and coverage shall be reviewed at least annually by the Association. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsements to cover liability of the co-owners, as a group, to another co-tenant.

Sec. 2. The Association shall carry fire and extended coverage, vandalism and malicious mischief insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the condominium project. Such insurance shall be carried in accordance with the provisions of this Article.

Sec. 3. All such insurance shall be purchased by the Association for the benefit of the Association and the co-owners (and mortgagees as their interests may appear) and provision shall be made for the issuance of certificates of mortgage endorsements to mortgagees. Co-owners may obtain additional coverage upon their dwelling units and personal property, or for their personal liability, at their own expense.

Sec. 4. All buildings, improvements, other property and common elements of the condominium project shall be insured against fire and all other perils covered by a standard extended coverage endorsement in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. The Association also shall carry insurance to cover such other perils as are customarily covered with respect to buildings and improvements similar in construction, location and use including, but not limited to, vandalism and malicious mischief.

Sec. 5. All premiums on insurance purchased by the Association pursuant to these By-laws shall be an expense of administration.

Sec. 6. Proceeds from all insurance policies owned by the Association shall be received by the Association, held in separate accounts, and distributed to the Association and to co-owners

(and mortgagees as their interests may appear) provided, however, whenever repair or reconstruction of the condominium project shall be required (See ARTICLE IX.) the proceeds from any insurance received by the Association, as a result of any loss requiring repair or reconstruction, shall be applied to such repair or reconstruction. Such application shall be made in proportion to the cost of repairing the damage suffered by each co-owner, which cost shall be determined by the Association.

ARTICLE IX

RECONSTRUCTION, REPAIR AND MAINTENANCE

Sec. 1. The scope of the maintenance and management to be provided by the Association shall include the following items:

- (a) Repair and replacement of roofs, gutters and downspouts.
- (b) Maintenance of all sidewalks, walkways, vehicular parking areas and recreational and common areas, including the community building and garage structures.
- (c) Snow removal from all sidewalks, walkways, driveways and vehicular parking areas.
- (d) Provision for the maintenance and cutting of all common lawn areas (and shrubs, bushes and trees located thereon).
- (e) Provision for the repainting, maintenance and repair of the exterior of all dwelling units and front entrance porches and all external improvements. Such repainting, maintenance and repair shall not include glass surfaces. The Association shall have the option of selecting the color and quality of paint. The responsibility for repainting, maintaining and repairing the interior of all dwelling units, however, shall remain with the co-owner(s) thereof.
- (f) The repair, maintenance and management of the water and sewage disposal systems of the condominium project.
- (g) The repair and maintenance of all covered parking spaces and garages.

Sec. 2. Co-owners' maintenance responsibilities:

- (a) The responsibility of co-owners shall be to maintain, repair and replace, at their expense, all portions of the premises to which they have fee simple title, the improvements situated thereon and all appurtenant limited common elements, except the portions to be maintained, repaired and replaced by the Association in accordance with provisions of Sec. 1 of this Article.
- (b) In case co-owners fail to effect the maintenance, repair and replacement specified in Sec. 2(a) of this Article in a manner satisfactory to the Association and pay for same, the latter may do so and add the cost thereof to the assessment(s) to which such co-owners are subject.
- (c) In the event that the need for maintenance, repair or replacement by the Association is caused by the willful or negligent act(s) of co-owners, their family members or their guests or

invitees, the cost of such maintenance, repair or replacement shall be added to, and become a part of, the assessment(s) to which such co-owners are subject.

Sec. 3. Any reconstruction, repair or replacement shall be substantially in accordance with the plans and specifications for the original buildings as set forth in the Master Deed.

Sec. 4. If any part of the condominium property shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be in the following manner:

(a) If damaged property is a common element or a dwelling unit, the property shall be rebuilt or repaired if any dwelling unit in the building is tenantable, unless it is determined that the condominium project shall be terminated.

(b) If the building is so damaged that no dwelling unit is tenantable, the damaged property shall be rebuilt unless 80% of the co-owners in value and number in that building agree not to reconstruct it within 90 days after the destruction occurred.

Sec. 5. If the damage is only to a part of a dwelling unit which is the responsibility of the co-owner(s) to maintain or repair, it shall be the responsibility of the co-owner(s) to repair such damage in accordance with Sec. 6 herein. In all other cases the responsibility for reconstruction and repair shall be that of the Association.

Sec. 6. Co-owners shall be responsible for reconstruction, repair and maintenance of the interior of their dwelling unit and for the fireplace, balcony and patio [and any enclosure(s) thereto] which are appurtenant to their unit. Co-owners also shall be responsible for the cost of any reconstruction, repair or maintenance to any other portion of the condominium project necessitated by their negligence or misuse or by the negligence or misuse of their family, guests, agents, servants, employees and contractors. In the event damage to a dwelling unit is covered by insurance held by the Association for the benefit of co-owners, co-owners shall begin reconstruction or repair upon receipt of the insurance proceeds from the Association. The Association shall be responsible for the construction, repair and maintenance of the general common elements and any incidental damage to a dwelling unit (but not to the contents of a dwelling unit) caused by such general common elements (or the reconstruction, repair or maintenance thereof). Anything in the By-laws or Master Deed to the contrary notwithstanding, the Association shall be responsible for the reconstruction, repair and maintenance of all garages and covered parking structures, even though such structures are defined as limited common elements of the condominium project. The Association shall not be responsible for reconstruction, repair or maintenance of any other limited common elements of the condominium project. Such reconstruction, repair or maintenance shall be the responsibility of co-owners to whom such limited common elements are appurtenant.

Sec. 7. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain

reliable and detailed estimates for returning the damaged property to a condition as good as that which existed before the damage occurred - or replacing it.

Sec. 8. If the proceeds from insurance are not sufficient to defray the estimated cost of reconstruction or repair by the Association, or if at any time during the reconstruction or repair, or upon completion of such reconstruction or repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against the co-owner(s) who own or are responsible for the costs of reconstruction or repair of the damaged property in sufficient amount to pay the actual cost of repair. If the proceeds from insurance exceed the costs of repair or reconstruction, then the excess shall be divided by the Association among all the co-owners in proportion to the percentage of value assigned to each dwelling unit, after first deducting any lien(s) due the Association.

Sec. 9. The portion of insurance proceeds representing damage for which the responsibility of reconstruction or repair lies with the co-owner(s) shall be paid to the co-owner(s) or, if there is a mortgage endorsement, then to the co-owner(s) and mortgagee(s) jointly, and such proceeds shall be used for the reconstruction or repair required by these By-laws.

Sec.10. If (a) tenantable building(s) is/are so damaged that no dwelling unit is tenantable, and the co-owners do not agree to reconstruction in accordance with provisions of Sec. 4(b) of this Article, the net proceeds from the insurance policies owned by the Association shall be divided by the Association in the same manner as required in Sec. 8 of this Article, but limited to co-owners of dwelling units in the damaged building(s).

Sec.11. After complete or partial destruction of the condominium project as a result of any casualty, after the taking of the condominium project by eminent domain, or at any other time, the condominium project may be modified or terminated by unanimous agreement of the co-owners. This agreement shall be evidenced by an instrument executed in the same manner as required for the conveyance of land. Any such termination or modification shall become effective when such agreement has been recorded with the Oakland County Register of Deeds and shall comply with the requirements of Section 9 of Public Act 229 of 1963, as amended.

Sec.12. If one or more parts and/or buildings of the condominium project is/are taken by the right of eminent domain, the decision of 75% of the remaining co-owners in value and number shall determine whether to abandon, rebuild or repair the parts) and/or building(s) taken.

ARTICLE X

PARTY WALLS

Sec. 1. Walls and/or fences built as appurtenances of the original condominium project shall constitute party walls if any part of them is located on a line which divides separate parcels to which adjoining co-owners have fee simple title. The general rules of law regarding party walls and liability for damage done to them - because of negligence, omission or willful acts - shall apply.

Sec. 2. If a party wall is damaged or destroyed by the act or omission of (an) adjoining co-owner(s) (or his/her/their family members, agents or guests), whether or not the act or omission is negligent or otherwise culpable, so as to deprive the other adjoining co-owner(s) of full use and enjoyment of such party wall, the adjoining co-owner(s) responsible for such damage or destruction shall pay the entire cost of restoring the party wall to its former condition, regardless of the manner by which such restoration must be accomplished.

Sec. 3. If a party wall is damaged or destroyed by the act or omission of both adjoining co-owners (or their family members, agents or guests), both adjoining co-owners shall be responsible for restoring the party wall to its former condition, regardless of the manner by which such restoration must be accomplished, and shall share the costs involved equally.

Sec. 4. If a party wall is damaged or destroyed by a cause for which no adjoining co-owners are responsible (e.g., ordinary wear and tear and deterioration due to the passage of time), the Association shall be responsible for restoring or replacing it. The cost involved shall be an expense of administration.

Sec. 5. Co-owners proposing to modify or add to their dwelling unit, in a manner which necessitates extending or altering a party wall, shall obtain the written consent of their adjoining co-owner(s). Such modification or addition must conform to requirements contained in these By-laws and to all applicable building codes, ordinances and regulations. (See also ARTICLE XI, Sec. 2.)

Sec. 6. Under this Article the right of co-owners to contributions from other co-owners shall be appurtenant to the land and shall pass to co-owners' successors in title.

ARTICLE XI RESTRICTIONS

Sec. 1. Only members of a single family shall reside in dwelling units and use the common elements of the condominium project. (The Association's Board of Directors shall give consent in writing, upon request and for (an) explanation(s) it considers reasonable, for persons who are not immediate family members of residents to live in, and use the common elements of, "THE WATER'S EDGE" condominium.)

Sec. 2. Co-owners shall not make alterations or structural modifications to their dwelling unit without the written approval of the Association's Board of Directors, which shall not approve any that would jeopardize the soundness, safety or appearance of the condominium project.

Sec. 3. Reasonable regulations concerning the use of the condominium project can be made and amended by the Board of Directors of the Association. All new regulations shall be approved by 75% of the designated voters before becoming effective. Copies of all new regulations and amendments to existing regulations shall be furnished to all co-owners.

Sec. 4. The Association and/or its agents shall have access to all dwelling units, during reasonable hours upon notice to co-owners, as may be necessary for maintenance, repair or replacement of the exterior of dwelling units, the common elements therein or accessible therefrom, and all external improvements. The Association and/or its agents also shall have access to all dwelling units at all times, without notice, as may be necessary to make emergency repairs to prevent damage to the general common elements or to any dwelling unit.

Sec. 5. Co-owners may rent their dwelling unit, provided that the lease is for a term of at least one year and is to a lessee who will occupy the dwelling unit (with family, if any). No sub-leases shall be permitted, and no rooms within a dwelling unit may be rented. Co-owners may not enter into a lease for their dwelling unit more than once during any calendar year.

(A) purchaser(s) of (a) dwelling unit(s) in "THE WATER'S EDGE" condominium project shall agree, as part of the application for purchase, that he/she/they, or (a) member(s) of his/her/their immediate family, shall occupy the dwelling unit for a minimum of one year from the date of purchase. (See also Sec.10 of this Article.)

Sec. 6. No advertising sign (except for one "For Sale" sign per dwelling unit of not more than five square feet), billboards or objects having either unsightly appearance or nuisance value shall be erected nearby, placed upon, or allowed to remain on any dwelling unit. No dwelling unit shall be used for any purpose which may endanger the health of or unreasonably disturb other co-owners. No commercial activity of any kind shall be conducted in any dwelling unit or in any other part of the condominium project. (These restrictions shall not apply to the commercial activities of, or the signs and billboards used by, the Developer during the construction and sales period of the condominium project and any subsequent extension(s) thereof.)

Sec. 7. No animals, livestock or poultry of any kind shall be raised, bred or kept on the condominium project. Dogs, cats and other household pets may be kept, provided they are not bred, raised or maintained for commercial purposes.

Sec. 8. No building or structure of a temporary character, basement, tent, shack, garage or barn (or any other outbuilding) shall be used in the condominium project at any time as a residence, either temporarily or permanently.

Sec. 9. All clotheslines, equipment, garbage cans, wood piles and storage piles shall be kept screened by adequate planting or fencing so as to conceal them from the view from nearby dwelling units. All rubbish, trash and garbage shall be removed regularly from the premises and shall not be allowed to accumulate thereon. Garbage containers (e.g., dumpsters) shall be kept screened by adequate planting or fencing so as to conceal them from the view from nearby dwelling units.

Sec.10. Co-owners intending to sell or lease their dwelling unit, or any interest therein, must obtain the approval of the Association and comply with the following procedures and regulations:

(a) They shall give written notice of such intention to an officer of the Association, together with the name(s) and address(es) of the prospective purchaser(s) or lessee(s), the terms and conditions of the proposed transaction, and such other information as the Association may reasonably require. Such written notice shall constitute a warranty and representation by the co-owner(s) - to the Association and to any purchaser(s) or lessee(s) produced by the Association as provided herein - that the co-owner(s) believe(s) the proposed transaction to be bona fide in all respects. No proposed transaction shall be deemed bona fide which is not evidenced by an Agreement, of Sale or Lease, executed by the selling or leasing co-owner(s) and the prospective purchaser(s) or lessee(s) and containing all pertinent terms of the proposed sale or lease, which is subject to the approval and right of first refusal contained herein.

(b) Within 20 days after receiving a notice of intention to sell or lease the Association shall either approve the proposed transaction or furnish (a) purchaser(s) or (a) lessee(s) satisfactory to it. The Association shall give notice thereof to the selling or leasing co-owner(s), who will execute, immediately, the contract of sale or lease received from the Association if it contains terms as favorable to him/her/them as the terms stated in the notice he/she/they gave to the Association. (A) purchaser(s) or lessee(s) approved and furnished by the Association must have at least 30 days subsequent to the date of his/her/their approval by the Association to close the transaction. Co-owner(s) shall be bound to consummate the transaction with the person(s) approved and furnished by the Association. In a sale, the Association's approval shall be in recordable form, signed by an officer of the Association, and delivered to the purchaser(s). Failure of the Association either to approve the sale or lease proposed by the co-owner(s) or to furnish (an) appropriate substitute purchaser(s) or lessee(s) within the twenty-day period mentioned initially shall constitute approval by the Association. Subsequently, the Association shall prepare and deliver its written approval, in recordable form in a sale.

(c) The Developer shall not be subject to the terms and conditions of this section in the initial sale or lease of any dwelling unit following establishment of the condominium project.

ARTICLE XII

ARCHITECTURAL CONTROL

Sec. 1. No buildings, fences or walls shall be constructed upon - or other external improvements or alterations made within - or changes in the color of exterior paint be made to - the condominium project except those which are completed or approved by the Developer in connection with the construction of the condominium project or plans for and specifications of which have been submitted to, and approved by, the Board of Directors of the Association or an Architectural Committee of three or more individuals appointed by the Board. Plans and specifications submitted must state: (1) the nature, size, shape and location of the proposed

item(s); (2) the material(s) which will be used; and (3) the approximate cost involved. In addition, it must be shown that the proposed external construction or alteration and its location will be in harmony with the existing design and appearance of the condominium project. If the Board of Directors or the Architectural Committee fails to approve the design and location of the proposed item(s) within 30 days after such plans and specifications have been submitted, approval will be considered given.

Sec. 2. Only materials requiring minimal maintenance shall be used in or on buildings, fences, walls and other external additions and improvements - or in altering or repainting them - except for substitute materials used or approved by the Developer.

Sec. 3. There shall be no mass plantings of any nature, by co-owners, on common lawns or along common walkways within the condominium project without prior approval of the Board of Directors of the Association or the Architectural Committee appointed by the Board.

ARTICLE XIII MORTGAGES

Co-owners who mortgage their dwelling unit shall notify the Association of the name and address of the mortgagee. The Association shall maintain such information in a book entitled "Mortgages of Apartments". The Association, at the written request of a mortgagee, may notify the mortgagee of unpaid assessments due from the co-owner. The Association shall furnish mortgagees with complete information on all insurance which it carries.

ARTICLE XIV COMPLIANCE

Sec. 1. The Association; present and future co-owners or tenants and their families, guests, agents, servants, employees and contractors; and all other persons using the grounds and facilities of the condominium project in any manner are subject to, and shall comply with, the provisions of Public Act 229 of 1963, as amended; the Articles of Incorporation; the Master Deed; these By-laws; and the By-laws, Rules and Regulations of the Water's Edge Condominium Association. The acquisition, rental or occupancy of a dwelling unit in this condominium project shall signify acceptance of the provisions specified in the documents just named. If any provision(s) of these documents conflict(s) with the contents of Act 229, the wording of that act shall prevail.

Sec. 2. Terms in the Master Deed and these By-laws shall be construed as having the same meaning as definitions in Section 2 of Public Act 229 of 1963, as amended (e.g., "dwelling unit" in this document is considered synonymous with "apartment" in Section 2 of Act 229).

ARTICLE XV AMENDMENTS

These By-laws may be amended by 51% of designated voters in value and number. (An) amendment(s) shall become effective upon being recorded at the office of the Register of Deeds, Oakland County, Michigan.

WATERS EDGE CONDOMINIUM ASSOCIATION

Rules and Regulations

ARTICLE I DOMESTIC ANIMALS & PETS

SECTION I - No pets other than the usual indoor household variety, not excluded by law shall be allowed in the condominium project.

SECTION II - All dogs in the condominium project when outside of a dwelling unit must be on a leash to a competent person at all times. Other pets must be attended by a competent person when outside.

SECTION III - It shall be the responsibility of the co-owner who houses such a pet to remove and clean all messes and repair all the damages created by such pet.

SECTION IV - To insure that such responsibilities by co-owners housing pets are met, the co-owners of the unit housing any four legged pets shall deposit \$50.00 cash with the association to clean such messes and repair such damages if not done by the responsible party within 48 hours of the occurrence, such deposit to be replenished by said co-owner when and if exhausted. The walking of pets is only allowed along the roadway.

ARTICLE II SWIMMING POOL

SECTION I – No swimming shall be allowed in the pool between the hours of 11:00PM and 10:00AM of the following morning.

SECTION II – Children 12 years or younger must be accompanied by an adult co-owner when using the pool facilities.

SECTION III – An adult co-owner must be present at all times that any guest from that o-owners unit is using the pool.

SECTION IV – All co-owners of a condominium unit shall abide by all state and local laws and regulations relative to the use and the governing of swimming pools.

SECTION V – Anytime that the pool and deck areas around the pool are in use by more than 30 persons, said use shall be limited to one guest per unit in the condominium project.

SECTION VI – Children not toilet trained will not be permitted in the pool.

SECTION VII – Persons whose hair falls below the nape of the neck must wear a bathing cap when using the pool.

SECTION VIII – Any person using suntan lotion or oil must take a shower before using the pool.

SECTION IX – A shower must be taken within ½ hour prior to entering the pool.

SECTION X – Shoes must be worn from your unit to the pool, then must be removed at the pool area gate. Feet must then be rinsed under foot shower.

SECTION XI – Bathing suits that have been worn in the lake must be laundered before they can be worn in the pool.

SECTION XII – No beverages or food or smoking in the pool area.

SECTION XIII – Co-owners children ages 13 thru 17 are allowed in the pool without parent being present, an adult co-owner must be present if the child wants to take a guest into the pool.

SECTION XIV – No horse play in the pool or pool area. No diving allowed.

SECTION XV – Only toys supplied by the association can be used in the pool. Diving gear, innertubes and other toys are not permitted in the pool.

SECTION XVI - Please note that Swimming Pool rules are updated annually based on requirements and guidelines from the State of Michigan and Oakland County Health Department, as well as WECA pool committee.

ARTICLE III PARKING

SECTION I - There are two parking spaces per unit including the garage. Co-owners with two or more vehicles must park one vehicle in their garage or pay a monthly fee of \$15.00. Co-owners parking more than one vehicle overnight in our parking lot must pay a parking fee of \$15.00 per month per vehicle.

SECTION II - Co-owners will not be permitted to park more than one vehicle per unit in front of Building "C" at any given time.

SECTION III - Building "C" and "D" co-owners will instruct their visitors to park in spaces between Buildings "A" and "B" and "B" and "C".

SECTION IV - No vehicle of any type may be parked in the condominium parking area unless it is being used for transportation by a co-owner on a regular basis. No motor homes, mobile homes, campers or any other vehicle that due to appearance or size would be detrimental to the safety and/or appearance of our parking area will be permitted to park except for a short period of time with prior Board of Directors approval. Unlicensed vehicles are not permitted to be parked in the condominium parking area.

SECTION V - Motorcycles are not permitted in the condominium complex or parking area without prior approval of the Board of Directors. With approval, the motorcycle must be parked in a garage and not on the asphalt.

SECTION VI -No trucks such as stake, dump and tractor trailers will be permitted to park in the condominium parking area except for deliveries or service calls.

SECTION VII - Any vehicle not registered to a co-owner, visitors excluded, that is illegally in the condominium parking area will be towed away at the owners expense.

SECTION VIII- Parking on the condominium lawn, driveway and over sidewalks is prohibited, violators vehicle is subject to be towed away at the owners expense.

SECTION IX - Parking stickers with white letters "W.E." and your unit number will be distributed for all vehicles registered to a Waters Edge co-owner. The self-adhesive sticker will be installed on the rear window or left rear side window of your automobile, or other location with Board Approval.

SECTION X - Any co-owner violating our parking rules and/or failure to pay their parking fee will be subject to court procedure and/or have their vehicle towed away at their expense. The action to be taken will be determined by the Board of Directors.

SECTION XI - It will be the responsibility of a co-owner to removal oil spots and/or pay for repairs to the parking area caused by their vehicle with an excessive oil leak, excessive described as any oil spot larger than two inches in diameter in an eight hour period.

SECTION XII - The parking fee will be payable on the first of every month, a late fee of \$5.00 will be added if not paid by the fifth of the month. All parking fees will be set aside for the sole purpose of maintaining the condominium parking area and driveway.

SECTION XIII - All vehicles will be moved for snow removal. If not moved, they will be towed away. At no time will cars block sidewalks. As of January 1, 1989, any vehicle without a W.E. sticker will be towed away at the owner's expense.

ARTICLE IV COMMUNITY BUILDING

SECTION I - Any use of the community building by a co-owner with more than four guests will require reservations per rules for the exclusive use of the community building by a co-owner.

SECTION II - Reservations for the exclusive use of the upper and lower levels and kitchen facilities of the community building only shall not be available more than ten times per year per apartment unit, nor for more than once during any month of any calendar year. Exceptions must be approved by the Board of Directors.

- (a) Reservations shall permit exclusive use of both upper and lower levels of the community building (excluding the swimming pool).

(b) The co-owners who reserves the community building may permit another co-owner the use of the lower level, but the co-owner who reserves it will be responsible for the cleaning of the entire building.

SECTION III - To secure exclusive use of the community building, a co-owner shall call the person appointed by the Board of Directors to record reservations, making a deposit with said request of \$25.00 to be returned by the association to said co-owner less any expenses that may be incurred by the association following and as a result of said co-owners use of the building.

SECTION IV - All co-owners who reserve the community building must comply with the following. Noise must be curtailed at 11:00 pm. Instruct guests to leave quietly. Racing engines, horn blowing and loud talking is not permitted. Guests are not permitted to wander around the complex. No alcoholic beverages served to minors. Narcotics and use of same prohibited. Lights, heat and/or air conditioner to be turned off when you leave. No pets allowed. Community building must be cleaned within 24 hours of use.

ARTICLE V GARDEN AREAS

SECTION I - Planting areas shall be limited to the front and rear of each co-owners unit.

SECTION II - Planting shall be limited to the area immediately adjacent to the side of each co-owners concrete patio; not to extend beyond the edge of the patio or front porch area.

SECTION III - To insure that plantings do not interfere with lawn maintenance, all garden areas shall have a straight border.

SECTION IV - All co-owners who have garden plots are responsible for their clean-up prior to our fall clean-up.

ARTICLE VI PATIOS AND BALCONIES

SECTION I - Patio areas shall not be extended beyond 10 feet from the outer brick wall of each co-owners unit.

SECTION II - Any additions to patio areas shall be limited to those type of materials already in use (i.e. smooth concrete, red wood or wolmanized wood).

SECTION III - In Buildings A, B, C and D, any screened enclosures shall be limited to the balconies and are not to extend over the balcony structure.

SECTION IV - The style and type of materials used for any and all screening shall be subject to the recommendations of the architecture committee and the approval of the Board of Directors.

SECTION V - No rear patio levels in Buildings A, B, C or D may be enclosed.

SECTION VI - Awnings made of vinyl or canvas or aluminum shall be permitted over upper level sliding glass door.

ARTICLE VII DOCKS

SECTION I - Docks parallel to the lake shore shall be permitted.

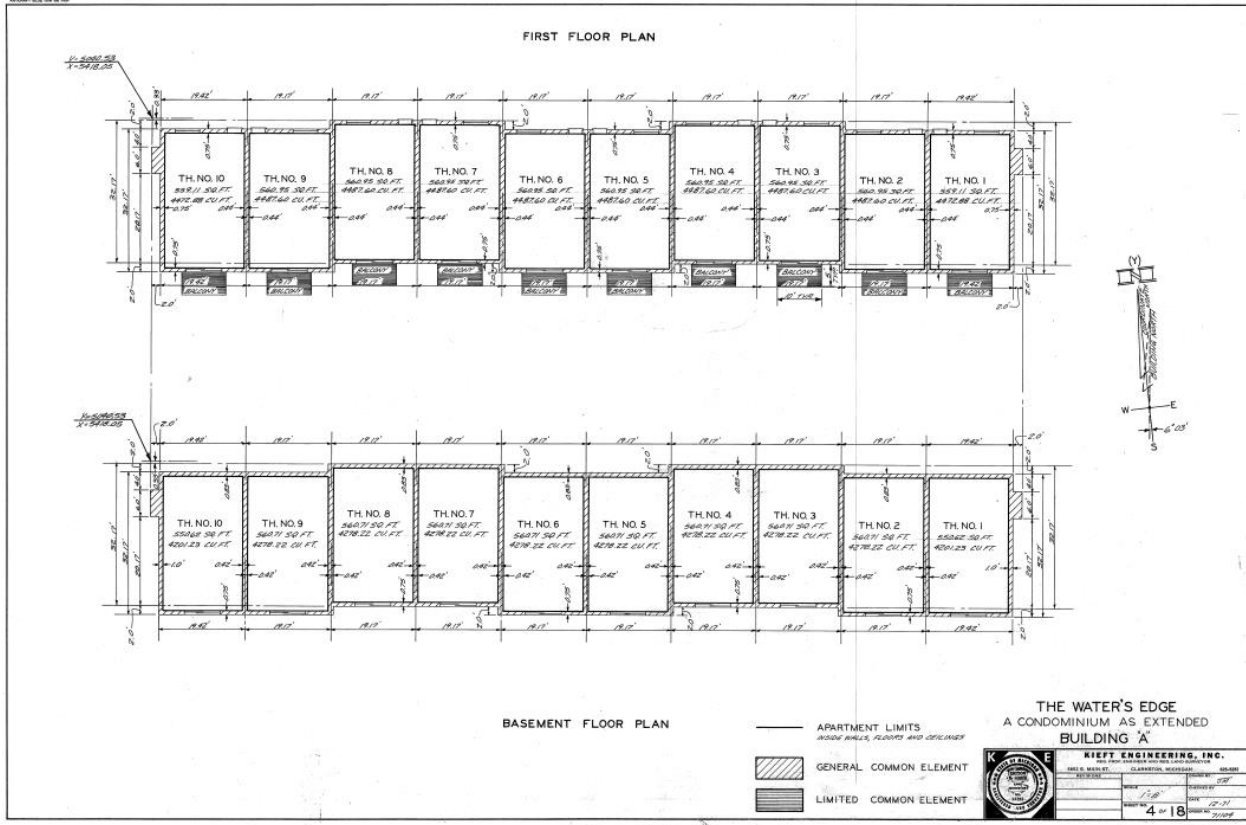
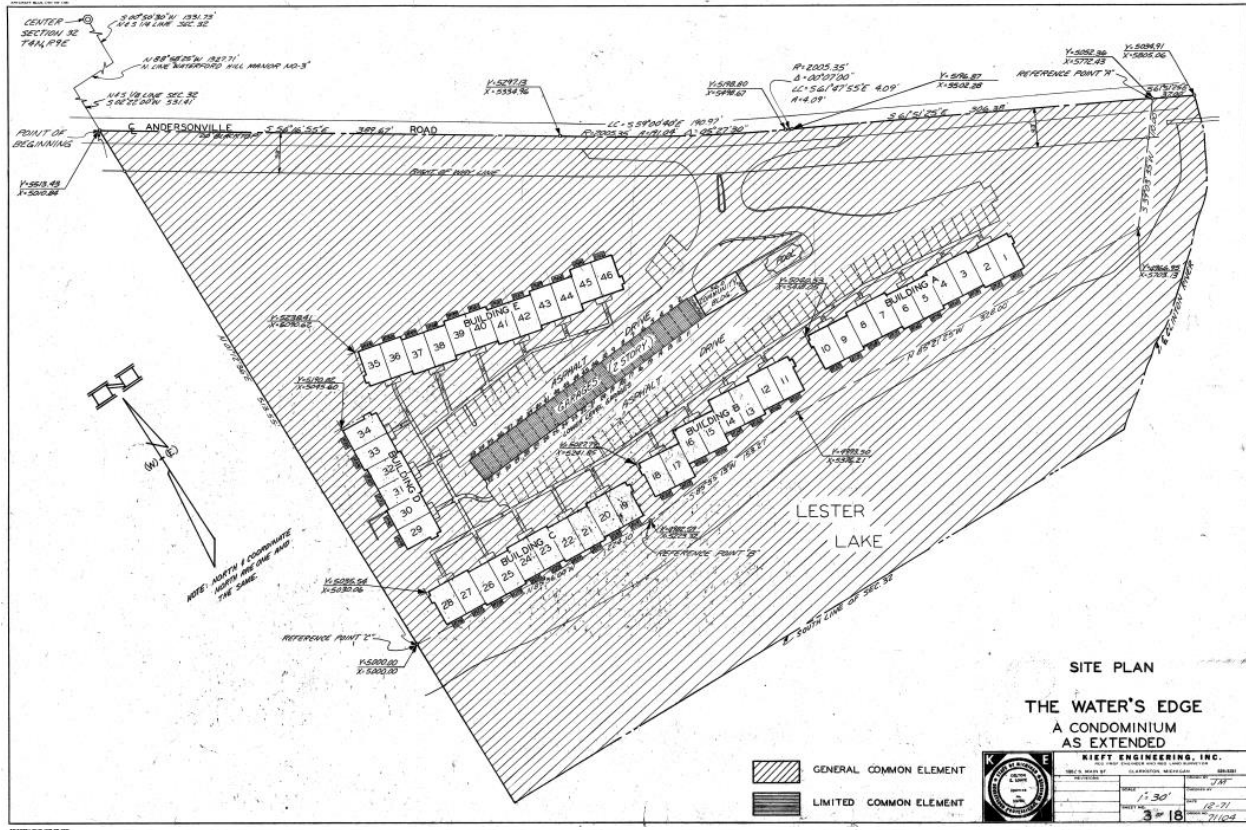
SECTION II - Docks shall extend no more than four feet into the lake as measured from the shoreline.

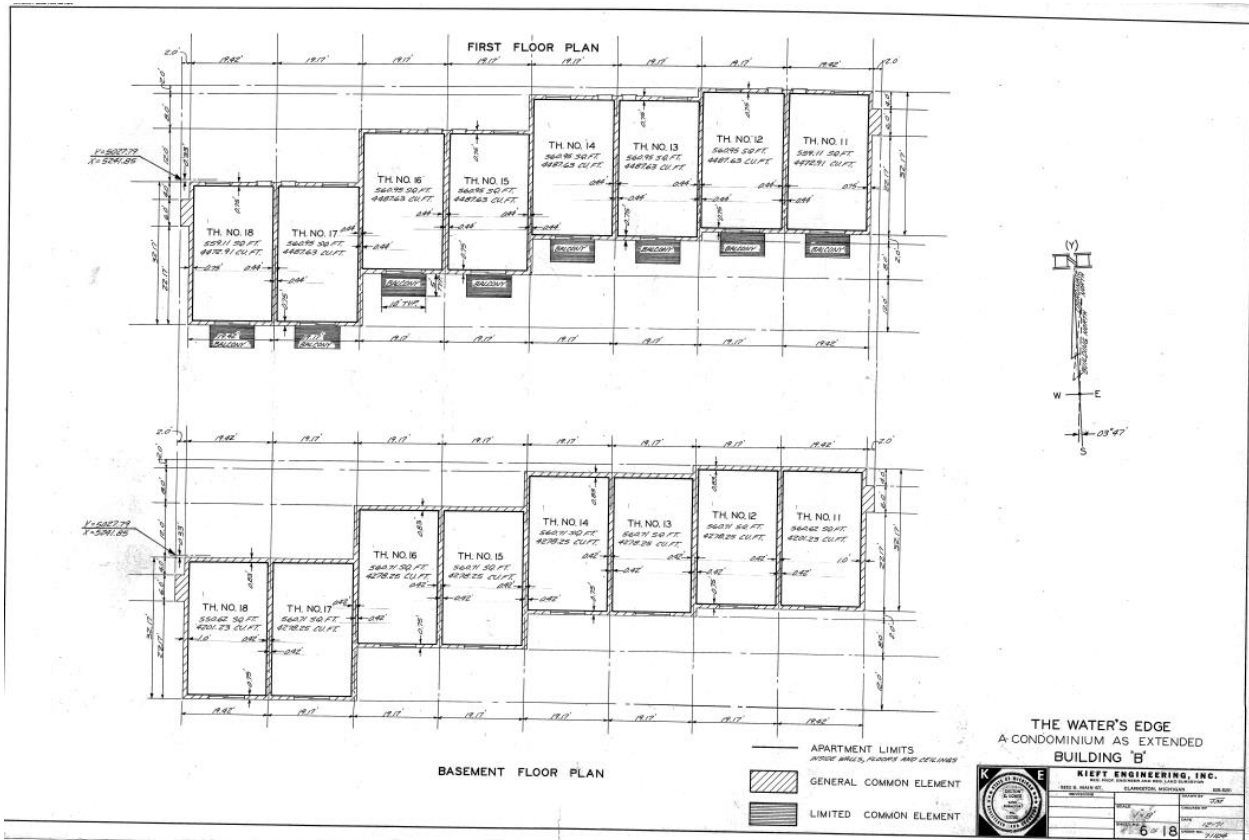
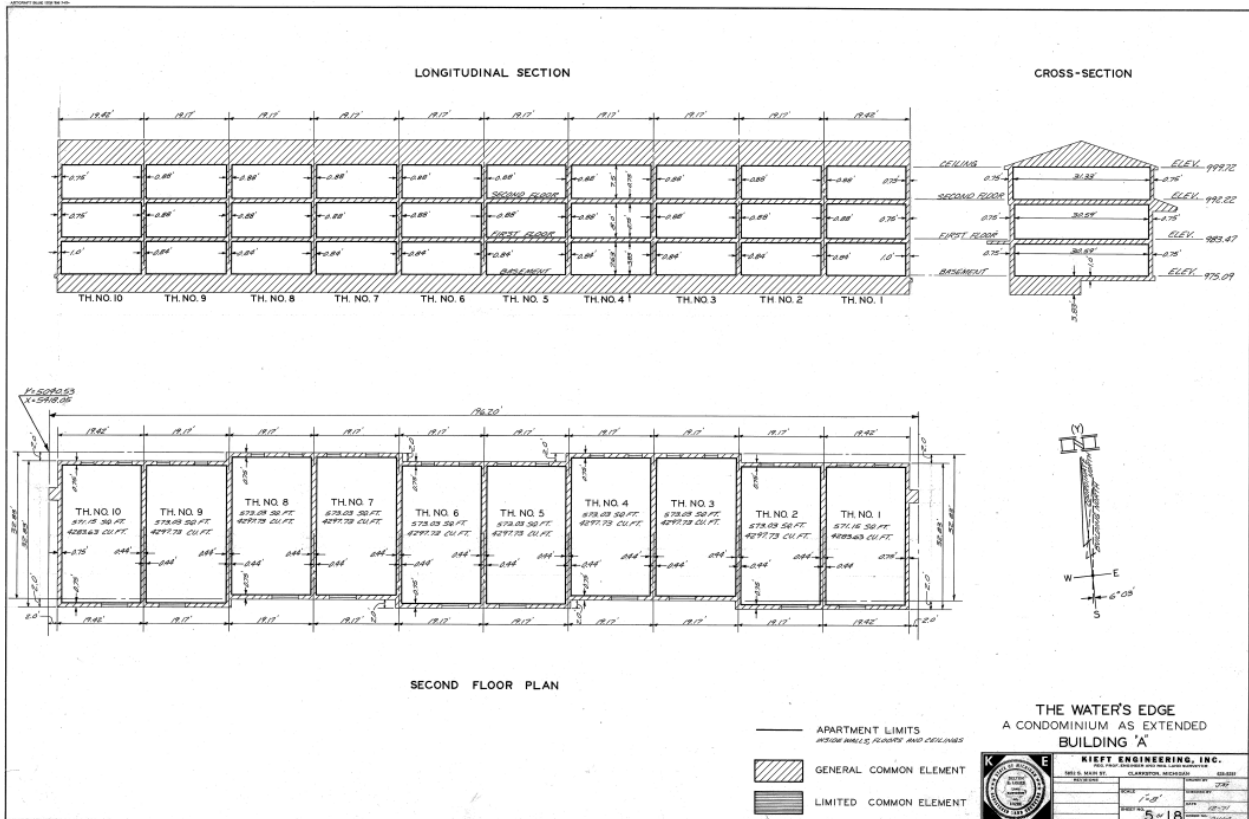
SECTION III - Docks will be permitted but must conform with (the) By-Laws with a maximum of 4' x 16' parallel to seawall on outside of seawall.

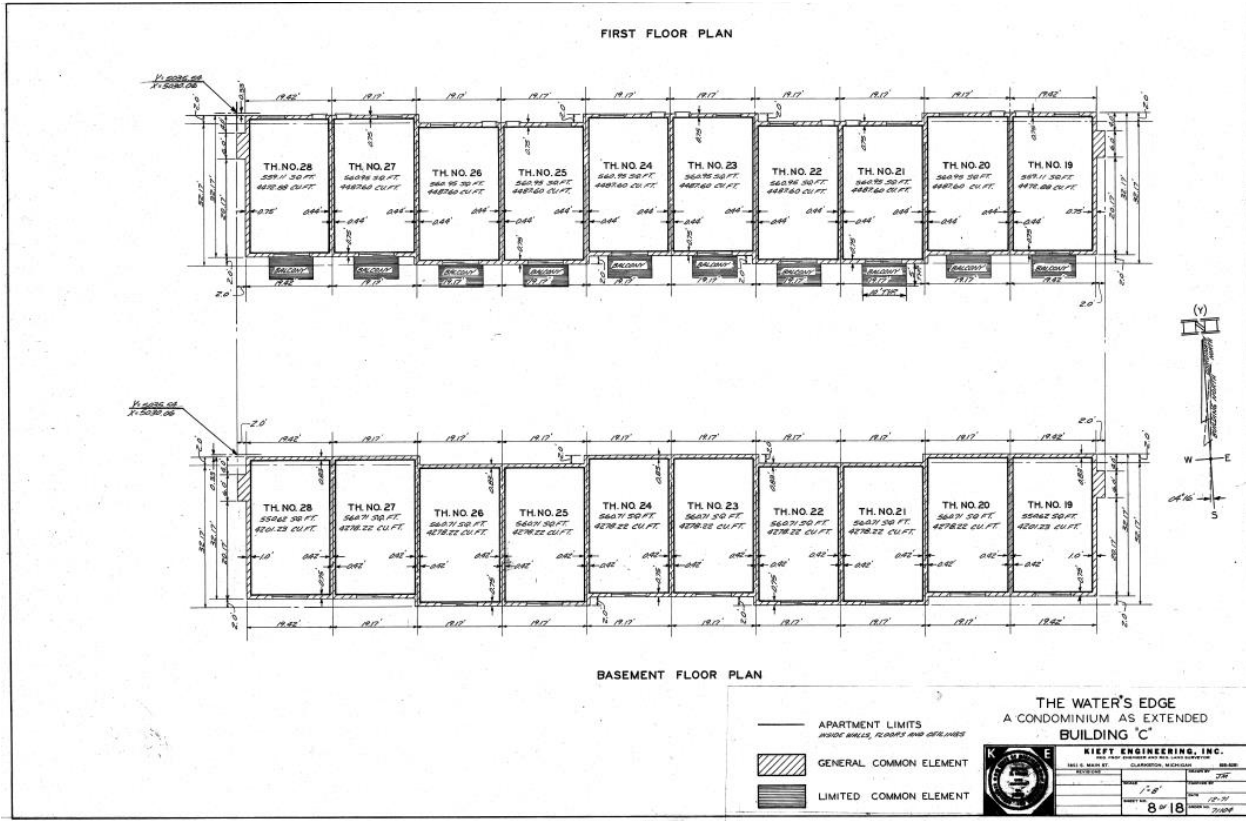
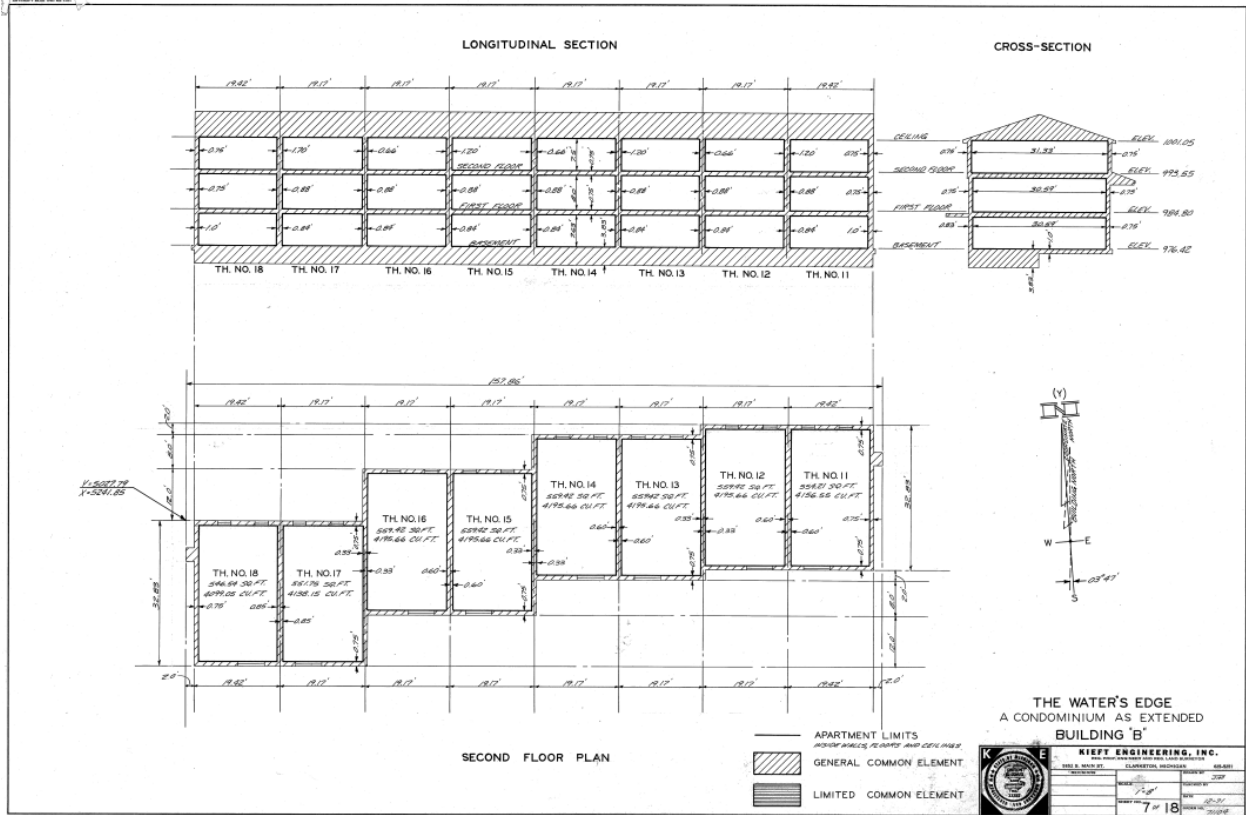
ARTICLE VIII BOAT HOISTS

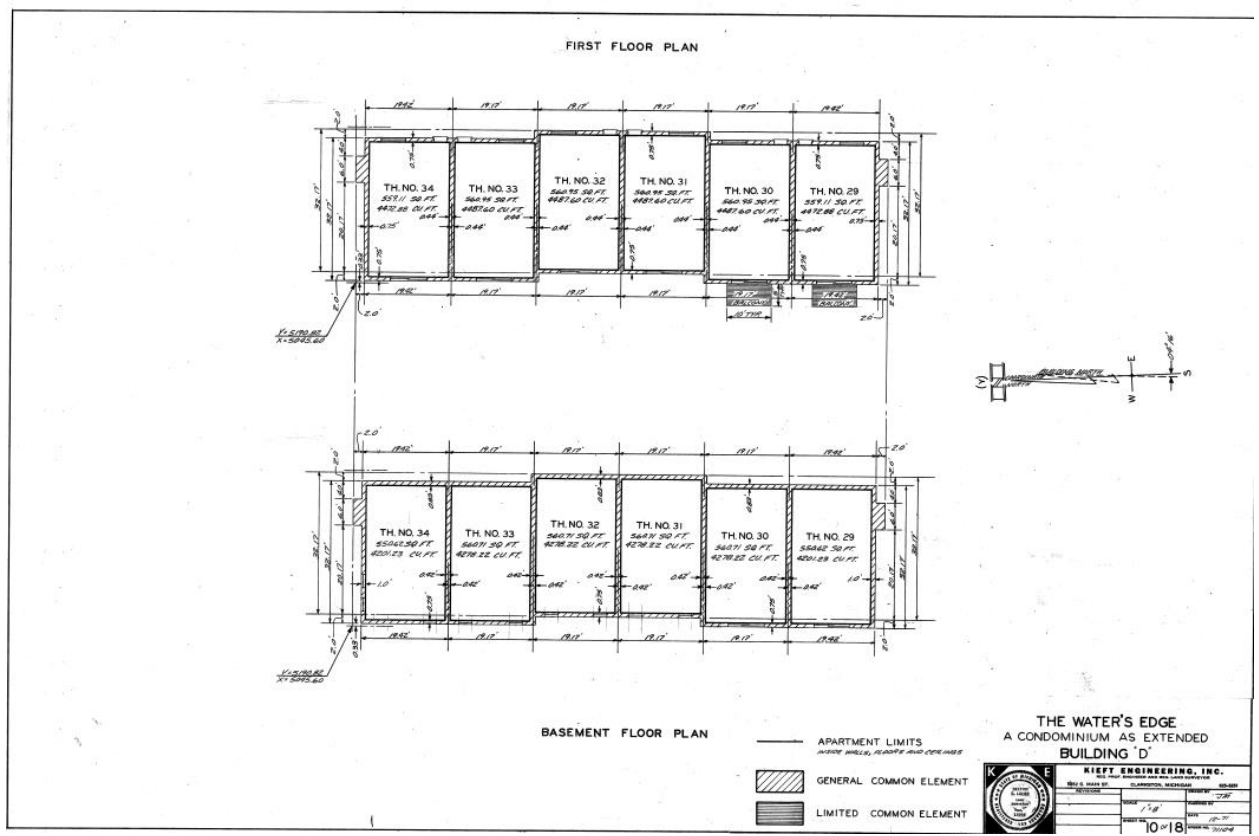
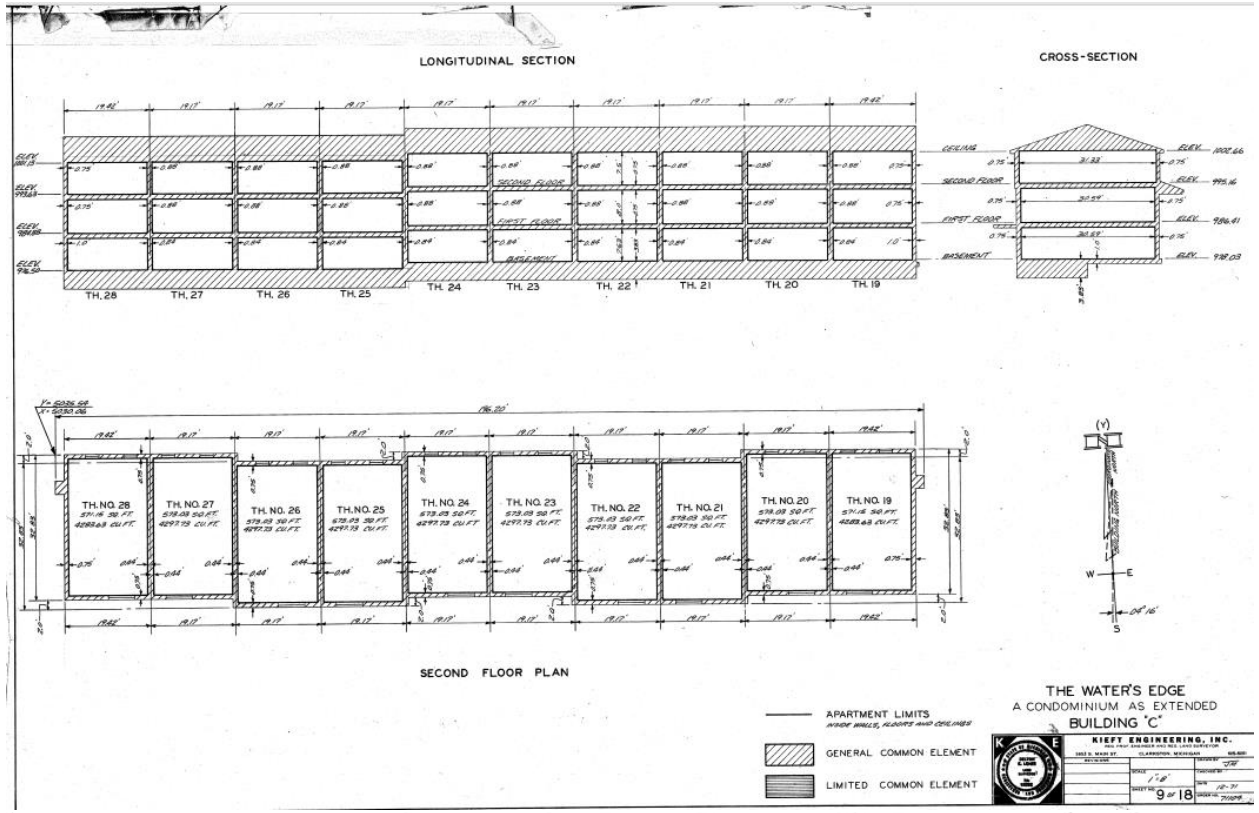
SECTION I – Boat hoists shall be permitted providing they meet the following criteria:

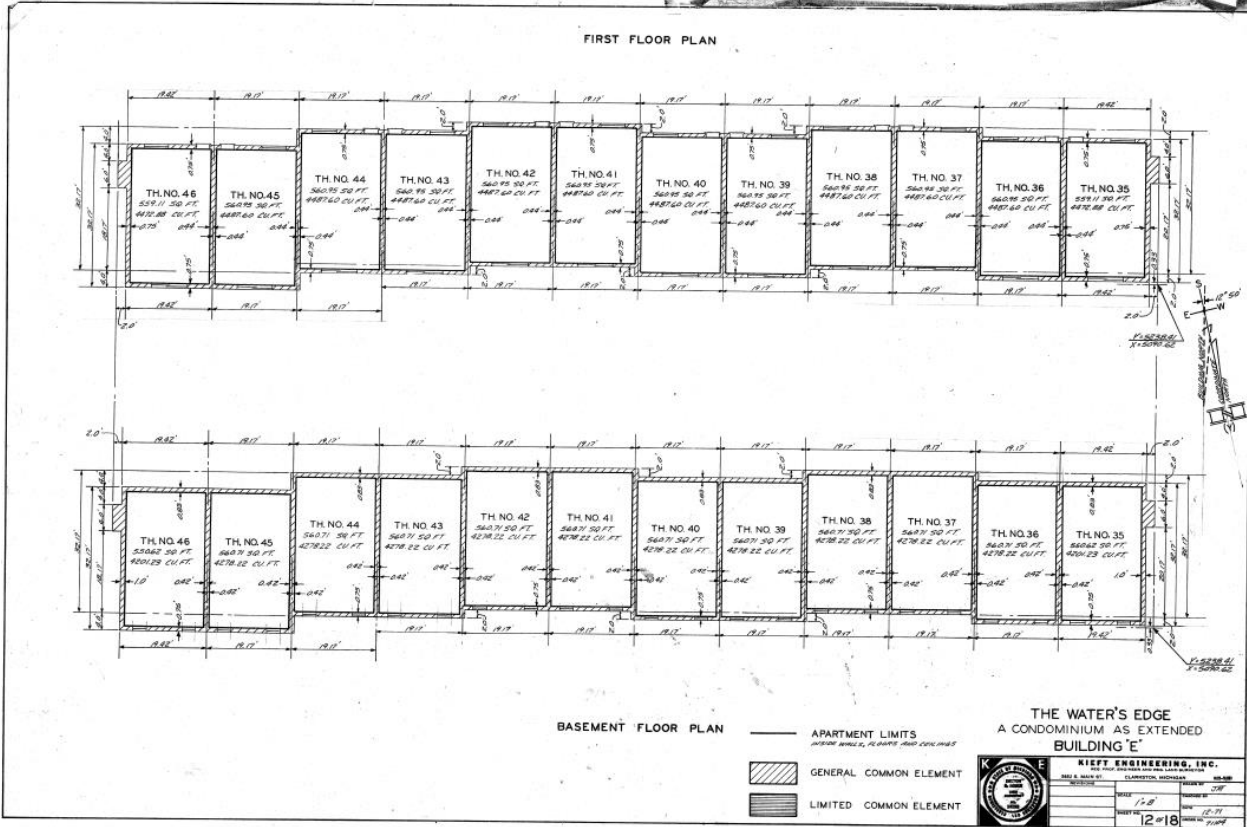
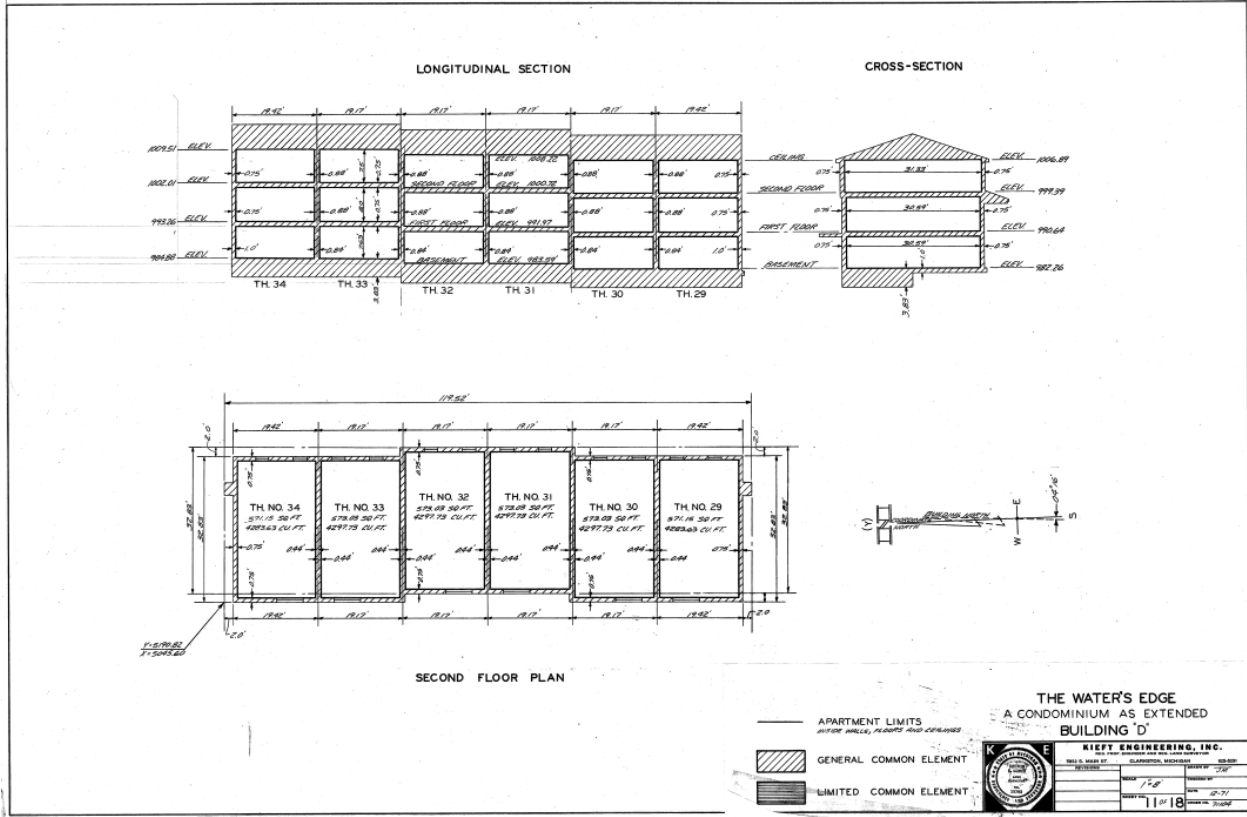
- A. Dimensions not to exceed 9' wide and 12' long;
- B. Hoist shall be non-canopied;
- C. Hoist shall not interfere with any co-owners' access to the lake;
- D. Hoist shall be approved by the Board of Directors.

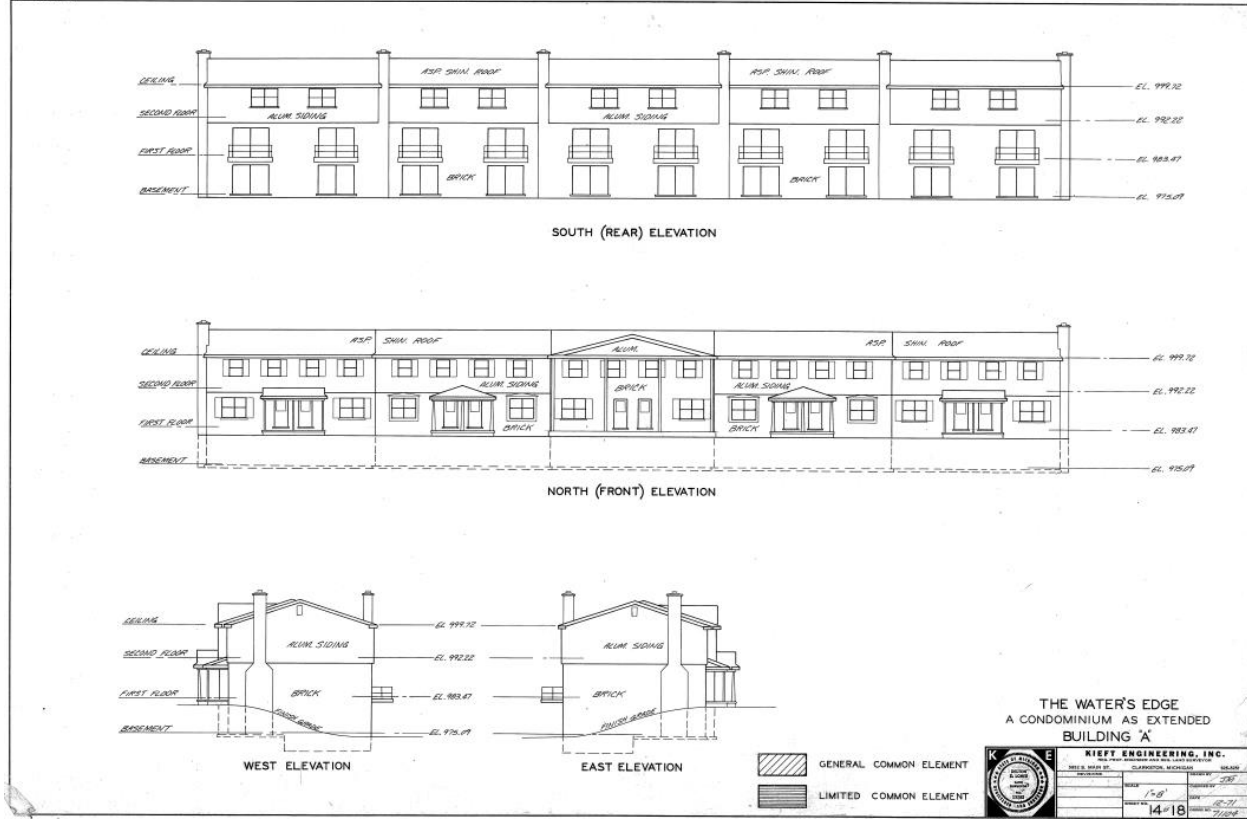
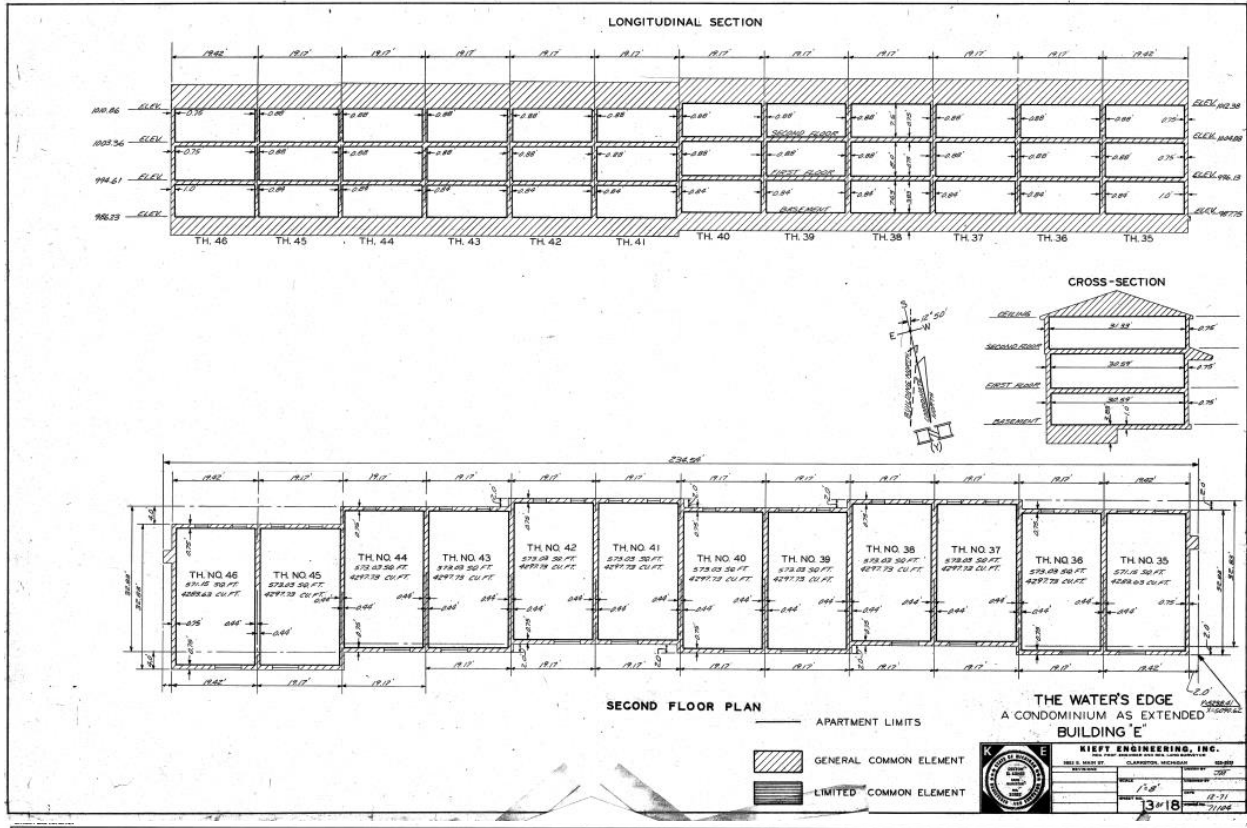










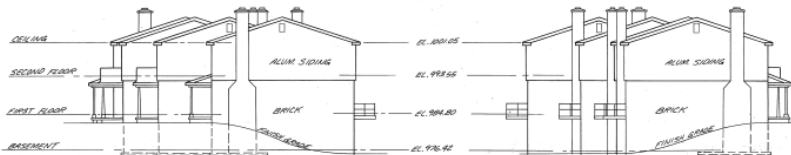




SOUTH (REAR) ELEVATION

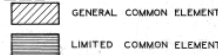


NORTH (FRONT) ELEVATION



WEST ELEVATION

EAST ELEVATION



THE WATER'S EDGE
A CONDOMINIUM AS EXTENDED
BUILDING 'B'

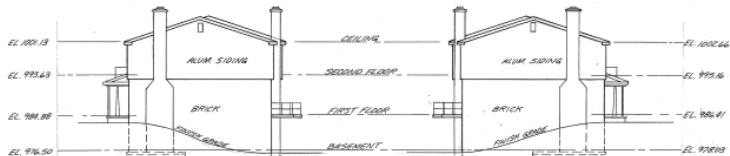
KIEFT ENGINEERING, INC.	
DESIGNED BY	ELABORATED, REVISIONS
DATE	SCALE
1/18	1/8" = 1'-0"
15	18



SOUTH (REAR) ELEVATION

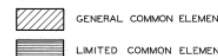


NORTH (FRONT) ELEVATION



WEST ELEVATION

EAST ELEVATION



THE WATER'S EDGE
A CONDOMINIUM AS EXTENDED
BUILDING 'C'

KIEFT ENGINEERING, INC.	
DESIGNED BY	ELABORATED, REVISIONS
DATE	SCALE
1/18	1/8" = 1'-0"
16	18

