

EXHIBIT A

BYLAWS

ARBOR PRESERVE HOMEOWNERS ASSOCIATION

ARTICLE 1
ASSOCIATION OF OWNERS

Section 1.1 Formation; Membership. Arbor Preserve, a single family residential site Condominium located in the Lodi Township, Washtenaw County, Michigan, shall be administered by Arbor Preserve Homeowners Association, an organization of Owners which is a non-profit corporation (the "Association"), organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Condominium Bylaws referred to in the Master Deed and required by Section 3(9) of the Michigan Condominium Act, as amended, (the "Act") and the Bylaws of the Association provided for under the Michigan Nonprofit Corporation Act.

1.1.1 Membership. Each Owner shall be entitled to membership and no other person or entity shall be entitled to membership in the Association. The Developer shall be considered the initial Owner of all Units in the Condominium for all purposes. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to the Owner's Unit.

1.1.2 Condominium Documents. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium available at reasonable hours to Owners, prospective purchasers and prospective mortgagees of Units in the Condominium. All Owners in the Condominium and all persons using or entering upon or acquiring any interest in any Unit or the Common Elements of the Condominium shall be subject to the provisions and terms set forth in the Condominium Documents.

Section 1.2 Definitions. Capitalized terms used in these Bylaws without further definition shall have the meanings given to such terms in the Master Deed or the Act unless the context dictates otherwise.

Section 1.3 Conflicts of Terms and Provisions. In the event there exists any conflict between the terms and provisions contained within the Master Deed or these Bylaws, the terms and provisions of the Master Deed shall control.

ARTICLE 2

Section 2.1 Assessments Against Units and Owners. All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Owners in accordance with the following provisions of this Article 2.

Section 2.2 Assessments for Common Elements. All costs incurred by the Association in satisfaction of any improvement or maintenance costs or liability arising within, caused by, or connected with the Common Elements and easements for which the Association has improvement, repair, reconstruction, insurance or maintenance responsibility or the administration of the Condominium and charges relating to insurance, repairs, improvement, reconstruction or maintenance of the Common Elements and easement areas of the Condominium or which are billed to the Association by the Township, Washtenaw County, the State of Michigan or the Department of Environment, Great Lakes and Energy, shall constitute expenditures affecting the administration of the Condominium, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium shall constitute receipts affecting the administration of the Condominium, within the meaning of Section 54(4) of the Act. Costs incurred by the Association in satisfaction of any improvement or maintenance costs or liability arising within, caused by, or connected with Limited Common Elements shall be billed to the Co-Owners who own the Units which are benefitted by such Limited Common Elements or to which such Limited Common Elements are appurtenant. The Condominium consists of two separate parcels of real estate as more particularly described in the Master Deed identified and known as Arbor Preserve North and Arbor Preserve South. Generally, costs of any improvement or maintenance costs or liability arising within, either Arbor Preserve North or Arbor Preserve South shall be billed to all Co-owners as expenditures affecting the entire Condominium. In the event the Developer, prior to the Transitional Control Date, or the Board of Directors thereafter, determine in good faith that costs of any improvement or maintenance costs or liability benefit either Arbor Preserve North or Arbor Preserve South exclusively, such costs shall be billed only to the Co-Owners within either Arbor Preserve North or Arbor Preserve South as appropriate as costs of improvement or maintenance costs or liability of a Limited Common Element.

Section 2.3 Reserves. The Association, whether administered by the Board of Directors appointed by the Developer prior to the Transitional Control Date or by the Board of Directors elected by Co-Owners after the Transitional Control Date shall not be obligated to fund reserves in excess of reserve levels required by applicable law or rule. The Developer shall only be liable for the difference between the amount equal to 10% of the Association's current annual budget on a noncumulative basis at the Transitional Control Date and the actual amount of the reserves, if at all. Nothing Developer does shall be construed to increase that liability. For the avoidance of doubt, even if: (i) Declarant makes decisions such that the reserve funding exceeds the minimum amounts required by law, or (ii) a reserve study is authorized that recommends or uses a standard that is greater than the minimum levels required by law, neither of those events shall serve to increase the liability of the Developer or the Board of Directors. The Developer's obligations shall at all times be limited so as not to exceed any funding requirements required by law or rule.

Section 2.4 Adequacy of Reserves. The provisions of MCL 450.1541a apply to the Developer and each director, officer or agent of the Association such that in discharging his or her duties, the Developer and each director, officer or agent is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by any of the following ("Study(ies)"):

(a) One or more directors, officers, or employees of the corporation, or of a business organization under joint control or common control, whom it is reasonably believed to be reliable and competent in the matters presented.

(b) Legal counsel, public accountants, engineers, or other persons as to matters the director or officer reasonably believes are within the person's professional or expert competence.

(c) A committee of the board of which he or she is not a member if it is reasonably believed the committee merits confidence

Reserve studies are included within the definition of Studies. Reliance upon reserve studies is conclusively deemed to be good faith if prepared by qualified professionals notwithstanding that reserve studies involve many subjective judgments and heavily rely upon the exercise of discretion in numerous respects with the result that qualified professionals may reach differing conclusions when the same are prepared. The Developer and Board shall be deemed to have satisfied its obligations if it caused to be conducted, and funded reserves in accordance with a study of the reserve funding to the minimum amounts required by law.

Section 2.5 Determination of Assessments. Assessments shall be determined in accordance with the following provisions:

2.5.1 Budget and General Assessments. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by assessments collected upon initial sale of Units to Owners and thereafter by regular monthly, annual, or other periodic assessment payments as determined by the Board of Directors, rather than by special assessments. At a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for the Condominium, the Association should carefully analyze the Condominium to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Owner and the periodic assessment for said year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Owner shall not affect or in any way diminish the liability of any Owner for any existing or future periodic assessments. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors, that the periodic assessments levied are or may prove to be insufficient to pay the actual costs of the Condominium's operation and management of the Condominium to provide for repairs or replacements of existing Common Elements, to provide additions to the Common Elements not exceeding Ten Thousand (\$10,000) Dollars in the aggregate, annually, or that an event of emergency exists, the Board of Directors shall have the authority to increase the general periodic assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The

Board of Directors also shall have the authority, without Owner or mortgagee consent, to levy assessments for repair and reconstruction in the event of casualty pursuant to the provisions of Article 5, Section 5.4 of these Bylaws. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

2.5.2 Special Assessments. Special assessments of the Condominium, in addition to assessments provided for in subparagraph 2.5.1 above, may be made by the Board of Directors from time to time and approved by the Owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of an aggregate cost exceeding Ten Thousand (\$10,000) Dollars for the entire Condominium per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments as provided in Section 2.8 herein, or (3) assessments for any other appropriate purpose not elsewhere herein described that could not be covered by the annual assessment. Special assessments referred to in this subparagraph 2.5.2 (but not including those assessments referred to in subparagraph 2.5.1 above, which shall be levied in the sole discretion of the Board of Directors), shall not be levied without the prior approval of more than sixty (60%) percent of all Owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

2.5.3 Remedial Assessments. If any Owner fails to properly maintain or repair such Owner's Unit in accordance with the provisions of the Master Deed and these Bylaws, which failure, in the opinion of the Board of Directors adversely affects the appearance of the Condominium as a whole, or the safety, health or welfare of the other Owners of the Condominium, the Association may, following notice to such Owner, take any actions reasonably necessary to maintain or repair the Owner's Unit, and an amount equal to one hundred fifty (150%) percent of the cost thereof shall be assessed against the Unit and the Owner of such Unit.

Section 2.6 Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Owners to cover expenses of administration shall be apportioned among and paid by the Owners in accordance with the percentage of value allocated to each Unit in Article VI of the Master Deed, without increase or decrease for the existence of any rights to the use of any Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with subsection 2.5.1 above shall be payable by Owners quarterly unless otherwise determined by the Board of Directors, commencing with acceptance of a deed to a Unit or a land contract vendee's interest in a Unit or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late charge of twenty five (\$25.00) Dollars per month, or such other amount as may be determined by the Board of Directors, effective upon fifteen (15) days' notice to the members of the Association, shall be assessed automatically by the Association upon any assessments in default for ten (10) or more days until the assessment installment, together with the applicable late charges, are paid in full. Such late charge shall not be deemed to be a penalty or interest upon the funds due to the Association but is intended to constitute a reasonable estimate of the administrative costs and other damages incurred by the Association in connection with the late payment

of assessments. In addition, each installment in default for ten (10) or more days shall bear interest from the initial due date thereof at the rate of seven percent (7%) per annum until each installment is paid in full. All Owner payments shall be applied first against late charges, fines, attorney fees (also including attorney's fees and expenses incurred in connection with the Owner's bankruptcy proceedings or probate proceedings), expenses of collection and costs, advances, taxes or other liens paid by the Association to protect its lien, interest, and thereafter against assessments in order of oldest delinquency.

Each Owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Owner is the owner thereof. In addition to an Owner who is also a land contract seller, the land contract purchaser shall be personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the subject Condominium Unit which are levied up to and including the date upon which the land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. In addition to an Owner who is also a limited liability company ("LLC"), the individual member(s) of the LLC, or the individual members of an LLC member, shall be personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the subject Unit which are levied up to and including the date upon which the LLC acquired the interest in the Unit.

Section 2.7 Waiver of Use or Abandonment of Units. No Owner is exempt from liability for contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of the Owner's Unit or because of uncompleted repair work or the failure of the Association to provide services and/or management to the Condominium or to the Owner.

Section 2.8 Liens for Unpaid Assessments. Sums assessed to an Owner by the Association that are unpaid together with interest on such sums, collection and late charges, costs, advances made by the Association for taxes or other liens to protect the Association's lien, actual attorney's fees (not limited to statutory fees), and fines in accordance with the Condominium Documents, constitute a lien upon the Unit or Units in the Condominium owned by the Owner at the time of the assessment before other liens except tax liens on such Unit or Units in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record, except that past due assessments that are evidenced by a notice of lien recorded as set forth in M.C.L. 559.208(3) have priority over a first mortgage recorded subsequent to the recording of the notice of lien. The lien upon each Unit owned by the Owner shall be in the amount assessed against the Unit, plus a proportionate share of the total of all other unpaid assessments attributable to Units no longer owned by the Owner but which became due while the Owner had title to the Units. The lien may be foreclosed by an action or by advertisement by the Association in the name of the Condominium on behalf of the other Owners. All charges which the Association may levy against any Owner shall be deemed to be assessments for purposes of this Section 2.8 and Section 108 of the Act.

Section 2.9 Enforcement.

2.9.1 Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments, or both.

Pursuant to Section 139 of the Act, no 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 Owner. In the event of default by any Owner in the payment of any installment of the annual assessment levied against such Owner's Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to an Owner in default upon seven (7) days' written notice to such Owner of the Association's intention to do so. An Owner in default shall not be entitled to utilize any of the General Common Elements of the Condominium, and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Owner of ingress or egress to and from such Owner's Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Owner thereof or any persons claiming under such Owner. All of these remedies shall be cumulative and not alternative and shall not preclude the Association from exercising such other remedies as may be available at law or in equity.

2.9.2 Foreclosure Proceedings. Each Owner, and every other person who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. The Association, acting on behalf of all Owners, may bid in at the foreclosure sale, and acquire the Unit upon passage of a special assessment as provided in Section 2.5.2 above. Further, each Owner and every other person who from time to time has any interest in the Condominium shall be deemed to have authorized and empowered the Association to hold, mortgage, lease, sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Owner of a Unit in the Condominium acknowledges that at the time of acquiring title to such Unit such Owner was notified of the provisions of this subparagraph and that the Owner voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit. The Association, acting on behalf of all Owners, may bid in at the foreclosure sale, and acquire, hold, lease, mortgage or convey the Condominium Unit.

2.9.3 Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Owner(s) at the last known address of such Owner(s), a written notice that one or more installments of the general periodic or special assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (1) the affiant's capacity to make the affidavit, (2) the statutory and other authority for the lien, (3) the amount outstanding (exclusive of interest, costs, attorneys' fees and future assessments), (4) the legal description of the

subject Unit(s), and (5) the name(s) of the Owner(s) of record. Such affidavit shall be recorded in the office of the Washtenaw County Register of Deeds prior to the commencement of any foreclosure proceeding. If the delinquency is not cured within the ten-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the Owner and shall inform the Owner that he/she may request a judicial hearing by bringing suit against the Association.

2.9.4 Expenses of Collection. The expenses incurred in collecting unpaid assessments, including interest, expenses of collection, costs, late charges, actual attorney's fees (not limited to statutory fees and attorney's fees and expenses incurred in connection with the Owner's bankruptcy proceedings) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Owner in default and shall be secured by the lien on the Owner's Unit. In the event of default by any Owner in the payment of any installment of the annual assessment levied against the Owner's Unit, and/or in the event of default by any Owner in the payment of any installment and/or portion of any additional or special assessment levied against the Owner's Unit, or any other obligation of an Owner which, according to these Bylaws, may be assessed to and collected from the responsible Owner in the manner provided in Article 2 hereof, 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 said delinquency continues) and/or all unpaid portions or installments of the additional or special assessment, if applicable, immediately due and payable which shall also be secured by the lien on the Owner's Unit. In the event of the occurrence of a foreclosure sale by the Association, the Owner shall be also liable for assessments chargeable to the foreclosed Unit that become due before the expiration of the redemption period.

Section 2.10 Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Condominium which acquires title to the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the acquisition of title to the Unit, except for (a) claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit and (b) assessments that have priority over the first mortgage as provided in Section 108 of the Act. In the event of foreclosure, the date of acquisition of title is deemed to be the date of the foreclosure sale, and the purchaser, its successors and assigns, shall be liable for the assessments or charges levied by the Association that remain unpaid on the Unit.

Section 2.11 Developer's Responsibility for Assessments. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the Association assessments. Developer, however, shall at all times pay all expenses of maintaining the Units that it owns and a proportionate share of all current expenses of administration actually incurred by the Association from time to time, except expenses related to maintenance, repair and use of the Units in the Condominium and other improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, Developer's proportionate share of such expenses shall be based upon the ratio of Units owned by Developer at the time the expense is incurred to the total number of Units then in the Condominium.

In no event shall Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments or purposes, except with respect to Units that are owned by Developer which contain a completed and occupied residential Residences. Any assessments levied by the Association against Developer for other purposes, without Developer's prior written consent, shall be void and of no effect. In addition, Developer shall not be liable for any assessment levied in whole or in part to purchase any Unit from Developer or to finance any litigation or claims against Developer, any cost of investigating or preparing such litigation or claim or any similar or related costs.

The Developer, or any successor developer, from time to time during the Construction and Sales Period may (but shall have no obligation to) make loans and advances to the Association to enable the Association to fund the payment of its current expenses, insofar as they are in excess of its current revenues because all Units in the Condominium are not yet completed and occupied Units. In the event that the Developer, or any successor developer, does so, it may earn and receive a reasonable rate of interest upon the moneys loaned and advanced which shall not exceed a market rate of interest. Promptly after the Transitional Control Date, the Developer, or any such successor developer, as applicable, shall furnish to the Board of Directors of the Association an accounting for the moneys so loaned and advanced to the Association, the manner of their use and all amounts which the Association repaid prior to the Transitional Control Date for principal or interest in respect of any such loan.

Section 2.12 Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 2.13 Personal Property Tax and Special Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 2.14 Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

Section 2.15 Statements as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special and Related Costs described below. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments and Related Costs as may exist or a statement that none exists, which statement shall be binding upon the Association for the period stated therein. The written statement from the Association shall also disclose the amount of interest, late charges, fines, costs and attorneys' fees due and owing with respect to the Unit ("Related Costs"). Upon the payment of that sum set forth in the Association's written statement within the period stated, the Association's lien for assessments and Related Costs as to such Unit shall be deemed satisfied. Provided, however, the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments and Related Costs and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act.

Under the Act, unpaid assessments and Related Costs constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

ARTICLE 3
JUDICIAL ACTIONS AND CLAIMS

Section 3.1 Judicial Claims and Actions. Actions on behalf of and against the Owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association's Articles of Incorporation, the Association may assert, defend or settle claims on behalf of all Owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Association, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of sixty (60%) percent of all Owners, and shall be governed by the requirements of this Section. The requirements of this Section will ensure that the Owners are fully informed regarding the prospects and likely costs of any civil action the Association proposed to engage in, as well as the ongoing status of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Owner shall have standing to sue to enforce the requirements of this Section. The Developer shall be entitled to enforce the provisions of this Article 3, regardless of whether Developer owns any Units. The following procedures and requirements apply to the Association's commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments:

3.1.1 Board of Director's Recommendation to Owners. The Association's Board of Directors shall be responsible in the first instance for recommending to the Owners that a civil action be filed, and supervising and directing any civil actions that are filed.

3.1.2 Litigation Evaluation Meeting. Before an attorney is engaged for purposes of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Owners ("Litigation Evaluation Meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Owners of the date, time and place of the Litigation Evaluation Meeting shall be sent to all Owners not less than twenty (20) days before the date of the meeting and shall include the following information:

(A) A certified resolution of the Board of Directors setting forth in detail the concerns of the Board of Directors giving rise to the need to file a civil action and further certifying that:

- (1) it is in the best interests of the Association to file a lawsuit;
- (2) that at least one member of the Board of Directors has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the Association, without success;
- (3) litigation is the only prudent, feasible and reasonable alternative; and

(4) the Board of Directors' proposed attorney for the civil action is of the written opinion that litigation is the Association's most reasonable and prudent alternative.

(B) A written summary of the relevant experience of the attorney ("Litigation Attorney") the Board of Directors recommends be retained to represent the Association in the proposed civil action, including number of years the Litigation Attorney has practiced law and the attorney's relevant experience representing condominium associations.

(C) The Litigation Attorney's written estimate of the amount of the Association's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the litigation.

(D) The Litigation Attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("Total Estimated Cost"). The Total Estimated Cost of the civil action shall include the Litigation Attorney's expected fees, court costs, expert witness fees, and all other expenses expected to be incurred in the civil action.

(E) The Litigation Attorney's proposed written fee agreement.

(F) The amount to be specially assessed against each Unit in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per Unit basis, as required by this Section.

3.1.3 Independent Expert Opinion. If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board of Directors shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the Litigation Attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to all Owners with the written notice of the Litigation Evaluation Meeting.

3.1.4 Fee Agreement with Litigation Attorney. The Association shall have a written fee agreement with the Litigation Attorney and any other attorney retained to handle the proposed civil action. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Owners in the text of the Association's written notice to the Owners of the Litigation Evaluation Meeting.

3.1.5 Owner Vote Required. At the Litigation Evaluation Meeting the Owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the Litigation Attorney. The quorum at the Litigation

Evaluation Meeting shall be a majority of all Owners (not just those present at the meeting). The commencement of any civil action by the Association (other than a suit to enforce these Bylaws or collect delinquent assessments) shall require the approval of sixty (60%) percent of all Owners (not just those present at the meeting). Any proxies to be voted at the Litigation Evaluation Meeting must be signed at least seven (7) days prior to the Litigation Evaluation Meeting.

3.1.6 Litigation Special Assessment. All legal fees incurred in pursuit of any civil action that is subject to this Section shall be paid by special assessment of the Owners of the Association ("Litigation Special Assessment"). General assessments shall not be used to pay fees and expenses incurred in pursuit of any civil action subject to this Article 3. The Litigation Special Assessment shall be approved at the Litigation Evaluation Meeting (or at any subsequent duly called and noticed meeting) by 60% of all Owners of the Association as described in Section 2.5.2 above in the amount of the estimated total cost of the civil action. If the Litigation Attorney proposed by the Board of Directors is not retained, the Litigation Special Assessment shall be in an amount equal to the retained attorney's estimated total cost of the civil action, as estimated by the attorney actually retained by the Association. The Litigation Special Assessment shall be apportioned to the Owners in accordance with their respective percentage of value interests in the Condominium and shall be collected from the Owners on a monthly basis. The total amount of the Litigation Special Assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

3.1.7 Attorney's Written Report. During the course of any civil action authorized by the Owners pursuant to this Section, the retained attorney shall submit a written report ("Attorney's Written Report") to the Board of Directors every thirty (30) days setting forth:

(A) The attorney's fees, the fees of any experts retained by the attorney, and all other costs of the litigation during the thirty (30) day period immediately preceding the date of the Attorney's Written Report ("Reporting Period").

(B) All actions taken in the civil action during the Reporting Period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the Reporting Period.

(C) A detailed description of all discussions with opposing counsel during the Reporting Period, written and oral, including, but not limited to, settlement discussions.

(D) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.

(E) Whether the originally estimated total cost of the civil action remains accurate.

3.1.8 Monthly Board Meetings. The Board of Directors shall meet monthly during the course of any civil action to discuss and review:

(A) The status of the litigation.

(B) The status of settlement efforts, if any.

(C) The Attorney's Written Report.

3.1.9 Changes in the Litigation Special Assessment. If, at any time, during the course of a civil action, the Board of Directors determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board of Directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the Litigation Special Assessment previously approved by the Owners, the Board of Directors shall call a special meeting of the Owners to review the status of the litigation, and to allow the Owners to vote on whether to continue the civil action and increase the Litigation Special Assessment. The meeting shall have the same quorum and voting requirements as a Litigation Evaluation Meeting.

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

Section 3.2 Owner Approval for Civil Actions Against Developer and First Board of Directors. Any civil action proposed by the Board of Directors on behalf of the Association to be initiated against Developer, its agents or assigns, and/or the First Board of Directors of the Association or other Developer - appointed Directors, for any reason, shall be subject to approval by 60% of all Owners (and not just the Owners in attendance at any meeting) in accordance with this Article 3 and notice of such proposed action must be given in writing to all Owners to the party identified in accordance with Section 8.3. Such vote may only be taken in a meeting of the Owners and no proxies or absentee ballots shall be permitted to be used, notwithstanding the provisions of Article 8. In addition to the foregoing, the Co-owners, Association and/or Board of Directors may not bring or assert any civil action against the Developer, Directors appointed by the Developer prior to the Transitional Control Date, or members of the Board of Directors elected by Co-owners following the Transitional Control Date claiming that the budgeted and/or actual amount of reserves held by the Association is inadequate, insufficient or inappropriate in any way whatsoever , so long as the Board has made good faith efforts to fund reserves at the minimum levels required by applicable law or rule.

ARTICLE 4

INSURANCE

Section 4.1 Extent of Coverage. The Association shall, to the extent appropriate given the nature of the Common Elements and such common amenities or areas as may be located outside of the Condominium but placed under the management and control of this Association, carry fire and extended coverage, vandalism and malicious mischief and liability insurance, (in a minimum amount to be determined by Developer or the Association in its discretion), officers' and directors' liability insurance and workers' compensation insurance, if applicable, and other insurance the Association may deem applicable, desirable or necessary, pertinent to the ownership, use and maintenance of the General Common Elements of the Condominium, and any Limited Common Elements that are the responsibility of the Association to insure pursuant to Section 4.03.2 of the Master Deed, and such insurance, shall be carried and administered in accordance with the

following provisions. The Owner of a Unit shall be responsible for insurance on such Owner's Unit and its appurtenant Limited Common Elements, if any.

4.1.1 Responsibilities of Association. All such insurance shall be purchased by the Association for the benefit of the Association, and the Owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Owners.

4.1.2 Insurance on Common Elements. Subject to Section 4.03 of the Master Deed, all General Common Elements of the Condominium if insurable shall be insured against fire and other perils covered by a standard extended coverage endorsement, if appropriate, 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 in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium with appropriate inflation riders in order that no co-insurance provisions shall be invoiced 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 destruction of the General Common Elements 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 shall be made available to all Owners upon request and reasonable notice during normal business hours so that Owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting to change the nature and extent of any applicable coverages, if so determined. Upon such annual re-evaluation and effectuation of coverage, the Association shall notify all Owners of the nature and extent of all changes in coverages.

4.1.3 Liability Insurance. The Association shall carry liability insurance on the General Common Elements and the assets of the Association, and, to the extent reasonably available, shall carry officer's and director's liability insurance insuring its officers and directors.

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

4.1.5 Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Owners and their mortgagees, as their interests may appear. Provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article 5 of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be retained by the Association and applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Condominium unless two-thirds (2/3) of the institutional holders of first mortgages on Units in the Condominium have given their prior written approval.

Section 4.2 Authority of Association to Settle Insurance Claims. Each Owner, by ownership of a Unit in the Condominium, shall be deemed to appoint the Association as the

Owner's true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workers' compensation insurance, if applicable, pertinent to the Common Elements and, in the circumstances provided in Section 4.3 below, the Unit. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefore, to collect insurance proceeds and to distribute the same to the Association, the Owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to use the proceeds for required repairs and reconstruction, to execute releases of liability and to execute all documents and to do all things on behalf of such Owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

Section 4.3 Responsibility of Owners. Each Owner shall be responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to such Owner's Unit and all buildings, improvements, upgrades or additions located, constructed or to be located or constructed within the Owner's Unit, together with any Limited Common Elements appurtenant to the Owner's Unit, except to the extent otherwise provided in the Master Deed, whether located within or outside the perimeter of the Unit, and for the Owner's personal property located thereon or elsewhere on the Condominium. The Association shall have no responsibility whatsoever to insure any such improvements or personal property. All such insurance shall be carried by each Owner in an amount equal to the maximum insurable replacement value, excluding any applicable foundation and excavation costs. In the event of the failure of an Owner to obtain such insurance, the Association may, but is not obligated to, obtain such insurance on behalf of such Owner and the premiums therefore shall constitute a lien against the Owner and the Owner's Unit which may be collected from the Owner in the same manner that Association assessments are collected in accordance with Article 2. Each Owner also shall be obligated to obtain insurance coverage for the Owner's personal liability for occurrences within the Owner's Condominium Unit or within the improvements, upgrades, additions or structure located thereon and on any Limited Common Elements appurtenant thereto (regardless of where located), and also for alternative living expenses in the event of fire. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 4.3 or any liability to any person for failure to do so.

Section 4.4 Waiver of Right of Subrogation. The Association, as to all policies which it obtains, and each Owner, as to all policies each Owner obtains, shall use their best efforts to cause all property and liability insurance carried by the Association or any Owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Owner or the Association.

Section 4.5 Indemnification. Each individual Owner shall indemnify and hold harmless every other Owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Owner's Unit or appurtenant Limited Common Elements and shall carry insurance to secure this indemnity if so required by the Developer (and thereafter the Association). This Section 4.5 shall not, however, be construed to give any insurer any subrogation right or other right or claim against any individual Owner.

Section 4.6 Master Insurance Program. Notwithstanding anything to the contrary contained herein, for so long as the Developer controls the Board of Directors, the Developer reserves the right to include the insurance obligations of the Association within a master insurance program controlled by the Developer.

ARTICLE 5 **RECONSTRUCTION OR REPAIR**

Section 5.1 Determination to Reconstruct or Repair. If any part of the Condominium shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

5.1.1 General Common Elements. If the damaged property is a General Common Element, the damaged property shall be rebuilt or repaired unless not less than eighty percent (80%) in number of the Owners entitled to vote as of the record date for said vote determine that the Condominium shall be terminated, and not less than sixty-six and two-thirds percent (66²/₃ %) of the institutional holders of a first mortgage lien on any Unit have given their prior written approval to such termination.

5.1.2 Unit or Improvements Thereon. If the damaged property is a Unit or appurtenant Limited Common Elements or any improvements thereon, the Owner of such Unit alone shall determine whether to rebuild or repair the damaged property, subject to the rights of a mortgagee or other person or entity having an interest in such property, and such Owner shall be responsible for any reconstruction or repair that such Owner elects to make. The Owner shall in any event remove all debris and restore the Unit and the improvements thereon to a clean and slightly condition satisfactory to the Association as soon as reasonably possible following the occurrence of the damage.

Section 5.2 Repair in Accordance with Master Deed. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications on file with the Township and/or Washtenaw County unless the Owners unanimously decide otherwise.

Section 5.3 Owner Responsibility for Repair. Each Owner shall be solely responsible for the decoration, maintenance, reconstruction and repair of the Owner's Unit, including, but not limited to, the grounds, landscaping, dwelling structure (interior and exterior), the public sidewalk and any other approved structures and improvements thereon, other than any General Common Elements, except as hereinafter provided. Owners shall be responsible for the removal of snow and ice from drives and walks located on their Units as soon as possible after snowfall, subject to any additional snow removal regulations as may be established from time to time by the Board of Directors pursuant to Article 6, Section 6.20, of these Bylaws. Owners shall also be responsible for maintenance, repair and replacement of the driveway, lawn and landscaping in the area located between the Unit owned and adjacent street pavement, as provided in Section 4.03.1 of the Master Deed. In the event that damage is to the grounds, landscaping, dwelling, structure or other improvement constructed within the perimeter of a Unit and/or for a General Common Element which it is the responsibility of an Owner to reconstruct, maintain, repair and replace, the Owner shall reconstruct, maintain, repair or replace the damaged grounds, landscaping, dwelling structure or

other improvement in accordance with this Article, the architectural control provisions of Article 6 below, and, except insofar as modified thereby, the architectural plans on file with Washtenaw County. If and to the extent that the grounds, landscaping, dwelling, structure or other improvement to the Unit and/or Common Element is covered by insurance held by the Association for the benefit of the Owner, the Owner shall be entitled to receive the proceeds of insurance relative thereto and, if there is a mortgagee endorsement, the proceeds shall be payable to the Owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit, dwelling structure or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium. In the event that an Owner fails or neglects to maintain the exterior components of his dwelling or any other structure, improvement or landscaping located on the Owner's Unit, and/or the General Common Elements for which the Owner is responsible, pursuant to the Master Deed, these Bylaws or rules adopted by the Board of Directors, the Association shall be entitled to effect such maintenance to the dwelling structure, other improvement and/or Unit and to assess the Owner the costs thereof and to collect such costs as part of the assessments under Article 2 of these Bylaws.

Section 5.4 Association Responsibility for Repair. Except for damage caused by any Co-Owner, its guests, agents, invitees or contractors, the Association shall be responsible for the reconstruction, repair and maintenance of the General Common Elements. In no event shall the Association be responsible for any damage to a Unit, dwelling structure or other improvement, for which the Unit Owner is responsible, under any provision of the Master Deed or these Bylaws, the contents of the dwelling or any personal property of the Owner or another person while located upon the Condominium Premises. 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 of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, special assessment shall be made against all Owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. Nothing contained in this Section 5.4 is intended to require Developer or the Association to replace mature trees and vegetation with equivalent trees or vegetation.

Section 5.5 Timely Reconstruction and Repair. If damage to any of the Common Elements, or to a Unit and/or the dwelling structure or other improvement constructed therein, adversely affects the appearance of the Condominium, the Association or Owner, as applicable, who is responsible for the reconstruction, repair and maintenance thereof shall proceed with repair or replacement of the damaged property without delay and shall complete such repair or replacement within six (6) months after the date of the occurrence which caused damage to the property.

Section 5.6 Eminent Domain. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

5.6.1 Taking of Unit. In the event of any taking of an entire Unit (or of all the improvements located within the perimeter thereof) by eminent domain, the award for such taking

shall be paid to the Owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Owner and the Owner's mortgagee, they shall be divested of all interest in the Condominium. In the event that any condemnation award shall become payable to any Owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Owner and the Owner's mortgagee, as their interest may appear.

5.6.2 Taking of Common Elements. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of two-thirds (2/3rds) or more of the Owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If the Association is directed by the requisite number of Owners to rebuild, repair or replace all or any portion of the General Common Elements taken, the Association shall be entitled to retain the portion of the condemnation proceeds necessary to accomplish the reconstruction, repair or replacement of the applicable General Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Owners for any condemnation award for General Common Elements and any negotiated settlement approved by the Owners representing two-thirds (2/3rds) or more of the total percentages of value of all Owners qualified to vote shall be binding on all Owners.

5.6.3 Continuation of Condominium After Taking. In the event the Condominium continues after taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then the Master Deed shall also be amended as necessary to reflect such taking and to proportionately readjust the percentages of value of the remaining Owners based upon the continuing value of the Condominium as one hundred percent (100%). Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Owner or other person having any interest whatever in the Condominium, as mortgagee or otherwise.

5.6.4 Notification of Mortgagees. In the event any Unit (or improvements located within the perimeter thereof) in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium that is registered in the Association's book of "Mortgagees of Units" pursuant to Section 7.1 of these Bylaws.

Section 5.7 Notification of FHLMC. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") or the Federal National Mortgage Association ("FNMA") then, upon request by FHLMC or FNMA, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds Ten Thousand (\$10,000.00) Dollars in amount, or if damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC or FNMA exceeds One Thousand (\$1,000.00) Dollars. The Association shall provide such other reasonable notice as may be required, from time to time, by other institutional holders of first mortgages upon Units.

Section 5.8 Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give an Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE 6
RESTRICTIONS; ARCHITECTURAL CONTROL

All of the Units in the Condominium and appurtenant Common Elements shall be held, used and enjoyed subject to the Consent Judgment, Development Agreements and all applicable statutes, ordinances, and regulations. Any improvement, alteration or change to be constructed or installed any Unit which is subject to Township control or approval (including those which require the issuance of a building permit), must first be approved, if at all, in writing by the Association or architectural control committee and such written approval must be submitted with any application for approval filed with the Township. All improvements to any Unit shall be subject to the following limitations and restrictions:

Section 6.1 Land and Building Use Restrictions. No Unit shall be used for other than single-family residential purposes; provided, however, that from time to time a Unit may also be occupied by a reasonable number of guests (which may include all of the members of another family). In no event shall any Unit be used as a residence for more than one family and no Unit shall be used to conduct any business, trade or profession; provided, however, that any Co-owner may maintain a professional library in a Unit, maintain personal records and conduct personal business within a Unit, and participate in business or professional telephone calls from within the Unit. No building, except as specifically authorized elsewhere in this Master Deed and Bylaws, shall be erected, re-erected, placed or maintained or permitted to remain on any Unit, except one (1) Residence. No other accessory building or structure including, but not limited to carports, may be erected in the Condominium without the prior written consent of Developer. Any accessory building must comply with all applicable Township ordinances and codes, the Consent Judgment, and Development Agreements. Notwithstanding the foregoing, Developer or a Builder designated by Developer may erect and maintain model homes on any Units owned by Developer or a designated Builder until such time as all Units which Developer or its designated Builder own are sold. The Common Elements shall be used only for purposes consistent with such residential use. All land use and buildings are subject to and must comply with the Consent Judgment, Development Agreements and Township ordinances and building regulations.

Section 6.2 Architectural Control. An architectural control process has been established to assure that the Condominium is developed in the highest quality manner consistent with the design goals for the community as described in this Article 6 in order to provide for the development and management of the Condominium as a premier residential community for the highest benefit and enjoyment of its residents. The Condominium was created as an exceptional setting for homes of architectural excellence. These Bylaws are designed to ensure that the Condominium is developed in the highest quality manner in harmony with the natural features and intended character for the community. They provide helpful guidance and instructions to future residents regarding the architectural design, landscape design and construction of their homes. Further, these Bylaws are established to ensure that the community is well maintained, that the value of each Unit is protected,

and that the Condominium is an enjoyable, peaceful place to live. No building, structure, landscaping or other improvement shall be erected, constructed, installed or permitted to remain on any Unit or elsewhere in the Condominium unless it complies with the restrictions and requirements of the ordinances of the Township, the Consent Judgment and the Development Agreements, and has been approved in writing by the Developer during the Construction and Sales Period and after that by the Association. No alteration, modification, substitution or other variance from the designs, plans, specifications and other materials that have been approved by the Developer shall be permitted without the Developer's written approval of that variance, regardless of the reason for the variance. The Developer reserves the right to assign, delegate or otherwise transfer its rights and powers of approval to any other person, including the Association.

Section 6.3 Architectural Design Guidelines. Architectural design goals for the Condominium are intended to promote harmony among the Residences themselves and with the natural features of the surrounding environment. Designs will be reviewed for their compatibility with the design goal for the community. The design and construction requirements and review procedures in the Architectural Design Guidelines provide direction to Owners and Builders in making applications for architectural approval. No approval shall be inconsistent with the Architectural Design Guidelines unless a waiver has been granted in writing by the Township and the Developer, its successors or assigns. Architectural uniqueness and excellence is strongly encouraged. The office of the Developer is available to assist the future Owners in the architectural and landscape design of the individual Residences. Owners are strongly encouraged to involve the Developer in the design process from the earliest stages to take advantage of its expertise and ensure a smooth process. The following guidelines have been established to assist the Owners and builders in the design of homes in the Condominium. All land use and buildings are subject to and must comply with the Consent Judgment, Development Agreements and Township ordinances and building regulations.

6.3.1 Exterior Building Materials. All Residences shall have a front elevation that is consistent with the renderings which are part of the Consent Judgment and other Development Agreements. Exterior colors must be natural and subdued. Proposed exterior paint and stain colors shall be submitted to the Developer for approval prior to application.

6.3.2 Architectural Consistency. All exterior facades of the Residences in the Condominium that are visible from the Roads are to be architecturally consistent in style, quality and detailing with the front facade of the Residence.

6.3.3 Residences. All residences must be in the minimum sizes set forth on the Condominium Subdivision Plan, Consent Judgment and Development Agreements.

6.3.4 Setbacks. All Residences shall be located within the perimeter of the Unit boundary for each site as shown on the Condominium Subdivision Plan, and in compliance with the Consent Judgment, Development Agreements and Township ordinances and building regulations. All setbacks, including the 25 Foot Wetlands Setback and 50 Foot Wetlands Setback shall be complied with as required by the ordinances of Lodi Township.

6.3.5 Garages. All garages shall be detached from the Residence and be consistent in style and materiality to the style and materiality of the Residence.

6.3.6 Foundations. All street and side facing exterior facades must have brick, stone, or wood extend to ground level to cover all block or concrete foundation walls. Foundation vents if used, shall be unobtrusive. Street facing exterior foundations must also be screened by landscaped plantings.

6.3.7 Air Conditioners. No window or wall-mounted air conditioners are permitted on the front facade. No external air conditioning unit shall be placed in or attached to a window or wall of any Unit. No compressor or other component of a central air conditioning system (or similar system, such as a heat pump) shall be so located on any Unit so as to be visible from the public street on which the Unit fronts, and, to the extent reasonably possible, all such external equipment shall be so located on any Unit so as to minimize the negative impact thereof on any adjoining Unit, in the terms of noise and appearance.

6.3.8 Sidewalks, Driveways and other Paved Areas. Sidewalks, driveways and other paved areas for vehicular use on a Unit or shall have a base of compacted sand, gravel, crushed stone or other approved base material and shall have a wearing surface of brick pavers, asphalt or concrete as approved by Developer. Plans for driveways, pavement edging, and markers must be approved by Developer in writing prior to commencing any construction in accordance with such plans and comply with the Consent Judgment, Development Agreements and ordinances and any applicable engineering standards of the Township and Washtenaw County.

6.3.9 Address Numerals. It is recommended for safety that each home incorporate either an address block constructed of granite, limestone or similar material and containing the carved numerals of the address of the Residence or individual heavy brass numerals appropriately placed in the front exterior area of the Residence.

6.3.10 Mailboxes. All mailboxes shall be located as depicted on the Condominium Subdivision Plan. An Owner shall not install or maintain a separate receptacle for newspapers, magazines or other similar materials, except as part of the mailbox stand. If an Owner or the Owner's tenant, guest or invitee, or the guest or invitee of the Owner's tenant, damages any mailbox or mailbox stand, such Owner shall be responsible for repairing or replacing the damaged mailbox. If the Owner fails to repair or replace the damaged mailbox, the Association shall repair or replace the damaged mailbox and the Owner shall reimburse the Association for the cost of repairing or replacing the mailbox within ten (10) days after the Association makes written demand for payment. The Developer, in its sole discretion, has the right to allow temporary mailboxes in the Condominium, for some or all of the Units, until the locations for permanent mailboxes are approved by a representative of the United States Post Office, and permanent mailboxes serving the affected Units are installed. Subject to the input of the United States Post Office, the locations of temporary mailboxes shall be determined by the Developer exercising its sole discretion.

6.3.11 Swimming Pools and Other Structures. Prior to the Transitional Control Date, no swimming pools, tennis courts, gazebos, hot tubs, spas or other similar recreational structures ("Recreational Structure") shall be constructed on any Unit, unless approved in writing by the Developer. After the Transitional Control Date, no Recreational Structures shall be constructed on any Unit unless approved in writing by the Association. Any Recreational Structure that has been approved in writing by the Developer or the Association shall be constructed in accordance with the Master Deed and Bylaws and with all applicable local ordinances and/or state laws. No above

ground swimming pools are permitted. Recreational Structures, if approved in writing by the Developer or the Association, shall be screened from view of any street lying entirely within the Condominium by evergreen hedge or other visual landscape barrier, as approved in writing by the Developer prior to the Transitional Control Date and the Association thereafter, and in compliance with all laws and governmental regulations and ordinances pertaining thereto.

6.3.12 Decks and Patios. All decks and patios must be located in the rear yard of a Unit and are subject to the approval of the Developer or Association, as applicable. Decks and patios and any related walkways must comply with all applicable rear, side yard and wetlands setback requirements imposed by the Consent Judgment, Development Agreements, and Township ordinances and building regulations.

6.3.13 Fences, Walls and Dog Runs. With the exception of any fencing improvements installed by Developer, no perimeter fences, walls or similar structures shall be erected on any Unit. Dog kennels or runs or other enclosed shelters for animals are prohibited. "Invisible fencing" type devices may, with the prior approval of the Architectural Control Committee, be installed within individual Units, provided such installation shall be located within the rear portion of the Unit only, with no portion extending beyond the front portion of the residential dwelling structure located upon such Unit. In the event the Developer or the Association approves a swimming pool on a particular Unit, wrought iron fences, consisting of a design and quality sufficient to satisfy local and state laws, shall be permitted in order to enclose the swimming pool area. No other fences, walls or similar structures shall be erected on any Unit without the prior written approval of Developer prior to the Transitional Control Date and the Association thereafter.

6.3.14 Structures in Easements. No structures of any kind may be placed within any easements in the Condominium.

6.3.15 Generators. No stand-by or auxiliary generators ("Generators") shall be located on any Unit unless approved in writing by the Developer. After the Transitional Control Date, no Generators shall be constructed on any Unit unless approved in writing by the Association. Any such Generators must not be located so as to be visible from the public street on which the Unit fronts, and, to the extent reasonably possible, all such Generators shall be so located on any Unit so as to minimize the negative impact thereof on any adjoining Unit, in the terms of noise and appearance.

Section 6.4 Landscaping Guidelines. Proper landscape design, installation and maintenance is very important in creating an enjoyable, beautiful environment. Good landscape design incorporates the natural attributes of the Unit in terms of topography and existing plantings, and then enhances those features to create an environment most appropriate for the architecture and setting of a particular Residence. Successful landscaping greatly increases the beauty and marketability of a Residence and improves the quality of life for the Co-owner as well as the entire community. Natural landscaping and trees shall be left in their natural state to the extent practical. All landscaping shall comply with any and all Township ordinances as well as the Consent Judgment and Development Agreements. Landscaping may not be installed on or within the Wetlands or the 25 Foot Wetlands Setback. Buildings may not be installed on or within the 50 Foot Wetlands Setback.

6.4.1 Planting Materials. Planting materials are to be of a high quality and substantial size to provide a degree of maturity to the appearance of the landscaping immediately upon installation.

6.4.2 Lawn Areas. All areas of a Unit not landscaped with plant materials or hard surfaces shall be established as lawn areas by sodding or seeding.

6.4.3 Edging and Mulching Materials. The use of natural cut sod edging to define planting beds is strongly encouraged. Edging materials made of steel, aluminum or plastic may be used to define planting beds.

6.4.4 Berms and Boulders. The creation of landscaped berms, boulder outcroppings, raised beds and other creative landscape design is strongly encouraged.

6.4.5 Irrigation. Installation of an underground sprinkler system of each Unit is required.

6.4.6 Landscape Screening. All exterior air conditioning equipment, utility meters, utility boxes, and Generators must be screened from view from the road and adjacent Residences. The front exterior foundation of each Residence shall be screened by landscape plantings so as to minimize its visibility from the road.

6.4.7 Retaining Walls. All retaining walls shall be of natural stone. Wooden tie, block and unilock type walls are permitted with prior written consent of the Developer.

6.4.8 Landscape Lighting. Subdued lighting which highlights landscaping features and architectural elements is strongly encouraged. Lighting shall be unobtrusive with careful attention given to both high quality lighting fixtures and the effects of the lighting itself.

6.4.9 Completion of Landscaping. Installation of landscaping (meaning finish-graded and suitable plantings) must be completed, weather permitting, within two hundred forty (240) days after the exterior of the Residence has been substantially completed, including the area lying between the sidewalk and the road, except such portion thereof as is used for driveways and walks.

Section 6.5 Preservation of Trees. The Developer's goal is to preserve as many trees as possible within the Condominium and every effort must be made by the Owner of each Unit and their respective Builders to preserve existing trees on a Unit, and to design the location of Residences and other improvements on the Unit in a manner that limits the number of trees to be removed. No tree may be removed from any Unit or Common Element without Developer's prior written approval during the Construction and Sales Period and thereafter by the Association. Subject to the foregoing, trees shall only be removed in accordance with the Consent Judgment, Development Agreements, and all applicable zoning and other ordinances and/or regulations promulgated by the Township and any other governmental authority having jurisdiction. Trees located within any protected area shall not be removed without Township approval.

Clear-cutting or removal of trees from the Unit is not permitted unless such clear-cutting or tree removal is approved in advance and in writing by Developer and the Township, and is in

compliance with all applicable Township ordinances and this Section, the Consent Judgment, and Development Agreements. Before commencing construction of a Residence or other Improvement on a Unit, the Unit Owner shall submit to Developer for its approval, a plan for the preservation of trees in connection with the construction process. Trees of all sizes may be cleared and removed from the footprint area of the Residence, provided the Developer has approved the location of the Residence in writing. Each Unit Owner is responsible for maintaining and preserving all large trees on the Owner's Unit that are located outside the approved Residence footprint described above, including trees located on the Side Strip Area.

Section 6.6 Architectural Approval Process. The design of all Residences, alterations, and additions is subject to the architectural approval process as described below. It is the goal of the Developer to promote residential architecture of the highest caliber while preserving and enhancing the natural attributes of the Units to the greatest extent possible. The Developer will not unreasonably withhold approval of proposed Residences, alterations, and additions that meet or exceed the aesthetic goals and guidelines described in this Article 6.

6.6.1 Review Procedure. All communications relating to an application to build or modify a Residence or to make any other improvement to a Unit, and all materials submitted by an applicant, shall be delivered by email, and the materials shall be in pdf format. The Developer shall respond to applications with its comments and approval by email with pdf attachments as necessary. Paper copies of the required application materials shall only be submitted if requested by the Developer. All construction plans, specifications and related materials pertaining to construction or alteration of a building, fence, wall or other structures shall be delivered by the applicant for approval to the Developer, or any agent specified by Developer. The construction plans, specifications and related materials shall show the nature, kind, shape, height, materials (including samples of exterior building materials upon request), approximate cost of the building, fence, wall or other structure, proposed drainage of surface water, and the location and grade of all buildings, structures, improvements, existing trees and trees proposed for removal, utilities and parking areas. Developer shall have sole authority to review, approve or disapprove the plans, specifications and related materials or any part thereof. Developer shall have the right to refuse to approve the proposed plans, specifications and related materials, or grading plans, or portions thereof, which are not suitable or desirable in the sole discretion of Developer, for aesthetic or other reasons. In its review of the plans, specifications, and related materials, Developer may consider compatibility of the proposed building, fence, wall or other structures with the surroundings area and the view from adjacent or neighboring properties. A two-step submittal process is required for the construction of a Residence in the Condominium. Written approval from the Developer is required for each of the two steps, as follows:

i. **Conceptual Approval.** The Unit Owner is encouraged to involve the Developer in the design of the Residence at the earliest possible stages. Submittal of sketches, photographs or renderings are normally sufficient to determine if the proposed Residence will be within the design goals for the community.

ii. **Final Approval.** The following materials shall be submitted to obtain final approval for a Residence: (a) a site plan prepared and sealed by a licensed land surveyor showing existing and proposed grades, an indication of which trees must be removed and a tree preservation plan for trees to be preserved, all required setback lines, the location and foot print of the proposed

Residence and all other Improvements, all driveways and paved areas, and (b) a complete set of construction plans for the proposed Residence. Upon Developer's approval, the Owner who may then make application to any and all required governmental agencies for any license or permit required under applicable laws, ordinances and regulations.

Section 6.7 Construction Regulations. The construction process is monitored and controlled to minimize inconvenience and disruption to existing residents and to maintain the excellent image and reputation of all who are associated with The Condominium.

6.7.1 Accountability. Builders, landscapers, Owners and their agents and representatives shall be responsible for supervising adherence to the construction regulations contained within these Bylaws and all other applicable condominium documents.

6.7.2 Cleanliness. Throughout the course of construction, the job site shall be maintained in a clean and orderly manner. All trash and debris shall be promptly deposited in a dumpster located as unobtrusively as possible. Burning of trash and debris is prohibited. The Road surface in the vicinity of the job site shall be kept clean of mud, trash and debris at all times. Violation of cleanliness regulations will result in fines to Builders, landscapers and Owners.

6.7.3 Performance of Construction. No building shall be erected on any Unit except by a contractor licensed by the State of Michigan for such purpose.

6.7.4 Construction Hours. Construction hours are established by the Developer.

6.7.5 Construction Area. All construction, including access by construction vehicles and equipment, shall be confined to the boundaries of the Unit under construction. Adjacent Units may not be used for parking, storage or access.

6.7.6 Excavation. Dirt excavated for basements that is temporarily stored on the Unit during foundation construction shall not be placed over the roots of trees intended to be preserved, in order to avoid soil compaction and root damage.

6.7.7 Construction Materials. Storage of construction materials on the building site shall be done in a neat and orderly manner.

6.7.8 Signs. The Builder may erect one sign identifying the Unit number and Builder's name during the construction of a Residence as specified by the Developer in terms of size, location, color and content which will contain the logo for the Condominium.

6.7.9 Schedule. Once started, construction shall be prosecuted on a continual basis with completion as soon as practical but, in any event, within twenty-four (24) months of the date that an Owner purchases the Owner's Unit.

Section 6.8 Reserved Right of Developer to Construct Other Improvements. The purpose of this Section is to assure the continued maintenance of the Property and the Project as a beautiful and harmonious residential development, and shall be binding upon the Association and

upon all Co-owners. The Developer may construct any Improvements consistent with the Condominium Subdivision Plan, upon the Property that it may, in its sole discretion, elect to make, without the necessity of obtaining the prior written consent from the Association or any other private Person, subject only to approval of the local public authority and to the express limitations contained in any applicable Condominium Documents.

Section 6.9 Limitation on Liability. In no event shall Developer or its designees have any liability whatsoever to anyone for their approval or disapproval of plans, drawings, specifications, elevations or the Residences, fences, walls, or other structures subject thereto, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty or otherwise. By way of example but not limitation, there shall be no liability to the Developer or its designees for approval of plans, drawings, specifications, elevations or the Residences, fences, walls, or other structures which are not in conformity with the provisions of the Condominium Documents, or for disapproving plans, drawings, specifications, elevations or the Residences, fences, walls, or other structures which are arguably in conformity with the provisions hereof. Developer reserves the right to enter into agreements with the Owner of any Unit(s) (without the consent of Owners of other Units or adjoining or adjacent property) to deviate from any or all of the restrictions set forth in these Bylaws, provided that the Owner demonstrates that the application of the particular restriction(s) in question would create practical difficulties or hardships. Any such deviation shall be evidenced by a written agreement and no such deviation or agreement shall constitute a waiver of any such restriction as to any other Unit or Owner.

Section 6.10 Architectural Control Committee. At such time as the fee simple interest in one hundred (100%) percent of the Units in the Condominium have been conveyed by Developer, or, at such earlier time as Developer may elect, Developer shall assign all of its rights, duties and obligations as set forth in this Article 6 of these Bylaws to a committee of the Association ("Architectural Control Committee") or to the Association. The assignment shall be by a written instrument in which the assignee expressly accepts such rights, duties and obligations. Such instrument when executed by the assignee shall, without further act, release Developer from all such obligations and duties. If such assignment is made, the acts and decisions of the assignee as to any matters assigned shall be binding upon all Unit Owners and other interested parties. If Developer assigns its rights, duties and obligations under this Article 6 to an Architectural Control Committee, the Architectural Control Committee shall consist of no less than three (3) members and no more than five (5) members, to be appointed by Developer. Developer may assign its right to appoint members of the Architectural Control Committee to the Association. Until such time, however, Developer reserves the right to appoint members to and remove members from the Architectural Control Committee in its sole discretion.

Section 6.11 Natural Drainage Ways. Where there exists on any Unit(s) a condition of accumulation of storm water remaining over an extended period of time, the Owner may, with the written approval of Developer and the Township, take such steps as shall be necessary to remedy such condition, subject to the provisions of the Master Deed, and provided that no obstructions or diversions of existing storm drain swales and channels, over and through which storm water naturally flows upon or across any Unit, shall be made by an Owner in a manner as to cause damage to other property.

Section 6.12 Home Occupations and Nuisances. No home occupation or profession or commercial activity, including day care facilities, that requires members of the public to visit an Owner's home or requires commercial vehicles to travel to and from the Owner's home shall be conducted in any dwelling located in the Condominium with the exception of model homes owned by, and the sales activities of, the Developer or Builders, developers and real estate companies which own or hold any Units for resale to customers in the ordinary course of business. Any such home occupation, profession, or commercial activity must comply with all applicable Township ordinances. No noxious or offensive activities shall be carried on in or upon any Units or the Common Elements nor any activity which may be, or may become, an annoyance or nuisance to the neighborhood, other than normal construction activity, all of which must comply with all applicable Township ordinances, Consent Judgment, and Development Agreements. No burning of refuse shall be permitted outside the dwelling, except that the burning of leaves shall be permitted if allowed by ordinance of the Township, provided that it does not become offensive or a nuisance. No occupied or unoccupied Unit shall be used or maintained as a dumping ground for rubbish or trash.

Section 6.13 Plant Diseases or Noxious Insects. No plants, seeds or other material harboring or breeding infectious plant diseases or noxious insects shall be introduced or maintained upon any part of a Unit or any Common Elements.

Section 6.14 Temporary Buildings, Sheds, Damaged Residences and Reconstruction. No trailer, mobile home, van, tent, shack, shed, garage, barn, out building or structure of a temporary character shall be installed or constructed on any Unit or used at any time as a temporary or permanent residence; provided, however, that the foregoing restriction shall not apply to any activities by Developer or any Builder, developer or real estate company during any sales and/or construction periods. All permanent Residences shall be completed within two (2) years from the commencement of construction. No old or used buildings of any kind whatsoever shall be moved to or reconstructed on any Unit. Any building damaged or destroyed by any cause, for which repair or reconstruction has not commenced within six (6) months from the date of damage or destruction, shall be removed so that there are no ruins or debris remaining within six (6) months from the date of damage or destruction. Any building which is not completed within two (2) years from commencement of construction or any damage or destruction not promptly remedied shall be deemed a nuisance and may be abated by Developer or the Association as provided by law. Any portion of the Condominium within any public or private road or right-of-way which is disturbed by reason of any work or activity performed by an Owner, or an Owner's agents, employees, or independent contractors, shall be restored by the Owner, at the Owner's sole expense, to its condition immediately prior to the commencement of such work or activity. Such restoration shall be performed immediately following the completion of said work or, if such work is not completed, within a reasonable time, and in no event later than the date of completion of any work or activity on the Owner's Unit.

Section 6.15 Soil Removal. Soil removal from Units shall not be permitted, except as required for construction purposes and as permitted by Developer. In addition, all construction shall be subject to the requirements of the Michigan Soil Erosion and Sedimentation Control Act, as amended, and all other applicable statutes, ordinances, rules and regulations of all governmental agencies having jurisdiction over such activities.

Section 6.16 Underground Wiring. No permanent lines or wires for communication or other transmission of electrical or power (except transmission lines located on existing or proposed easements) shall be constructed, placed or permitted to be placed anywhere above ground on a Unit other than within buildings or structures.

Section 6.17 Maintenance of Side Strips. Unless the Association elects otherwise, Owners of Units shall be responsible for the maintenance of the lawn, landscaping and driveway located between the line of the Owner's Unit and the edge of adjacent street pavement (the "Side Strip Area"). The Owner shall maintain the Side Strip Area in accordance with the same standards required in Section 6.20 below. The Owners' responsibility for maintenance shall include, but shall not be limited to, the replacing of trees. If an Owner fails to repair or replace a damaged or diseased tree in the Side Strip Area, the Association shall replace the tree and the Owner shall reimburse the Association for the cost of replacing the tree within ten (10) days after the Association makes written demand for payment.

Section 6.18 Vehicles Parking and Storage. No trailers, boats, aircraft, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobile trailers, jet skis, jet ski trailers or other recreational vehicles, or any other vehicles, other than passenger cars, passenger vans, pick-up trucks and sport utility-type vehicles shall be parked or maintained within the Condominium unless parked in a garage included within a Unit. No vehicle that is used to promote a commercial enterprise, or used in connection with such an enterprise, shall be parked in the Condominium, or on any Unit, unless parked in a garage as provided above, except while making deliveries or pickups in the normal course of business. No vehicle shall be parked on any portion of the roads within the Condominium on an overnight basis or for an extended period of time. The Association through its Board of Directors shall have the right to impose rules and regulations regarding parking on the roads within the Condominium and such rules may impose time limits for such parking. Garage doors shall be kept closed when not in use. Subject to the notice location and content requirements of Section 252(k) of Act No. 493 of the Michigan Public Acts of 2004, the Association may cause vehicles parked or stored in violation of this Section or of any applicable rules and regulations of the Association to be removed from the Condominium Premises and the cost of such removal may be assessed to, and collected from, the Owner of the Unit responsible for the presence of the vehicle in the manner provided in Article 2 hereof. The Board of Directors may promulgate reasonable rules and regulations governing the parking of vehicles in the Condominium consistent with the provisions hereof.

Section 6.19 Garbage and Refuse. No Unit shall be used or maintained as a dumping ground or for outside storage for rubbish, trash, garbage or other materials. Trash, garbage or other waste shall be kept only in closed, sanitary containers and shall be promptly disposed of so as not to be objectionable to neighboring property Owners. No outside storage for refuse or garbage shall be maintained or used. The Board of Directors of the Association may designate a day of the week on which all trash pick-up in the Condominium shall occur. No trash shall be put out earlier than the morning of the day designated for pick-up and all containers shall be removed by the end of such day. The burning or incineration of rubbish, trash, construction materials or other waste outside of any residential dwelling is strictly prohibited. If the Township, by ordinance, has a mandatory rubbish removal and waste recycling program, each Co-owner shall participate in such program and shall be billed separately by the Township for such services. No burning of refuse shall be permitted outside the dwelling.

Section 6.20 Grass Cutting and Snow Removal. If the Association has not implemented a plan to provide lawn cutting, fertilizing, bed maintenance and tree and shrub trimming to each Unit, then the Owner shall mow or cut the weeds and grass over the entire Unit, at least when the same become six inches in length. Similarly, if the Association has not implemented a plan to snow plowing services to each Unit, the Owner shall be responsible for all snow removal from the driveway located upon the Owner's Unit, as well as any sidewalk adjacent thereto and including any driveway approach area located within any Side Strip Area adjacent to the Owner's Unit. If an Owner fails to mow or cut weeds or grass on, or remove snow from, the Owner's Unit within ten (10) days after written notice, the Developer or the Association may perform such work and the cost shall be assessed to the Owner and become a lien upon the Unit as provided in Article 2 of these Bylaws. All Units owned by Developer or a Builder who owns Units for resale in the ordinary course of business shall be exempt from the restrictions contained in this Section 6.20. Upon conveyance of any Unit by Developer or a Builder to an Owner other than Developer or a Builder, the Unit shall be subject to all of the restrictions contained in this Section 6.20.

Section 6.21 Signs. No signs of any kind shall be placed upon any Unit or on any building or structure located on a Unit, or any portion thereof, unless the plans and specifications showing the design, size, materials, message and proposed location(s) have been submitted to, and approved in writing by the Township, and the Developer, with the exception of: (i) non-illuminated signs which are not more than four (4) square feet in area pertaining only to the sale of the Unit upon which it is maintained; and (ii) non-illuminated signs which are not more than four (4) square feet in area pertaining only to a garage sale conducted on the Unit, which garage sale and sign placement shall not exceed three (3) days. The restrictions in this Section shall not apply to signs installed or erected on any Unit by Developer or any Builder who owns Units for resale in the ordinary course of business, during any construction period or during such periods as any residence may be used as a model or for display purposes. All signs shall be in compliance with applicable ordinances. All signs must comply with and Township ordinance regarding signs. No exterior illumination of any kind shall be placed or allowed on any portion of a Unit other than on a residential dwelling, unless first approved by the Architectural Control Committee. The Architectural Control Committee shall approve such illumination only if the type, intensity and style thereof are compatible with the style and character of the development of the Unit.

Section 6.22 Common Elements. No Owner shall make changes in any of the Common Elements, Limited or General, without the prior written approval of the Board of Directors, and the Township, if applicable. The Common Elements shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and absolutely intended. No Co-owner may leave personal property of any description (including by way of example and not limitation: bicycles, vehicles, sculptures or statues, chairs and benches) unattended on or about the Common Elements. No Co-owner may decorate or modify the exterior of any building located within its Unit unless such decoration or modification has been approved in writing by the Developer or Architectural Control Committee, and comply with all applicable local ordinances and/or state laws, Consent Judgment, and Development Agreements. Use of all Common Elements may be limited to such times and in such manner as the Board of Directors shall determine by duly adopted regulations.

Section 6.23 Objectionable Sights. It shall be the responsibility of each Unit Owner to prevent any unclean, unsightly or unkempt conditions of buildings or ground on the Owner's Unit

that tend to substantially decrease the beauty of the Condominium as a whole or any specific area thereof. Exterior fuel tanks, above or below ground, are not permitted. The stockpiling and storage of building and landscape materials and/or equipment are not permitted on any Unit or appurtenant Limited Common Elements, except such materials and/or equipment as may be used within a reasonable length of time. In no event shall the storage of landscape materials be stored for a period of more than thirty (30) days and/or otherwise in accordance with applicable Township ordinances, Consent Judgment, and Development Agreements. Stockpiling and storage of firewood for use in a dwelling shall be permitted only in that area of a Unit to the rear of and adjacent to the dwelling, or in another location within the Unit where it is completely screened from view from any area outside of the Unit. No laundry drying equipment shall be erected or used outdoors and no clothes lines or laundry shall be hung for drying outside of the dwelling. Above ground, below ground exterior fuel tanks or other storage tanks are not permitted.

Section 6.24 Animals or Pets. Domesticated household pets may be maintained in any Unit in the Condominium. No animals or birds shall be maintained on any Unit except customary house pets for domestic purposes only. No chickens or other fowl or livestock shall be kept on any Unit. No reptiles or exotic animals, and no savage or dangerous animal shall be kept, bred or harbored on any Unit. No animal may be kept or bred for any commercial purpose. All animal life maintained on any Unit shall have such provisions and care so as not to become offensive to neighbors or to the community on account of noise, odor, unsightliness or unsanitary condition. No doghouses or tethering of animals shall be permitted on the Common Elements, Limited or General. No animal may be permitted to run loose at any time within the Condominium and any animal shall at all times be kept on a leash short enough to be within the immediate control of the person and be attended in person by some responsible person while on the Common Elements, Limited or General. Any person who causes or permits an animal to be brought or kept on the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability (including costs and attorney fees) which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor, and the Association may assess and collect from the responsible Owner such losses and/or damages in the manner provided in Article 2 hereof. The Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Condominium wherein such animals may be walked and/or exercised. Each Owner shall be responsible for the immediate collection and disposition of all fecal matter deposited by any pet maintained by such Owner and if using the General Common Elements shall make use of a dog maintenance station to dispose of waste generated by the Owner's pet. Nothing herein contained shall be construed to require the Board of Directors to so designate a portion of the General Common Elements for the walking and/or exercising of animals. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. The Association may charge all Owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article 2 of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. 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. The Association may, after notice and hearing, without liability to the Owner the roof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association, although such hearing shall not be a condition precedent to the institution of legal

proceedings to remove said animal. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association.

Section 6.25 Wetlands, Wetland Buffers, Detention Areas; Storm Water Drainage Facilities. No Wetlands and no area within the 25 Foot Wetlands Setback shall be used, modified or occupied and the same must remain in their natural undisturbed state. Without limitation, no Wetlands and no area within the 25 Foot Wetland Setback may be modified in any manner, including, but not limited to, altering the topography of, placing fill material in, dredging, removing or excavating any soil or minerals from, draining surface water from, constructing or placing any structure on, plowing, tilling, cultivating, or otherwise. No building may be constructed within the 50 Foot Wetland Setback. The Storm System and the areas subject to the Storm System Easements may not be modified in any manner and no use or occupation shall occur by any person or entity.

Section 6.26 Solar Panels. No solar panel, solar collector or similar devise shall be placed, constructed, altered, or maintained on any Unit or placed, constructed, altered, or maintained on any Unit without the prior written approval of Developer or the Association to be granted or withheld in compliance with Act 68 of 2024, MCL 559.301 et seq., the Homeowners' Energy Policy Act and the Association's Energy Policy Statement required by such Act and on file at the offices of the Association. Any solar panel, solar collector or similar devise must receive the prior review and approval of the Township, if required by applicable Township ordinance, before installation of same.

Section 6.27 Television Antenna and Similar Devises. No outside television antenna or other antenna, or aerial, saucer, dish, receiving device, signal capture and distribution device or similar device shall be placed, constructed, altered or maintained on any Unit, unless the device is a so called "mini dish" (not to exceed 24 inches in diameter) mounted on the side or rear of the residence in a location that is fully screened from view and approved by the Board of Directors of the Association and in compliance with any Township ordinance. The provisions of this subsection shall not apply to those devices covered by 47 C.F.R. § 1.4000, promulgated pursuant to the Telecommunications Act of 1996, Pub. L. No. 104. 110, § 207 Stat. 56 (1996), as amended.

Section 6.28 Statues, Sculptures, Objects of Art and Other Similar Objects. No statues, sculptures, objects of art or any other similar objects ("Objects of Art") shall be permitted in the front or along the side of any Unit. Objects of Art are permitted in the back of the Unit so long as they are placed in a location in the back of the Unit that is unobtrusive, and not readily visible from the street or common areas and shall be adequately screened by landscaping, if necessary, or by other visual barriers as may be approved in writing by the Developer, the Association, or the Architectural Control Committee, if applicable.

Section 6.29 Public Utilities. All public utilities and all connections to same, either private or otherwise, shall be installed underground. However, above-ground transformers, pedestals and other above-ground electric and telephone utility installations and distribution systems and surface and off-site drainage channels and facilities, as well as street lighting stanchions, shall be permitted.

Section 6.30 Reciprocal Negative Easements. Unless otherwise expressly provided in these Bylaws, no mutual or reciprocal negative easements shall be deemed to arise or be created hereunder with respect to any land situated outside the boundaries of the Condominium.

Section 6.31 Motorcycles and Snowmobiles. Motorcycles are allowed on the Roads, but motorcycles, snow mobiles, recreational vehicles and all other motorized off-road vehicles are prohibited in all other General Common Element areas.

Section 6.32 Basketball Hoops. Basketball hoops are permitted only if they are permanently installed in the area of the driveway for the Unit and if not permanent then, only if stationed on the driveway as near as possible to the garage.

Section 6.33 Swings, Slides, Playscapes And Other Playground Equipment. No swings, slides, playscapes or other similar playground equipment (collectively "Playground Equipment") shall be constructed on any Unit unless approved in advance, in writing by the Developer or Architectural Control Committee, as applicable. Any Playground Equipment which has been approved in writing by the Developer or Architectural Control Committee shall be constructed in accordance with the Master Deed and Bylaws and with all applicable local ordinances and/or state laws, Consent Judgment, and Development Agreements. In any event, all approved Playground Equipment must be placed in a location on the Unit that is unobtrusive, and not readily visible from the street or common areas and shall be adequately screened by landscaping, if necessary, or by other visual barriers as may be approved in writing by the Developer, the Association, or the Architectural Control Committee, if applicable.

Section 6.34 Firearms. No firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices shall be used anywhere on or about the Condominium.

Section 6.35 Real Estate Sales Office. Notwithstanding anything to the contrary contained in this Master Deed and Bylaws, Developer, and/or any Builders which Developer may designate, may construct and maintain on any Unit(s) a real estate sales office, with such promotional signs as Developer or Builder may determine and/or a model home or homes for such purposes. Developer and any designated Builder may continue such activity until such time as all of the Units in which Developer or Builder have an interest are sold.

Section 6.36 Maintenance. Each Owner shall keep all buildings and grounds within the Unit in good condition and repair and shall maintain such Owner's Unit and the improvements thereon, including the dwelling, inside and out, the driveway, including snow removal, and the yard, the sidewalk thereto, in a safe, clean and sanitary condition, and shall keep the yard mowed, maintained and landscaped. Each Owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems which are appurtenant to or which may affect any other Unit. Each Owner shall be responsible for damages or costs to the Association resulting from negligent or intentional damage to or misuse of any of the Common Elements by such Owner, or the Owner's family, guests, agents or invites, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Owner

shall bear the expense to the extent of the deductible amount). Any costs or damages incurred by the Association may be assessed to and collected from the responsible Owner in the manner provided in Article 2 hereof.

Section 6.37 Leasing and Rental.

6.37.1 Right to Lease. An Owner may lease an Owner's Unit for the same purposes set forth in Section 6.1 of these Bylaws, provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified below. With the exception of a lender in possession of a Unit following a default of the first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least six (6) months. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer, or its assigns, may lease any number of Units in the Condominium in its discretion and shall not be subject to the foregoing, or the leasing procedures set forth below, except for disclosure of the leasing arrangement to the Association. These leasing provisions may not be revised prior to the Transitional Control Date without Developer's prior written consent and may not be materially amended without Developer's prior written consent so long as Developer owns a Unit.

6.37.2 Leasing Procedures. The leasing of Units in the Condominium shall conform to the following provisions:

6.37.2.1 An Owner desiring to rent or lease a Unit, shall disclose that fact in writing to the Association, at least twenty (20) days before presenting a lease form or otherwise agreeing to grant possession of a Condominium Unit 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 its review for its compliance. The Association shall be entitled to request that changes be made to the lease form that are necessary to insure that the lease will comply with the Condominium Documents. If no lease form is to be used, then the Owner shall supply the Association with the name and address of the potential lessee, along with the rental amount and the due dates under the proposed agreement. If Developer desires to rent Units before the Transitional Control Date, it shall notify either the Advisory Committee or each Owner in writing.

6.37.2.2 Tenants or non-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium and all leases and rental agreements shall so state.

6.37.2.3 If the Association determines that the tenant or non-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:

6.37.2.3.1 The Association shall notify the Owner by certified mail advising of the alleged violation by the tenant.

6.37.2.3.2 The Owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.

6.37.2.4 If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Owner and tenant or non-owner occupant for breach of the condition of the Condominium Documents. The relief provided in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Owner liable for any damages to the Common Elements caused by the Owner or tenant in connection with the Unit or Condominium and for actual legal fees incurred by the Association in connection with legal proceedings hereunder.

6.37.2.5 When an Owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to the tenant occupying an Owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Owner the arrearage and further assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Owner to the Association, then the Association may do the following:

6.37.2.5.1 Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.

6.37.2.5.2 Initiate proceedings as allowed by law.

Section 6.38 Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Owners.

Section 6.39 Right of Access of Association. The Association and its duly authorized agents shall have access to each Unit thereon from time to time, during reasonable working hours, as may be necessary for the Association to satisfy its maintenance, repair or replacement obligations. The Association and its agents shall also have access to each Unit thereon at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to any Unit or to the improvements thereon. In the event of an emergency, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Owner for any necessary damage to such Owner's Unit.

Section 6.40 General Common Element and Easement Maintenance. Roads and walkways shall not be obstructed nor shall they be used for purposes other than for which they are reasonably and obviously intended. All General Common Elements including but not limited to the

Entranceway Improvements shall be maintained by the Association unless otherwise provided in the Master Deed or these Bylaws.

Section 6.41 Reserved Rights of Developer.

6.41.1 Developer's Rights in Furtherance of Development and Sales. None of the restrictions contained in this Article 6 shall apply to the commercial activities or signs or billboards, if any, of Developer during the Construction and Sales Period or of the Association in furtherance of its powers and purposes set forth in the Condominium Documents, as they may be amended from time to time. Notwithstanding anything to the contrary contained elsewhere in these Bylaws, Developer shall have the right during the Construction and Sales Period to maintain a sales office, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Condominium as may be reasonable to enable development and sale of the Condominium and other properties in the area by Developer. Developer shall restore the areas so used to habitable status upon termination of such use. The rights of assignment reserved to the Developer in Article 20 below shall include the right to permit the maintenance and use of sales offices, model units, advertising display signs, storage areas and reasonable parking incident to the foregoing by to one or more Residential Builders, who may exercise such rights simultaneously with the Developer.

6.41.2 Enforcement of Condominium Documents. The Condominium shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private residential community for the benefit of the Owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape the Condominium in a manner consistent with the maintenance of such high standards, then Developer, or any entity to which Developer may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. Developer shall have the right to enforce these Bylaws throughout the Construction and Sales Period, which right of enforcement may include (without limitation) an action to restrain the Association or any Owner from any activity prohibited by these Bylaws, regardless of any provision otherwise requiring arbitration.

6.41.3 Developer's Assignment Rights. Any and all rights and powers of the Developer that have been granted or reserved by law or herein (or in any of the other Condominium Documents) to Developer (including, without limitation, any right or power to approve or to disapprove any act, use or proposed action or any other matter or thing) may be assigned by Developer to any person or entity, including, without limitation, the Association. Any assignment by Developer must be evidenced by a written instrument that must also be signed by the assignee to evidence the assumption by that assignee of the rights of the Developer hereunder. Notwithstanding the foregoing, as of the expiration of the Construction and Sales Period, any and all of the rights hereunder of Developer that have not been theretofore assigned by Developer will be deemed to have been assigned to and assumed by the Association; provided, however, that in no event will Developer be deemed to have thereby assigned or in any other manner relinquished any real property rights granted or reserved to Developer or its successors and assigns in the Master Deed or in any other Condominium Documents or recorded declarations, including, without limitation, any access easements, utility easements or any other easements created or reserved in

the Master Deed, any of the other Condominium Documents or any recorded declaration (any of which may only be terminated by a written instrument signed by Developer and recorded with the Washtenaw County Register of Deeds).

6.41.4 Method of Evidencing Developer's Approval. ANY APPROVAL, WAIVER, OR OTHER ACTION HEREUNDER BY DEVELOPER WILL NOT BE EFFECTIVE UNLESS THAT APPROVAL, WAIVER, OR OTHER ACTION IS IN WRITING AND IS SIGNED BY DEVELOPER. CO-OWNERS, THE ASSOCIATION AND ANY OTHER PERSONS OR ENTITIES MAY NOT RELY UPON ANY APPROVAL, WAIVER, OR OTHER ACTION HEREUNDER IF THAT APPROVAL, WAIVER, OR OTHER ACTION IS GRANTED OR TAKEN BY ANY PERSON (INCLUDING, WITHOUT LIMITATION, ANY EMPLOYEES OR REPRESENTATIVES OF DEVELOPER) OTHER THAN DEVELOPER. AGENTS, EMPLOYEES, CONSULTANTS, ATTORNEYS. AND OTHER REPRESENTATIVES AND ADVISORS OF DEVELOPER ARE NOT LIABLE WITH RESPECT TO ANY APPROVALS, WAIVERS OR OTHER ACTIONS UNDER THE CONDOMINIUM DOCUMENTS.

ARTICLE 7 **MORTGAGES**

Section 7.1 Notice to Association. Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Condominium Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.

Section 7.2 Insurance. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

Section 7.3 Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

Section 7.4 Applicability to Mortgage Insurers and Guarantors. Any of the rights in the condominium document which are granted to first mortgagees shall also be extended to insurers and guarantors of such mortgages, provided that they have given the Association notice of their interests. However, when voting rights are attributed to a mortgagee, only one vote may be cast per mortgage as to the mortgage in question regardless of the number of mortgagees, assignees, insurers and guarantors interested in the mortgage.

ARTICLE 8 **VOTING**

Section 8.1 Vote. Except as limited in these Bylaws, all of the Owners of a Unit shall be entitled to only one vote for each Unit owned, and the value of the vote attributed to each Unit shall be equal.

Section 8.2 Eligibility to Vote. No Owner, other than Developer, shall be entitled to vote at any meeting of the Association until such Owner has presented evidence of ownership of a Unit in the Condominium to the Association. Except as provided in Sections 9.3 and 11.2 of these Bylaws, no Owner, other than Developer, shall be entitled to vote prior to the date of the First Annual Meeting held in accordance with Sections 9.3 and 11.2. The vote of each Owner may be cast only by the individual representative designated by such Owner in the notice required in Section 8.3 of this Article 8 or by a proxy given by such individual representative. Until the First Annual Meeting Developer shall be entitled to vote notwithstanding the fact that Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting Developer shall be entitled to one vote for each Unit which Developer owns.

Section 8.3 Designation of Voting Representative. Each Owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Unit or Units owned by the Owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Owner. Such notice shall be signed and dated by the Owner. The individual representative designated may be changed by the Owners of a Unit at any time by filing a new notice in the manner herein provided. In the event a Unit is owned by multiple Owners who fail to designate an individual voting representative for such Owners, the Owner whose name first appears on record title shall be deemed to be the individual representative authorized to vote on behalf of all the multiple Owners of the Unit(s) and any vote cast in person or by proxy by said individual representative shall be binding upon all such multiple Owners. Notwithstanding anything to the contrary contained herein, in the event title to a Unit is held by a husband and wife, either the husband or wife may vote, unless otherwise designated in writing.

Section 8.4 Quorum. Those Owners present in person or by proxy at the First Annual Meeting held in accordance with Sections 9.3 and 11.2 shall constitute a quorum for such meeting. At all other meetings of Owners, the presence in person or by proxy of thirty-five percent (35%) of the Owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to have a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

Section 8.5 Failure of Quorum. If any meeting of Owners cannot be held because a quorum is not in attendance, the Owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. When a meeting is adjourned to another time or place, it is not necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken and only such business is transacted at the adjourned meeting as might have

been transacted at the original meeting. However, if after the adjournment, the Board of Directors fixes a new record date for the adjourned meeting, a notice of adjourned meeting shall be given to each Owner or Owner's individual representative. If a meeting is adjourned in accordance with the provisions of this Section 8.5 due to the lack of a quorum, the required quorum at the subsequent meeting shall be fifty percent (50%) of the required quorum for the meeting that was adjourned, provided that the Board of Directors provides each Owner (or Owner's individual representative) with notice of the adjourned meeting in accordance with Section 9.6 below and provided further the subsequent meeting is held within sixty (60) days from the date of the adjourned meeting.

Section 8.6 Voting. Votes may be cast in person, by electronic transmission, or by a writing duly signed by the designated voting representative not present at a given meeting in person, or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 8.7 Majority. A majority, except where otherwise provided herein, shall consist of more than fifty percent (50%) of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association where a quorum is present. Whenever provided specifically in the Condominium Documents, a majority may be required to exceed the simple majority herein above set forth of designated voting representatives present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association. When an action is to be authorized by vote of the Owners of the Association, the action must be authorized by a majority of the votes cast at a meeting duly called for such purpose, unless a greater percentage vote is required by the Master Deed, these Bylaws or the Act.

ARTICLE 9 **MEETINGS**

Section 9.1 Place of Meeting. Unless conducted electronically, meetings of the Association shall be held at the principal office of the Association, virtually through a meeting host or other means of remote communications as determined by the Board of Directors, or at such other suitable place convenient to the Owners as may be designated by the Board of Directors. Participation at a meeting of the Association through means of remote communication or attendance via meeting host as determined by the Board of Directors shall constitute in person presence at such meeting. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure as selected by the Board of Directors, when not otherwise in conflict with the Condominium Documents or the laws of the State of Michigan.

Section 9.2 Electronic Meetings. Meetings may be held through electronic media including, without limit, by Zoom, Teams, or telephone provided that such meetings are held in a manner which complies with then current requirements of applicable statutes.

Section 9.3 First Annual Meeting. The First Annual Meeting may be convened only by the Developer and may be called at any time after more than fifty percent (50%) of the Units that may be created have been sold and the purchasers thereof qualified as members of the Association.

In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to non-developer Owners of seventy-five percent (75%) in number of all Units that may be created or fifty-four (54) months after the first conveyance of legal or equitable title to a non-developer Owner of a Unit in the Condominium, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting and no such meeting shall be construed as the First Annual Meeting. The date, time and place of such meeting shall be set by the Board of Directors, and at least ten (10) days' written notice thereof shall be given to each Owner. The phrase "Units that may be created" as used in this Section 9.3 and elsewhere in the Condominium Documents refers to the maximum number of Units which Developer is permitted to include in the Condominium, under the Condominium Documents as they may be amended.

Section 9.4 Annual Meetings. Annual meetings of the Association shall be held on the last Thursday of October each succeeding year after the year in which the First Annual Meeting is held at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than eight (8) months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Owners a Board of Directors in accordance with the requirements of Article 11 of these Bylaws. The Owners may also transact at the annual meetings such other business of the Association as may properly come before them.

Section 9.5 Special Meetings. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the Owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 9.6 Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as of the time and place where it is to be held, upon each Owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Owner at the address shown in the notice required to be filed with the Association by Article 8, Section 8.3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 9.7 Order of Business. The order of business at all meetings of the members shall be as follows: (1) roll call to determine the voting power represented at the meeting; (2) proof of notice of meeting or waiver of notice; (3) reading of minutes of preceding meeting; (4) reports of officers; (5) reports of committees; (6) appointment of inspector of elections (at annual meetings or special meetings held for purpose of election of Directors or officers); (7) election of Directors (at annual meeting or special meetings held for such purpose); (8) unfinished business; and (9) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary and Treasurer.

Section 9.8 Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members, which ballots are signed within no more than a sixty (60) day period, as determined by the Board of Directors. Ballots shall be solicited in the same manner as provided in Section 9.6 for the giving of notice of meetings of members. Such solicitations shall specify (1) the number of responses needed to meet the quorum requirements; (2) the percentage of approvals necessary to approve the action; and (3) 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 (1) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (2) 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.

Section 9.9 Meetings in the Event of Failure of Notice. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy and if, either before or after the meeting, each of the members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 9.10 Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. Recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE 10

ADVISORY COMMITTEE

Within one (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the total number of Units that may be created, whichever first occurs, Developer shall cause to be established an advisory committee ("Advisory Committee") consisting of at least three (3) non-developer Owners. The Advisory Committee shall be established and perpetuated in any manner Developer deems advisable, except that if more than fifty percent (50%) of the non-developer Owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the Board of Directors and the non-developer Owners and to aid the transition of control of the Association from Developer to non-developer Owners. The Advisory Committee shall cease to exist automatically when the non-developer Owners have the voting strength to elect a majority of the Board of Directors of the Association. Developer may remove and replace at

its discretion at any time any member of the Advisory Committee who has not been elected by the Owners.

ARTICLE 11 **BOARD OF DIRECTORS**

Section 11.1 Number and Qualification of Directors. The Board of Directors shall be comprised of three (3) members all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association.

Section 11.2 Election of Directors.

11.2.1 First Board of Directors. The first Board of Directors shall be composed of three (3) persons and such first Board of Directors or its successors as selected by Developer shall manage the affairs of the Association until the appointment of the first non-developer Owners to the Board. Thereafter, elections for non-developer Owner Directors shall be held as provided in subsections 11.2.2 and 11.2.3 below. The Directors shall hold office until their successors are elected and hold their first meeting.

11.2.2 Appointment of Non-developer Owners to Board Prior to First Annual Meeting. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Owners of twenty-five percent (25%) of the Units that may be created, one (1) of the three (3) Directors shall be selected by non-developer Owners. When the required percentage level of conveyance has been reached, Developer shall notify the non-developer Owners and request that they hold a meeting and elect the required Director. Upon certification to Developer by the Owners of the Director so elected, Developer shall then immediately appoint such Director to the Board to serve until the First Annual Meeting unless such Director is removed pursuant to Section 11.7 of this Article or such Director resigns or becomes incapacitated.

11.2.3 Election of Directors At and After First Annual Meeting.

11.2.3.1 Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Owners of seventy-five percent (75%) of the Units that may be created, and before conveyance of ninety percent (90%) of such Units, the non-developer Owners shall elect all Directors on the Board except that Developer shall have the right to designate at least one (1) Director as long as the Units that remain to be created and sold equal at least ten percent (10%) of all Units that may be created in the Condominium. Whenever the seventy-five percent (75%) conveyance level is achieved, a meeting of Owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

11.2.3.2 Regardless of the percentage of Units which have been conveyed, upon the expiration of fifty-four (54) months after the first conveyance of legal or equitable title to a non-developer Owner of a Unit in the Condominium, the non-developer Owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by Developer. This election may increase, but shall not

reduce, the minimum election and designation rights otherwise established in subsection 11.2.3.1. Application of this subsection does not require a change in the size of the Board of Directors.

11.2.3.3 If the calculation of the percentage of members of the Board of Directors that the non-developer Owners have the right to elect under subsection 11.2.3.2, or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Owners under subsection 11.2.2 results in a right of non-developer Owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Owners have the right to elect. After application of this formula Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of Developer to designate one (1) member as provided in subsection 11.2.3.1.

11.2.3.4 At the First Annual Meeting two (2) Directors shall be elected for a term of two (2) years and one (1) Director shall be elected for a term of one (1) year. At such meeting all nominees shall stand for election as one (1) slate and the two (2) persons receiving the highest number of votes shall be elected for a term of two (2) years and the one (1) person receiving the next highest number of votes shall be elected for a term of one (1) year. After the First Annual Meeting, the term of office (except for one (1) of the Directors elected at the First Annual Meeting for a one year term) of each Director shall be two (2) years. At each annual meeting held after the first, either one (1) or two (2) Directors shall be elected depending upon the number of Directors whose terms expire. The Directors shall hold office until their successors have been elected and hold their first meeting.

11.2.3.5 Once the Owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article 9, Section 9.3 above.

11.2.3.6 Status of Units Conveyed to Residential Builders. For purposes of calculating the timing of events described in Article 10 above and this Section 11.2, the conveyance by the Developer of a Unit to a Residential Builder, whether or not the Residential Builder is affiliated with the Developer as defined by the Act, shall not be considered a sale to a non-developer Owner until such time as the Residential Builder conveys the Unit with a completed Residence on it or until the Unit contains a completed and occupied Residence.

Section 11.3 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Owners.

Section 11.4 Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

11.4.1 To manage and administer the affairs of and to maintain the Condominium and the Common Elements thereof.

11.4.2 To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.

11.4.3 To carry insurance and collect and allocate the proceeds thereof.

11.4.4 To rebuild improvements to the Common Elements after casualty (subject to the provisions of the Condominium Documents).

11.4.5 To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium.

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

11.4.7 To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association; and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of seventy-five percent (75%) of all of the members of the Association.

11.4.8 To make rules and regulations in accordance with these Bylaws.

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

11.4.10 To enforce the provisions of the Condominium Documents.

Section 11.5 Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 11.3 and 11.4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. Notwithstanding the foregoing, a service contract which exists between the Association and the developer or affiliates of the developer and a management contract with the developer or affiliates of the developer is voidable by the Board of Directors on the transitional control date or within 90 days thereafter, and on 30 days' notice at any time thereafter for cause. To the extent that any management contract extends beyond 1 year after the transitional control date, the excess period under the contract may be voided by the Board of Directors by notice to the management agent at least 30 days before the expiration of the 1 year.

Section 11.6 Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that Developer shall be solely entitled to fill the vacancy of any Director whom Developer is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. Vacancies among non-developer Owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Owners and shall be filled in the manner specified in Section 11.2.2 of this Article.

Section 11.7 Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of all the Owners, not just of those present, and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal thirty-five percent (35%) requirement set forth in Article 8, Section 8.4. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

Section 11.8 First Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present.

Section 11.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or facsimile at least ten (10) days prior to the date named for such meeting.

Section 11.10 Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, by mail, telephone or facsimile which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) Directors.

Section 11.11 Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be deemed a waiver of notice by the Director of the time and place thereof. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11.12 Quorum. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, less than a quorum is present, the majority of those present may adjourn the meeting to a subsequent time upon twenty-four (24) hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for purposes of determining a quorum.

Section 11.13 Electronic Meetings. Meetings may be held through electronic media including, without limit, by Zoom, Teams, or telephone provided that such meetings are held in a manner which complies with then current requirements of applicable statutes. Participation in a meeting pursuant to this Section 11.13 constitutes presence at the meeting.

Section 11.14 First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

Section 11.15 Consent in Lieu of Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent in writing. The written consent shall be filed with the minutes of the proceedings of the Board of Directors. The consent has the same effect as a vote of the Board of Directors for all purposes.

Section 11.16 Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds, insuring against theft, dishonesty, and other standard coverage of fidelity bonds. The premiums on such bonds shall be expenses of administration.

Section 11.17 Compensation. The Board of Directors shall not receive any compensation for rendering services in their capacity as Directors, unless approved by the Owners (or their individual representatives) who represent two-thirds (2/3rds) or more of the total votes of all Owners qualified to vote.

ARTICLE 12 **OFFICERS**

Section 12.1 Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Secretary and a Treasurer. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. Any two (2) offices except that of President may be held by one person.

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

12.1.2 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

12.1.3 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; the Secretary shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all duties incident to the office of the Secretary.

12.1.4 Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.

12.1.5 Election; Term; Resignation; Vacancy. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office for the term for which he is appointed until his successor is elected or appointed, or until his resignation or removal. Any officer may resign by written notice to the Board of Directors. Any vacancy occurring in any office may be filled by the Board of Directors.

Section 12.2 Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and such officer's successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

Section 12.3 Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE 13 **SEAL**

The Association may (but need not) have a seal. If the Board of Directors determines that the Association shall have a seal then it shall have inscribed thereon the name of the Association, the words "corporate seal," and "Michigan."

ARTICLE 14
FINANCE

Section 14.1 Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Owners. Such accounts and all other Association records shall be open for inspection by the Owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by certified public accountants, provided, however, the Association can opt out of such audit upon an affirmative vote of the majority of the Owners annually. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

Section 14.2 Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

Section 14.3 Bank. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.

ARTICLE 15
VOLUNTEERS, INDEMNIFICATION AND INSURANCE

Section 15.1 Limitation of Liability of Volunteers. No director or officer of the Master Association who is a volunteer director or volunteer officer (as these terms are defined in the Michigan Non-Profit Corporation Act) of the Master Association shall be personally liable to the Master Association or its members for monetary damages for any action taken or any failure to take any action as a volunteer director or officer except for liability arising from: (a) the amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled; (b) intentional infliction of harm on the Master Association, its shareholders, or members; (c) a violation of section 551 of the Michigan Non-Profit Corporation Act; (d) an intentional criminal act; and, (e) a liability imposed under section 497(a) of the Michigan Non-Profit Corporation Act. If the Michigan Non-Profit Corporation Act hereafter is amended to authorize the further elimination or limitation of liability of directors or officers, then the liability of a director or officer of the Master Association, in addition to the limitation on personal liability contained herein, shall be limited to the fullest extent permitted by the amended Michigan Non-Profit Corporation Act.

Section 15.2 Assumption of Liability of Volunteers. The Master Association further assumes liability for all acts or omissions of a volunteer director, volunteer officer or other volunteer of the Master Association 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; and (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 Michigan Public Acts of 1956.

Section 15.3 Indemnification. The Master Association shall indemnify, advance expenses, and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a "**Covered Person**") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (a "**Proceeding**"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Master Association, a volunteer director or officer of the Master Association, or a nondirector volunteer of the Master Association against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except for claims for indemnification (following the final disposition of such Proceeding) or advancement of expenses not paid in full, the Master Association shall be required to indemnify a Covered Person in connection with a Proceeding (or part thereof) commenced by such Covered Person only if the commencement of such Proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board.

Section 15.4 Advancement of Expenses. The Board may but need not authorize the Master Association to pay the expenses (including attorneys' fees) actually and reasonably incurred by a Covered Person in defending any Proceeding in advance of its final disposition, upon (a) written request of such Covered Person, and (b) receipt of an undertaking by or on behalf of such Covered Person to repay all amounts advanced, if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such Covered Person is not entitled to be indemnified for such expenses under these Bylaws. Payment of such expenses actually and reasonably incurred by such Covered Person, may be made by the Master Association, subject to such terms and conditions as the Master Association in its discretion deems appropriate.

Section 15.5 Insurance. The Master Association may purchase and maintain insurance on behalf of any Covered Person against any liability asserted against such Covered Person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Master Association would have the power to indemnify such person against such liability under Michigan law.

Section 15.6 Repeal, Amendment, or Modification. Any amendment, repeal, or modification of this Article 15 shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

Section 15.7 Actions in the Right of the Association. To the fullest extent permitted by the Michigan Non-profit Corporation Act, the Association shall, subject to Section 15.5 above,

indemnify any person who was or is a party defendant to or is threatened to be made a party defendant of any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Director or officer of the Association, or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including actual and reasonable attorney fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit and amounts reasonably paid in settlement if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association or its members, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 15.8 Former Representatives, Officers, Employees or Agents. The indemnification provided in this Article 15 shall continue as to a person who has ceased to be a Director, officer, employee, agent or volunteer of the Association and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 15.9 Changes in Michigan Law. In the event of any change of the Michigan statutory provisions applicable to the Association relating to the subject matter of this Article 15, the indemnification to which any person shall be entitled hereunder arising out of acts or omissions occurring after the effective date of such amendment shall be determined by such changed provisions. No amendment to or repeal of Michigan law with respect to indemnification shall restrict the Association's indemnification undertaking herein with respect to acts or omissions occurring prior to such amendment or repeal. The Board of Directors are authorized to amend this Article 15 to conform to any such changed statutory provisions.

ARTICLE 16 **AMENDMENTS**

Section 16.1 By Developer. In addition to the rights of amendment provided to Developer in the various Articles of the Master Deed, Developer may, during the Construction and Sales Period and for a period of two (2) years following the expiration of the Construction and Sales Period, and without the consent of any Owner, mortgagee or any other person, amend these Bylaws provided such amendment or amendments do not materially alter the rights of Owners or mortgagees.

Section 16.2 Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association upon the vote of the majority of the Directors or may be proposed by one-third (1/3) or more in number of the Owners by a written instrument identifying the proposed amendment and signed by the applicable Owners.

Section 16.3 Meeting. If any amendment to these Bylaws is proposed by the Board of Directors or the Owners, a meeting for consideration of the proposal shall be duly called in accordance with the provisions of these Bylaws.

Section 16.4 Amendment. These Bylaws may be amended by the Owners at any regular meeting or a special meeting called for such purpose by an affirmative vote of two-thirds (2/3rds) or more of the total votes of all Owners qualified to vote, as determined on a percentage of value basis. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of two-third (2/3rds) of all mortgagees of Units shall be required. Each mortgagee shall have one vote for each mortgage held. Notwithstanding anything to the contrary contained in this Article 16, during the Construction and Sales Period, these Bylaws shall not be amended in any way without the prior written consent of Developer.

Section 16.5 Effective Date of Amendment. Any amendment to these Bylaws shall become effective upon the recording of such amendment in the office of the Washtenaw County Register of Deeds.

Section 16.6 Township Approval. Notwithstanding anything to the contrary contained in these Bylaws, any amendment to these Bylaws which would be inconsistent with the Development Agreements or the Development Requirements (as either is defined in the Master Deed) or Condominium Subdivision Plan shall require the approval of the Township.

Section 16.7 Binding Effect. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment adopted in accordance with this Article 16 shall be binding upon all persons who have an interest in the Condominium irrespective of whether such persons actually receive a copy of the amendment. These Bylaws may not be amended in any manner to eliminate or conflict with any mandatory provision of the Act or any applicable law or provision of the Master Deed; nor may they be amended to materially reduce or eliminate the rights of any first mortgagees without the consent of the mortgagees affected.

ARTICLE 17 **COMPLIANCE**

The Association and all present or future Owners, tenants, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the Act, as amended, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Condominium Premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE 18 **DEFINITIONS**

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit or as set forth in the Act.

ARTICLE 19 **REMEDIES FOR DEFAULT**

Any default by an Owner shall entitle the Association or another Owner or Owners to the following relief:

Section 19.1 Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Owner or Owners.

Section 19.2 Recovery of Costs. In any proceeding arising because of an alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Owner be entitled to recover such attorneys' fees.

Section 19.3 Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, Limited or General, or into any Unit and the improvements thereon, where reasonably necessary, and summarily remove and abate, at the expense of the 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 Owner arising out of the exercise of its removal and abatement power authorized herein.

Section 19.4 Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to each Owner's voting representative identified as provided in Section 8.3 of these Bylaws. Thereafter, fines may be assessed only upon notice to the offending Owners given to such Owner's voting representative identified in accordance with Section 8.3, and an opportunity for such Owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article 2 of these Bylaws. No fine shall be levied for the first violation. No fine shall exceed Twenty-Five Dollars (\$25.00) for the second violation, Fifty Dollars (\$50.00) for the third violation or One Hundred Dollars (\$100.00) for any subsequent violation.

Section 19.5 Collection. The fines levied pursuant to Section 19.4 above shall be assessed against the Owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Owner to all liabilities set forth in the Condominium Documents.

Section 19.6 Developer Exempt from Fines. The Association shall not be entitled to assess fines against the Developer during the Construction and Sales Period for any alleged violations of the Condominium Documents but shall be required to rely solely upon its other legal remedies for redress of such alleged violations.

Section 19.7 Non-Waiver of Right. The failure of the Association or of any Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Owner to enforce such right, provision, covenant or condition in the future.

Section 19.8 Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Owner or Owners pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 19.9 Enforcement of Provisions of Condominium Documents. An Owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. An Owner may maintain an action against any other Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE 20 **RIGHTS RESERVED TO DEVELOPER**

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

ARTICLE 21 **SEVERABILITY**

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

the other terms, provisions or covenants of such Condominium Documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

ARTICLE 22 ARBITRATION

Section 22.1 Scope and Election. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between the Owners, or the Owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration, and the parties shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time shall be applicable to any such arbitration. In the absence of agreement to the contrary, the arbitration shall be conducted by the American Arbitration Association. The costs of the arbitration shall be paid equally by the parties to the arbitration proceedings.

Section 22.2 Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 22.1 above, any Owner or the Association may petition the courts to resolve any disputes, claims or grievances.

Section 22.3 Election of Remedies. The election and written consent by the disputing parties to submit any dispute, claim or grievance to arbitration shall preclude such parties from thereafter litigating such dispute, claim or grievance in the courts. Nothing contained in this Article 22 shall limit the rights of the Association or any Owner, as described in Section 154 of the Act.

ARTICLE 23 HEALTH AND ENVIRONMENTAL REQUIREMENTS

Section 23.1 Water Wells. The Water Well of each Unit in the Condominium are subject to the restrictions set forth in this Section 23.1 and the restrictions in the Master Deed. This Section 23.1 may not be amended, modified or rescinded without the prior written consent of the Washtenaw County Health Department ("WCHD").

(a) All Water Wells must be owned and maintained by individual Co-Owners and the conveyance of any Unit to a Co-Owner shall be deemed to include the conveyance of the Water Well to the individual Co-Owner

(b) All Water Wells in the Condominium shall have a minimum yield of ten (10) gallons per minute (gpm).

(c) All Water Wells must be grouted with bentonite or neat cement to the top of the screen.

(d) Any Water Well installed within the Condominium must be tested for established safe levels for nitrates, arsenic, and coliform bacteria when the Water Well is installed. Any wells installed after the conveyance of a Unit to a Co-Owner must be tested by or on behalf of the Co-Owner on installation.

(e) All Water Wells must be drilled into a protected aquifer. The clay barrier shall be no less than 10 feet in thickness. If a Water Well cannot be drilled into a protected aquifer, a minimum of 50 feet submergence must be provided. Submergence is measured as the distance from the static water level to the bottom of the casing or top-of-screen in an unconfined aquifer.

(f) The Condominium is located in a "well first" area. Prior to obtaining a building permit, the Co-owner (or Developer if the Developer is carrying out construction) must first obtain a well permit from the WCHD. Once the Water Well is drilled, a well record demonstrating proper construction and adequate yield must be submitted to WCHD for review.

(g) Chemical analysis of water from test wells in Arbor Preserve North determined a total hardness concentration range of 319 to 614 mg/L as calcium carbonate. Chemical analysis of water from test wells in Arbor Preserve South determined a total hardness concentration range of 285 to 589 mg/L as calcium carbonate. The maximum recommended standard is 250 mg/L. Hardness may cause scaling, plumbing problems, and increase usage of soap and detergent. Softening of the water may result in high sodium concentrations, which should be considered by people on sodium restricted diets.

(h) Water quality sampling from test wells for the Condominium have confirmed that arsenic concentrations within the Condominium may exist above the established US EPA drinking water standard of 0.010 milligrams per liter (mg/L). Specifically, arsenic levels in test wells on the Arbor Preserve North ranged from 0.003 to 0.011 mg/L. Arsenic levels in test wells on the Arbor Preserve South ranged from less than 0.002 Mg/L to 0.012 mg/L. If in connection with an application for a Certificate of Approval for any Water Well, arsenic concentrations in untreated water exceed 0.010 mg/L, an NSF-certified point-of-use (POU) treatment device must be installed to reduce exposure to arsenic in drinking water. No Certificate of Approval for the Water Well will be issued until the treatment device has been shown to reduce arsenic levels to the safe drinking water standard of 0.010 mg/L or less. If arsenic concentrations exceed 0.050 mg/L, a Certificate of Approval may not be issued and a replacement well may be required. Additionally, where the untreated arsenic level exceeds the drinking water standard .010 mg/L, the Co-owner of the Unit must complete an Affidavit of Notification stipulating that the Co-owner is responsible for regular maintenance, per the manufacturer requirements, of their arsenic treatment device to maintain safe drinking water. The Affidavit of Notification also requires owners to notify potential buyers of any Co-owner that a treatment device is utilized to reduce the arsenic to a safe level and to maintain safe drinking water conditions prior to a transfer or conveyance of any Unit.

(i) Chemical analysis of water from test wells for Arbor Preserve North determined iron concentrations ranging from 0.57 to 3.76 mg/L. Chemical analysis of

water from test wells for Arbor Preserve South determined iron concentrations ranging from 0.21 to 4.14 mg/L. The recommended secondary standard is 0.3 mg/L. The presence of iron in water is considered objectionable because it imparts a brownish color to laundered goods and affects the taste of beverages such as tea and coffee. Prospective owners are to be informed that softening or other iron removal systems may be necessary or desirable for aesthetically agreeable well water. A health-based iron drinking water level has been set at 2.0 mg/L for people afflicted with an inherited condition known as hemochromatosis. People who have been diagnosed with hemochromatosis and use a water supply containing iron greater than 2.0 mg/L should consult their physician regarding the long-term use of their water supply. If a water softener is required backwash must discharge to the storm sewer system.

(j) Each Co-owner must provide access to any Water Well for routine maintenance and repairs. To ensure a well drilling rig can access the Unit to conduct maintenance and repairs, a clear path to the well at least 10 to 15 feet wide must be maintained. The path must be clear of obstructions, including trees, structures, and overhead lines.

(k) The Developer has or will properly abandon all test or observation wells installed at the Condominium by the Developer in accordance with Part 127, Act 368 of the Groundwater Quality Control Act. Written certification as to the abandonment of these wells by a licensed well driller has been or will be submitted to the WCHD.

(l) Water Wells shall be located in the location indicated on the site plan as submitted by Atwell (revision date of August 8, 2025) and approved by WCHD on September 16, 2025. Any changes in the locations of any Water Well, flooding of any Unit, encroachment of any required isolation distances, or new information regarding the suitability of the Co-Owner's Unit may necessitate further investigation or disapproval of the site in which event the Co-Owner will cooperate with the WCHD and take all corrective action at the Co-Owner's sole cost.

(m) Upon conveyance of any Unit to a Co-Owner, the Co-owner shall thereafter be responsible for compliance with any laws, rules or regulations pertaining to the Water Well located on such Unit including, without limit, performing any required testing, complying with applicable water quality standards and maintaining any water quality equipment. Additionally, upon such conveyance, the Developer is released from any obligation for testing or compliance with applicable water quality standards and the maintenance of any water quality equipment.