PURCHASER'S INFORMATION BOOKLET

FOR

VISTA HILLS CONDOMINIUM

A RESIDENTIAL CONDOMINIUM LOCATED IN THE CITY OF NOVI OAKLAND COUNTY, MICHIGAN

UPDATED: NOVEMBER, 2006

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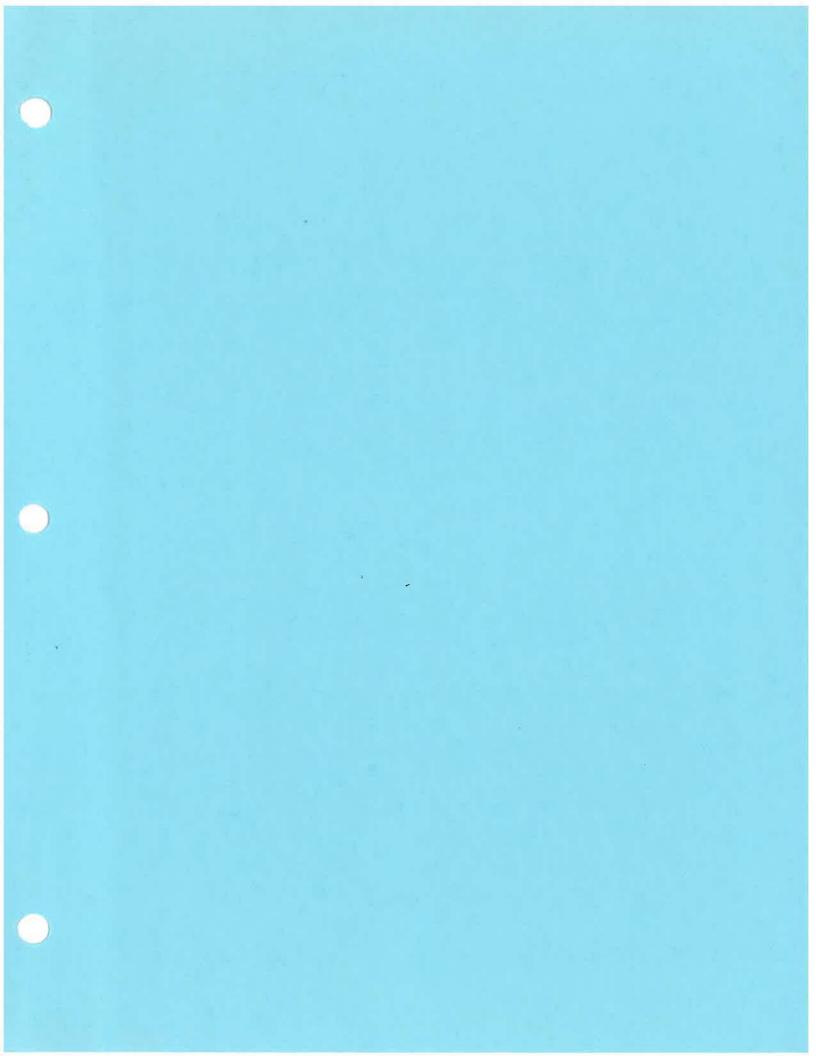
AMENDED AND RESTATED MASTER DEED

AMENDED AND RESTATED CONDOMINIUM BYLAWS

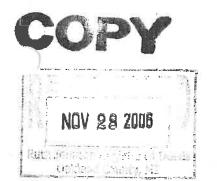
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11/28/2006 04:26:25 P.M. RECEIPT# 133823
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RUTH JOHNSON, CLERK/REGISTER OF DEEDS

Nird L AMENDED AND RESTATED MASTER DEED OF VISTA HILLS CONDOMINIUM

(Act 59, Public Acts of 1978 as amended)

OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 822

This Second Amended and Restated Master Deed is made and executed on this Normal day of November, 2006, by the Vista Hills Association, a Michigan Nonprofit Corporation, hereinafter referred to as "Association", whose office is c/o 41486 Wilcox, Plymouth, MI 48170, the ("Association"), represented herein by William D. Osip, the President of the Vista Hills Association, who is fully empowered and qualified to act on behalf of the Association, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act."

WITNESSETH:

WHEREAS, the Association desires by recording this Second Amended and Restated Master Deed, together with the Second Amended and Restated Condominium Bylaws attached hereto as Exhibit "A", and the Condominium Subdivision Plan attached to the Amended and Restated Master Deed as Exhibit "B", which is hereby incorporated by reference and made a part hereof as Exhibit B, to reaffirm the establishment of the real property described in Article II below, together with all of the improvements now located upon such real property and the appurtenances thereto, as a residential site condominium project under the provisions of the Condominium Act of Michigan. The Master Deed for Sandstone, recorded in Liber 13736, Pages 571-648 and the Amended and Restated Master Deed for Vista Hills Condominium, recorded in Liber 14820, Pages 123-201, Oakland County Records, are superseded and replaced by this Second Amended and Restated Master Deed and Exhibit A. The Condominium Subdivision Plan attached to the Amended and Restated Master Deed as Exhibit "B", as amended, is retained and incorporated herein by reference as Exhibit B, hereof.

NOW THEREFORE, the Association does, upon the recording hereof, reaffirm the establishment of Vista Hills Condominium as a Condominium under the Condominium Act and does declare that Vista Hills Condominium (hereinafter referred to as the "Condominium", "Project" or the "Condominium Project"), shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations, and affirmative obligations set forth in this Second Amended and Restated Master Deed and Exhibits "A" and "B" applicable hereto, all of which shall be deemed to run with the

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real property described in Article II below and shall be a burden and a benefit to the Association, its successors and assigns, and any persons acquiring or owning an interest in such real property, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I

TITLE AND NATURE

Section 1. <u>Condominium Name and Subdivision Plan No.</u> The Condominium shall be known as Vista Hills Condominium, Oakland Condominium Subdivision Plan No. 822, consisting of Units 1 through 144 inclusive. The Condominium Project is established in accordance with the Act.

Section 2. Condominium Units and Co-owner Rights of Access to Common Elements. The Units contained in the Condominium, including the number, boundaries and dimensions of each Unit therein, are set forth completely in the Condominium Subdivision Plan applicable to this Second Amended and Restated Master Deed as Exhibit "B". Each Unit is capable of individual utilization on account of having its own access to a Common Element of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to his Unit and shall have undivided and inseparable rights to share with the other Co-owners the Common Elements of the Condominium Project as are designated by the Second Amended and Restated Master Deed.

Section 3. <u>Voting</u>. Co-owners shall have voting rights in the Vista Hills Association as set forth herein, in the Second Amended and Restated Condominium Bylaws and Articles of Incorporation of such Association.

ARTICLE II

LEGAL DESCRIPTION

The land which comprises the Condominium Project, as amended, is particularly described as follows:

Part Of The Northwest 1/4 Section 11, T1N-R8E, City of Novi, Oakland County, Michigan, More Particularly Described As Follows: Commencing At A Point Distant N 86°56'33" E, 60.03 Feet Along The East And West Quarter Line Of Said Section 11; Thence From Said point Of Beginning The Following Two (2) Courses Along The Easterly Right-Of-Way Of Proposed Decker Road (120 Feet Wide), (1) 389.38 Feet Along The Arc Of A Curve To The Right, Said Curve Having A Radius Of 515.00 Feet, A Central Angle Of 43°19'11" And A Chord Which Bears N 19°54'49 E, 380.17 Feet And (2) N 41°34'25 E, 1,869.31 Feet; Thence S 48°25'35" E 80.78 Feet; Thence S 04°42'10" W, 34.99 Feet; Thence S 57°56'53" E 120.13 Feet; Thence S 49°05'48" E, 59.33 Feet; Thence S 69°15'08" E, 70.18 Feet; Thence S 81°37'14" E, 146.98 Feet; Thence N 90°00'00 E, 50.00 Feet; Thence S 02°22'36" E 212.75 Feet; Thence S 29°34'55" W, 192.53 Feet; Thence S 22°36'05" W 218.62 Feet; Thence S 45°45'20" E, 106.61 Feet: Thence

S 51°05'57" E, 169.78 Feet; Thence S 03°38'10" W, 64.56 Feet; Thence S 27°38'18 E, 72.00 Feet; Thence S 11°08'35" E 125.93 Feet; Thence S 13°23'54" W, 72.71 Feet; Thence S 62°02'14" W 45.22 Feet; Thence S 21°29'36" W, 93.72 Feet; Thence S 56°20'00" E, 26.52 Feet; Thence 88.35 Feet Along The Arc Of A Curve To The Left, Said Curve Having A Radius Of 300.00 Feet, A Central Angle Of 16°52'28" And A Chord Which Bears S 64°46'14 E, 88.04 Feet; Thence S 16°47'32" W, 28.00 Feet; Thence S 03°03'27" E, 142.33 Feet, Thence S 86°56'33" W 1,940.10 Feet Along Said East And West Quarter Line Of Said Section 11 To The Point Of Beginning; Containing 45.68 Acres, More Or Less, And Subject To Easements And Restrictions Of Record.

ARTICLE III

DEFINITIONS

Section 1. <u>General Description of Terms Used.</u> Certain terms are utilized not only in this Second Amended and Restated Master Deed and Exhibits "A" and "B" applicable hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and Rules and Regulations of the Vista Hills Association, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Vista Hills Condominium, as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

- A. The "Act" or "Condominium Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended. If any provision of this Second Amended and Restated Master Deed or its exhibits is found to conflict with any provision of the Act, or if any provision required by the Act is omitted herefrom, then the provisions of the Act are incorporated herein by reference and shall supersede and cancel any conflicting provision hereof.
- B. "Association" or "Association of Co-owners" means Vista Hills Association, a non-profit corporation organized under Michigan law of which all Co-owners are members, which corporation shall administer, operate, manage and maintain the Condominium in accordance with all applicable laws and the Condominium Documents. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- C. "Association Bylaws" or "Corporate Bylaws" shall refer to those portions of the Second Amended and Restated Condominium Bylaws of Vista Hills Association, pertaining to operation of the Michigan non-profit corporation organized to manage, maintain and administer the Condominium.
- D. "Unit or "Condominium Unit" each mean a single complete Unit in Vista Hills Condominium, as such may be described in Article VI hereof and on Exhibit B applicable hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. All structures and improvements now or hereafter located within the

boundaries of a Unit shall be owned in their entirety by the Co-owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements.

- E. "Second Amended and Restated Condominium Bylaws" means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners.
- F. "Condominium Documents", wherever used, means and includes this Second Amended and Restated Master Deed and Exhibit "A" hereof, the Condominium Subdivision Plan attached to the Amended and Restated Master Deed as Exhibit "B", together with the Articles of Incorporation and Rules and Regulations, if any, of the Association.
- G. "Condominium Premises" means and includes the land and the buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging to Condominium as described above.
- H. "Condominium Project", "Condominium" or "Project" means Vista Hills Condominium as a Condominium Project established in conformity with the provisions of the Act.
- I. "Condominium Subdivision Plan" means the Condominium Subdivision Plan attached to the Amended and Restated Master Deed as Exhibit "B", as amended, which is hereby incorporated by reference and made a part hereof as Exhibit "B".
- J. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium. The term "owner", wherever used, shall be synonymous with the term "Co-owner". Both Land Contract vendees and vendors shall be considered Co-owners, and shall be jointly and severally liable for all obligations and responsibilities of Co-owners under the Condominium Documents of Vista Hills Condominium and the Act.
- K. "Developer" shall refer to Sandstone Associates Limited Partnership-A, a Michigan Limited Partnership, which made and executed the Amended and Restated Master Deed, and its successors and assigns.
- L. "Common Elements" where used without modification means both the General and Limited Common Elements described in Article IV hereof, and does not refer to Condominium Units.
- M. "Second Amended and Restated Master Deed" means this document which when recorded shall reaffirm the establishment of the Condominium, and to which the Second Amended and Restated Condominium Bylaws are attached, and the Condominium Subdivision Plan attached to the Amended and Restated Master Deed as Exhibit "B", as amended, is made applicable.
- N. "Percentage of value" means the percentage assigned to each Condominium Unit in Article VI hereof. The percentages of value of all Units shall total one hundred (100%) percent. Percentages of value shall be determinative only with respect to those matters

to which they are specifically deemed to relate either in the Condominium Documents or in the Act. Percentages of value for each Condominium Unit have been determined with reference to reasonably comparative characteristics.

- O. "Person" means an individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof.
- P. "Planned Unit Development Agreement or PUD Agreement" means the agreement with the City of Novi, recorded in Liber 11963, Pages 273 et seq., Oakland County Records, as amended by the Amendment to Planned Unit Development Agreement, recorded in Liber 12218, Pages 187 et seq., Oakland County Records.
- Q. "Record" means to record pursuant to the laws of the State of Michigan relating to the recording of deeds.

Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate.

ARTICLE IV

COMMON ELEMENTS

Section 1. <u>Common Elements</u>. The Common Elements of the Condominium described below and in the Condominium Subdivision Plan and the respective responsibilities for maintenance, decoration, repair or replacement thereof are as follows:

A. General Common Elements. The general Common Elements are:

- (1) <u>Land</u>. The land described in Article II hereof, specifically including the roads (until and unless dedictated to the City by the Association), wooden perimeter fence along Novi Road, mailboxes and other common areas in the Condominium not designated as Limited Common Elements, as shown on the Condominium Subdivision Plan, and all beneficial easements;
- (2) <u>Electrical</u>. The electrical transmission system throughout the project, up to the point at which service leads leave the transformer to provide connections for service of units and dwellings located therein;
- (3) <u>Gas.</u> The gas distribution system throughout the project up to the point of lateral connections for Unit service;
- (4) <u>Water Distribution</u>. The water distribution system and mains throughout the Project, excluding individual wells and associated equipment, up to the point of lateral connections for service to Units and dwellings located therein;

- (5) <u>Telephone</u>. The telephone system throughout the Project up to the point of lateral connections for Unit service;
- (6) <u>Storm Drainage</u>. The storm drainage systems throughout the Project;
- (7) <u>Sanitary Sewer</u>. The sanitary sewer system throughout the Project up to the point of lateral connections for service to Units and dwellings located therein;
- (8) <u>Entrance Areas and Cul-de-sac Islands</u>. The entrance areas to the Condominium and cul-de-sac islands in the Project;
- (9) <u>Easements</u>. The electrical facilities for the entrance signs as reflected in the Electrical Service Easements over units 1 and 77 as recorded respectively in Liber 23645, Pages 096-097 and Liber 23406, Pages 047-049, Oakland County records:
- (10) <u>Sidewalks</u>. The street side sidewalks which are located throughout the Project.
- (11) Other. All elements of the project not herein designated as General or Limited Common Elements which are not enclosed within the boundaries of a Condominium Unit which are not designated as Limited Common Elements in Exhibit "B" or in subsection B of this Article and which are intended for common use or necessary to the existence, upkeep and safety of the project.

Some or all of the utility lines, systems (including mains and service leads) and equipment described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment shall be General Common Elements only to the extent of the Co-owners' interest therein, if any.

- B. <u>Limited Common Elements</u>. Limited Common Elements shall be subject to the exclusive use and enjoyment of the owner of the Unit(s) to which the Limited Common Elements are appurtenant or assigned on the Condominium Subdivision Plan. The Limited Common Elements are:
 - (1) <u>Utility Service Leads and Foundation or Footing Drains</u>. Any utility service leads providing utility service to any Unit or dwelling located therein (regardless of where located) shall be Limited Common Elements restricted in use to the Unit(s) served thereby. All drains serving a dwelling, such as foundation drains, footing drains, sump pump discharges and other drains shall be Limited Common Elements up to the point of connection with the respective utility main, and shall be restricted in use to the Unit(s) served thereby;
 - (2) Other. Elements servicing individual Units and the residences constructed thereon (such as decks, walkways, porches, drives and patios) may extend beyond the Unit boundaries, and shall be considered Limited Common

Elements to any such extent. Other Limited Common Elements shall be defined as such other elements of the Project, not located within the perimeter of a Unit, which are appurtenant to and/or benefit one or more Units, though less than the entire Project.

C. <u>Responsibility</u>. Subject at all times to the Association's exclusive right and obligation to control and approve the exterior appearance and use of all Units, including dwellings, structures, landscaping and improvements located therein, and appurtenant Limited Common Elements, if any, as set out herein and in the relevant sections of Article VI of the Second Amended and Restated Condominium Bylaws (Exhibit "A" to this Second Amended and Restated Master Deed) and Rules and Regulations promulgated in accordance therewith, the respective responsibilities for the maintenance, decoration, repair and replacement of the Units and Common Elements comprising the Condominium are as follows:

(1) Co-owner Responsibilities:

- (a) <u>Unit, Limited Common Elements</u>. The primary responsibility for maintenance, decoration, repair and replacement, including all costs associated therewith, of a Unit, including the dwelling, all fixtures, improvements and personal property located therein or elsewhere throughout the Project, and the Limited Common Elements assigned or appurtenant thereto shall be bome by the Co-owner of the Unit, except as hereinafter described. Co-owners shall also be responsible for maintenance, repair and replacement of all landscaping, sidewalks and trees located between their Unit and the road pavement adjacent thereto (even if not part of the Unit).
- (b) <u>Utility Charges</u>. All individually metered utility services shall be borne by the Co-owner of the Unit to which such services are furnished.
- (c) <u>Co-owner Additions</u>, <u>Modifications</u>. Co-owner improvements, additions or modifications, even though approved by the Association, shall not be considered Limited or General Common Elements in any case, and shall be the complete responsibility of the Co-owner. Should the Association require access to any elements of the Project which require the moving or destruction of all or part of any such addition or modification, all costs, damages and expenses involved in providing access and restoring the addition or modification shall be borne by the Co-owner.
- (d) <u>Co-owner Fault</u>. Any and all costs for maintenance, decoration, repair and replacement of any Common Element caused by the intentional or unintentional act(s) of any Co-owner, or family, guests, tenants or invitees of a Co-owner, shall be borne by the Co-owner. The Association may incur such costs and charge and collect them from the responsible Co-owner in the same manner as an assessment in accordance with Article II of the Second Amended and Restated Condominium Bylaws.

(e) Repair to Association Specifications. All maintenance, repair and replacement obligations of the Co-owners as described above and as provided in the Second Amended and Restated Condominium Bylaws shall be performed subject to the Association's mandatory prior approval and control with respect to color, style, timing, material and appearance. In the event of failure by a Co-owner to follow such specifications and approval requirements, the Co-owner shall be assessed for, and shall be responsible for, all costs of correction and for bringing the altered element into conformity with these requirements, including but not limited to, possible complete removal and replacement.

(2) Association Responsibilities:

- (a) <u>General Common Elements</u>. The costs of maintenance, decoration, repair and replacement of all General Common Elements shall be borne by the Association, in accordance with the provisions of this Article and the Second Amended and Restated Condominium Bylaws.
- (b) <u>Unauthorized Repair</u>. The Association shall not be obligated to reimburse Co-owners for repairs that the Co-owner makes or contracts for. The Association shall only be responsible for payments to contractors for work authorized by the Board of Directors or by the management company hired by the Association.
- (3) <u>Unusual Expenses</u>. Any other unusual common expenses benefiting less than all of the Condominium Units, or any expenses incurred as a result of the conduct of less than all of those entitled to occupy the Condominium Project, or by their licensees or invitees, shall be specifically assessed against the Condominium Unit or Condominium Units involved in accordance with Section 69 of the Michigan Condominium Act.

ARTICLE V

USE OF PREMISES

No Co-owner shall use his or her Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his or her Unit or the Common Elements.

ARTICLE VI

CONDOMINIUM UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. <u>Condominium Unit Description</u>. Each Unit in the Project is described in this paragraph with reference to the Condominium Subdivision Plan of Vista Hills Condominium as prepared by Ziemet/Wozniak & Associates, Inc., and made applicable hereto as Exhibit "B". Each Unit shall include all that space contained within Unit boundaries as shown on Exhibit "B".

applicable hereto and delineated with heavy outlines together with all appurtenances thereto. The plans and specifications for the Project are on file with the City of Novi. All dwellings must be constructed within the Units as depicted on Exhibit B.

Section 2. <u>Calculation of Percentage of Value</u>. The percentage of value assigned to each Unit is set forth in this Paragraph, below. The percentage of value assigned to each Unit shall be determinative of the proportionate share of each respective Co-owner in the proceeds and expenses of the administration and the value of such Co-owner's vote at meetings of the Association of Co-owners and the undivided interests of the Co-owner in the Common Elements. The total percentage value of the Project is 100. The Developer has determined that the comparative characteristics of Units in the Condominium are approximately equal. Therefore, the percentages of value for Units 1 through 144 shall be 1/144th of 100 percent.

ARTICLE VII

EASEMENTS

Section 1. <u>Easements For Encroachment, Utilities, and Support</u>. In the event any Condominium Unit or Common Element encroaches upon another Unit or Common Element, whether by deviation from the plans in the construction, repair, renovation, restoration, or replacement of any improvement, or by reason of the settling or shifting of any land or improvement, a valid easement for the encroachment shall exist, except to the extent limited by Section 40 of the Act.

There shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls contained therein for the installation, maintenance and servicing of all utilities in the Condominium, including, but not limited to, lighting, heating, power, sewer, water and communications including telephone and cable television lines.

Section 2. Association's Right to Grant Easements Dedicate Public Rights-of-Way and Act Upon Special Assessment Proceedings. The Board of Directors of the Association may grant easements over or through any portion of any General Common Element of the Condominium for utility, roadway, construction or safety purposes. The Association further has the right to dedicate all streets and all utilities and utility easements located on the Condominium Premises to the public for such, or no, consideration as the Association shall determine in its sole discretion. The Association, acting through its lawfully constituted Board of Directors shall also be empowered to dedicate to the public a right of way of such width as may be required by the local public authority over any or all of the roadways or sidewalks in Vista Hills, shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication shall be evidenced by an appropriate amendment to the Master Deed and to Exhibit "B" hereto, recorded in Oakland County Register of Deeds. The Association shall further be empowered, at any time, to execute petitions for and to act on behalf of all Co-owners in any statutory proceedings regarding special assessment districts for maintenance or improvement of the roadways in the Condominium, should the same be dedicated. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication. There is no promise that any such dedication will ever take place, notwithstanding the reservation of this right.

Section 3. Association's Easement For Maintenance, Repair and Replacement. The Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities or assumed responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law, or to respond to any emergency or common need of the Condominium, including without limitation, an easement over all Units for maintenance, repair and replacement of lawn sprinkling systems and related controls, clocks, meters and valves: provided, however, that the easements granted hereunder shall not entitle any person other than the Owner thereof to gain entrance to the interior of any dwelling or garage located within a Unit. If a Co-owner fails to properly or adequately maintain, decorate, repair, or replace his Unit, the residential structure thereon or any Limited Common Elements appurtenant thereto in a proper manner and in accordance with the standards set forth in this Amended and Restated Master Deed, the Restated Condominium Bylaws and any Rules and Regulations promulgated by the Association, the Association shall have the right, and all necessary easements in furtherance thereof, (but not the obligation) to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace the Unit, the residential structure and its appurtenances or any of its Limited Common Elements, all at the expense of the Co-owner of the Unit. The Association shall not be liable to the Owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association to take any such action shall not be deemed a waiver of the Association's right to take any such action at a future time. All costs incurred by the Association in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his monthly assessment next falling due, in accordance with Article II of the Restated Condominium Bylaws; further, the lien for non-payment shall attach as in all cases of regular assessments, and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

Section 4. Access For Repairs. No Co-owner shall, in any way, restrict access to any of the common utilities or utility distribution systems, or any other Common Elements that must be accessible to service any residences. Should access to any of these facilities be required, the Association may remove any coverings or attachments that restrict such access and will have no responsibility for repairing or replacing any materials that are damaged in the course of gaining such access. There shall be easements to, through and over those portions of the land, structures, buildings and improvements, as may be reasonable, for the installation, maintenance and repair of all utilities necessary to the Condominium Project.

Section 5. <u>Emergency Vehicle and Public Services Access Easement</u>. There shall exist for the benefit of the City of Novi, any emergency service agency and the United States Postal Service ('USPS"), an easement over all roads in the Condominium for use by City of

Novi service providers, USPS, garbage collection and/or emergency vehicles. Said easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services and other lawful governmental or emergency services to the Condominium Project and Co—owners thereof. This grant of easement shall in no way be construed as a dedication of any of the Project's, roads or driveways to the public.

Telecommunications Agreements. The Association, acting through its Section 6. duly constituted Board of Directors shall have the power to make or cause to be made such installations and/or grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or other company or entity in connection with such service, including fees if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts of administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

ARTICLE VIII

AMENDMENTS

This Second Amended and Restated Master Deed and any Exhibit hereto may be amended as provided in the Act in the following manner.

Section 1. <u>Co-owner Approval</u>. Amendments may be made and recorded by the Association upon being approved by the Co-owners of a simple two-thirds (2/3) of the Units in the Condominium entitled to vote as of the record date for such vote, except as hereinafter provided.

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgages (as defined in Section 90A(9) of the Act), such amendment shall require the consent of not less than two-thirds (2/3) of all mortgagees of record. A mortgagee shall have one vote for each mortgage held. Mortgagee approval shall be solicited in accordance with Section 90A of the Act.

Section 3. Modification of Units, Common Elements and Percentage of Value. Notwithstanding any other provision of this Article VIII, the method or formula used to determine the percentages of value of Units in the Condominium, as described in Article VI hereof, may not be modified without the consent of each affected Co-owner and mortgagee, except as permitted by the provisions of the Michigan Condominium Act, as amended. A Co-owner's Condominium Unit dimensions or appurtenant Limited Common Elements may not

be modified without the Co-owner's consent. The Condominium may be terminated only in accordance with Section 50 of the Act. Common Elements can be assigned and re-assigned only in accordance with Section 39 of the Act.

IN WITNESS WHEREOF, the Association has caused this Second Amended and Restated Master Deed to be executed the day and year first above written.

VISTA HILLS ASSOCIATION, a Michigan Nonprofit Corp.

BY:

WILLIAM D. OSIP

ITS: President

STATE OF MICHIGAN

.)ss

COUNTY OF OAKLAND

On this <u>fo</u> day of November, 2006, the foregoing Second Amended and Restated Master Deed was acknowledged before me by William D. Osip, President of Vista Hills Association, a Michigan nonprofit corporation, on behalf of and by authority of the Corporation.

Drafted by and when recorded return to: Mark F. Makower, Esq. Dickinson Wright, PLLC 38525 Woodward Ave., #2000 Bloomfield Hills, MI 48304 NOVI 46932-2 695957v1

, Notary Public

Acting in <u>wayne</u> County, MI

My commission expires: 8-25-08

KATHLEEN D. NORAM NOTARY PUBLIC WAYNE CO., MI MY COMMISSION EXPIRES AUG 28, 2008.

CERTIFICATION

STATE OF MICHIGAN)
)SS
COUNTY OF WAYNE)

I, Kathleen Koran, being first duly sworn, depose and state as follows:

That I am the Managing Agent of Vista Hills Association, the corporation named in and which executed the Second Amended and Restated Master Deed and Bylaws for Vista Hills Condominium.

That the Second Amended and Restated Master Deed and Bylaws for Vista Hills Condominium were submitted to all co-owners of units in Vista Hills Condominium for the purpose of voting thereon, and that said co-owners approved said documents by a vote of more than two-thirds of all Co-owners in number and value.

That records of said consents are maintained at the offices of Herriman and Associates, 41486 Wilcox, Plymouth, MI 48170.

FURTHER, AFFIANT SAYETH NOT.

Acknowledged, subscribed and sworn to before me this 17 day of November, 2006.

HELENE E. HARATSARIS

HARATSARAS Notary Public COUNTY Michi

County, Michigan

Acting in WAYNE County

My Commission Expires: FEB 24. 2007

CERTIFICATION

STATE OF MICHIGAN)
(SS
(COUNTY OF OAKLAND)

I, Mark F. Makower, being first duly sworn, depose and state as follows:

- 1. That I am the attorney for VISTA HILLS CONDOMINIUM ASSOCIATION, the Corporation named in and which executed the attached Second Amended and Restated Master Deed of Vista Hills Condominium.
- 2. That I personally sent a copy of the attached Second Amended and Restated Master Deed and Condominium Bylaws, and the ballot and notice required under Section 90A of the Michigan Condominium Act, to all mortgagees of record of those units qualified to vote, as listed in the records of the Oakland County Register of Deeds for the purpose of obtaining approval of said mortgagees to the Second Amended and Restated Master Deed of Vista Hills Condominium.
- 3. That (2/3) of said mortgages have consented to the attached Second Amended and Restated Master Deed in accordance with the provisions of Section 90A of the Michigan Condominium Act. Said consents are maintained in Vista Hills Association file located in my office at 38525 Woodward Ave., Suite 2000, Bloomfield Hills, MI 48304.

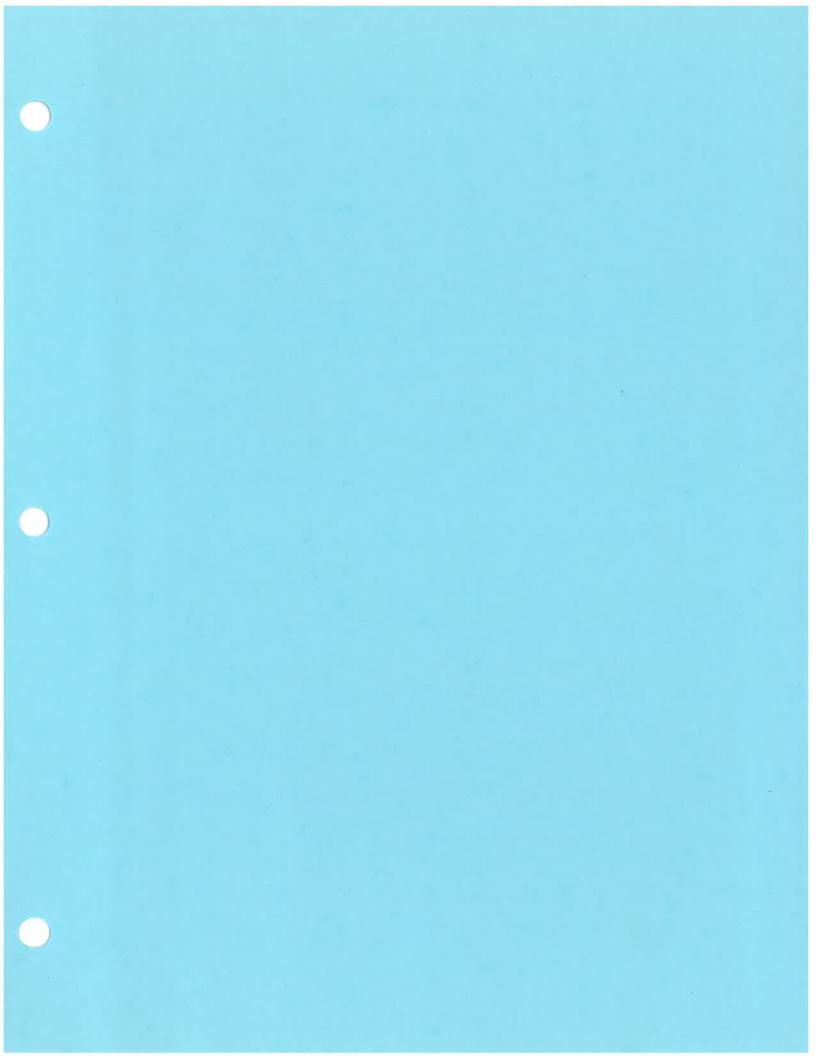
Subscribed and sworn to before me this

30th day of October, 2006.

Donna J. Papper, Notary Put Oakland County, Michigan

Acting in Oakland County, Michigan

My Commission Expires: 5/13/2007



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EXHIBIT A SECOND AMENDED AND SECOND AMENDED AND RESTATED CONDOMINIUM BYLAWS FOR VISTA HILLS CONDOMINIUM

ARTICLE I

ASSOCIATION OF CO-OWNERS

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

SECTION 2. <u>Purpose of the Bylaws.</u> These Bylaws are designated as both the Condominium Bylaws, relating to the manner in which the Condominium and the common affairs of the Co-owners of the Condominium Units shall be administered, as required by Act No. 59 of the Public Acts of Michigan of 1978, as amended, and the Association or Corporate Bylaws, governing the operation of the Association as a corporate entity, as required by Act No. 162 of the Public Acts of Michigan of 1982, as amended.

ARTICLE II

ASSESSMENTS

SECTION 1. <u>Taxes and Assessments</u>; <u>Expenses of Administration</u>. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration. Governmental special assessments and property taxes shall be assessed against the individual Condominium Units identified as Units on the Condominium Subdivision Plan and not on the total property of the project or any other part thereof. Governmental special assessments and property taxes in any year in which the property existed as an established condominium project on the tax day shall be assessed against the individual Condominium Unit, notwithstanding any subsequent vacation of the condominium project. The levying of all property taxes and governmental special assessments shall comply with Section 131 of the Act.

SECTION 2. <u>Assessments for Common Elements</u>. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the Common Elements or the administration of the Condominium shall be expenses of

administration; and all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests of the Co-owners against liabilities or losses arising within, caused by or connected with the Common Elements or the administration of the Condominium shall be receipts of administration, within the meaning of Section 54(4) of the Act, except as modified by the specific assignment of responsibilities for costs contained in Article IV, Section 3 of the Second Amended and Restated Master Deed.

SECTION 3. <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:

- A. Annual Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves. Any budget adopted shall include an allocation to a reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis, in accordance with subsection D. hereof. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for the year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments.
- B. Additional Assessments. The Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary in the Board's sole discretion, provided that the same shall be required for only the following: (i) to meet deficits incurred or anticipated because current assessments are insufficient to pay the costs of operation and maintenance; (ii) to provide repairs or replacements of existing Common Elements; (iii) to provide for additions to the Common Elements at an annual cost not exceeding 5% of the annual operating budget, or (iv) for any emergencies. The Board of Directors shall also have the authority, without the necessity of Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and its members, and shall not be enforceable by any creditors of the Association or its members.
- C. <u>Special Assessments</u>. Special assessments, in addition to those described in subparagraph A. above, may be made by the Board of Directors from time to time if approved by the Co-owners as provided herein, to meet other requirements of the Association, including, but not limited to: (i) assessments for additions to Common Elements whose total annual cost exceeds 5% of the annual operating budget annually; (ii) assessments to purchase a Unit upon foreclosure of the lien for assessments described hereafter; or (iii) assessments for any other appropriate purpose not elsewhere described. Special Assessments as provided for by this subparagraph shall not be levied without the prior approval of more than fifty (50%) percent of all Co-owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and its members and shall not be enforceable by any creditors of the Association or its members.

D. Reserve Fund. The Board of Directors shall maintain a reserve fund solely for major repairs and replacements of common elements and emergency expenditures, which reserve fund shall be in the amount of not less than ten (10%) percent of the Association's annual budget (excluding that portion of the budget allocated to the reserve fund itself) on a noncumulative basis. The Association may increase or decrease the reserve fund but may not reduce it below ten (10%) percent of the annual budget of the Association. The reserve must be funded at least annually from the proceeds of the regular monthly payments set forth in Subparagraph A of this Section, rather than by special assessments, but may be supplemented by additional or special assessments if determined necessary by the Board of Directors. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium to determine if a greater amount should be set aside in reserve or if additional reserve funds should be established for any other purposes. The Board may adopt such rules and regulations as it deems desirable from time to time with respect to type and manner of investment, funding of the reserves, disposition of reserves or any other matter concerning the reserve account(s).

SECTION 4. Payment of Assessments and Penalty for Default. All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in the Second Amended and Restated Master Deed. Annual assessment shall be payable by Co-owners annually or in such installments as may be provided by the Board in its sole discretion, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the highest rate allowed by law until paid in full. In addition, all assessments, or installments thereof, which remain unpaid as of ten (10) days after the due date, shall incur a uniform late charge of ten percent (10%) of the assessment not paid, on a monthly basis, to compensate the Association for administrative costs incurred as a result of the delinquency. The Board of Directors may revise said uniform late charges, and may levy additional late fees for special and additional assessments, pursuant to Section 11 of Article VI of these Bylaws, without the necessity of amending these Bylaws. In the event of any delinquency, the Board shall have the right to accelerate any of the remaining unpaid installments of the annual assessment for that fiscal year and declare them to be immediately due and payable. Each Co-owner (whether one or more persons) shall be personally liable for the payment of all assessments (including late fees and costs of collection and enforcement of payment, including actual attorney's fees) levied against his Unit while such Co-owner has an ownership interest therein. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including attorney's fees; second, to any interest charges, fines and late fees on such installments; and third, to installments in default in order of their due dates. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve account or other asset of the Association.

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

SECTION 6. Enforcement.

- A. Statutory Lien. Sums assessed to a Co-owner which are unpaid, together with interest of such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorneys fees and fines (as allowed by the Condominium Documents or the Act), constitute a lien upon the Unit or Units in the development owned by the Co-owner at the time of the assessment before other liens except tax liens on the Condominium Unit in favor of any state or federal taxing authority and sums unpaid on the first mortgage of record, except that past due assessments which are evidenced by a notice of lien, recorded as provided hereafter in this Section 6, have priority over a mortgage recorded subsequent to the recording of the notice and affidavit of lien. The lien upon each Condominium Unit owned by the Co-owner shall be in the amount assessed against the Condominium Unit, plus a proportionate share of the total of all other unpaid assessments attributable to Condominium Units no longer owned by the Co-owner but which became due while the Co-owner had title to the Condominium Units. The lien may be foreclosed by judicial action or by advertisement in the name of the condominium project on behalf of the other Co-owners as hereinafter provided.
- B. Remedies. The Association may enforce collection of delinquent assessments by a suit of law for money judgment or by foreclosure of the statutory lien that secures payment of assessments. A Co-owner may not assert in an answer, or set-off to a complaint brought by the Association for non-payment of assessments, the fact that the Association or its agents have not provided services or management to a Co-owner. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project, shall not be qualified to run for or function as an officer or Director of the Association, 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 Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him, and if the Unit is not occupied by the Co-owner, to lease the Condominium Unit and collect and apply the rental therefrom. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XVI of these Bylaws. All remedies shall be cumulative and not alternative.
- C. Foreclosure of Lien. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose of the lien securing payment of assessments, costs and expenses, either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, and the provisions of Section 108 of the Act, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligation of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit (and improvements) with respect to which assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of

this Section 6 and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

- D. 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 Co-owner(s) at his or their last known address, of a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of records. Such affidavit shall be recorded in the Office of the Register of Deeds in the County in which the Project is located prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the representative designated above and shall inform such representative that he may request a judicial hearing by bringing suit against the Association.
- E. <u>Expenses of Collection</u>. All expenses incurred in collecting unpaid assessments, including interests, fines, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens or costs paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.

SECTION 7. <u>Liability of Mortgagee</u>. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project, or its successors and assigns, which comes into possession of the Unit pursuant to the foreclosure remedies provided in the mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which become due prior to the acquisition of title to the Unit by such person or entity, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit, and except for claims evidenced by a Notice of Lien recorded prior to the recordation of the first mortgage.

SECTION 8. Assessment Status Upon Sale of Unit. Upon the sale or conveyance of a Condominium Unit, any unpaid assessments, interest, late fees, fines, costs and attorney's fees against the Condominium Unit shall be paid out of the net proceeds of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision thereof for taxes or special assessments due and unpaid and (b) payments due under first mortgages having priority to the Association's lien for unpaid assessments. A purchaser of a Condominium Unit is entitled to a written statement from the Association setting forth the amount of unpaid assessments, interest, late fees, fines, costs and attorney's fees outstanding against the Unit and the

purchaser is not liable for any unpaid assessments, interest, late fees, fines, costs and attorney's fees in excess of the amount set forth in such written statement, nor shall the Unit be subject to any lien for any amounts in excess of the amount set forth in the written statement. Any purchaser or grantee who fails to request a written statement from the Association as provided herein at least five (5) days before the conveyance shall be liable for any unpaid assessments against the Unit together with interest, late fees, fines, costs and attorneys' fees incurred in connection with the collection of such assessments.

SECTION 9. <u>Construction Liens</u>. Construction liens attaching to any portion of the condominium premises shall be subject to the following limitations and Section 132 of the Act;

- A. Except as provided herein, a construction lien for work performed upon a Condominium Unit or upon a Limited Common Element may attach only to the Condominium Unit upon which the work was performed.
- B. A construction lien for work authorized by the Association may attach to each Condominium Unit only to the proportionate extent that the Co-owner of the Condominium Unit is required to contribute to the expenses of administration as provided by the condominium documents.
- C. A construction lien may not arise or attach to a Condominium Unit for work performed on the Common Elements not contracted for by the Association.

ARTICLE III

ARBITRATION

SECTION 1. <u>Arbitration</u>. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners, or between a Co-owner or Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, if applicable, be submitted to arbitration and parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

SECTION 2. <u>Right to Judicial Action</u>. In the absence of the election and written consent of the parties pursuant to Section 1, above, no Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

SECTION 3. <u>Effect of Election to Arbitrate</u>. Election by the parties to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IV

INSURANCE

- SECTION 1. Extent of Coverage. The Association shall to the extent appropriate in light of the nature of the General Common Elements of the Project, carry fire and extended coverage, vandalism and malicious mischief and liability insurance, officers and directors liability insurance, and workmen's compensation insurance, if applicable, and any 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 all such insurance shall be carried and administered in accordance with the following provisions:
- A. <u>Responsibilities of the Association</u>. All such insurance shall be purchased by the Association for the benefit of the Association, the Co-owners and their mortgagees, as their interests may appear; and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners.
- B. <u>Insuring of Common Elements</u>. If applicable and appropriate all General Common Elements of the Condominium shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value, excluding any foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with its appropriate professional advisors. The Association shall not be responsible, in any way, for maintaining insurance with respect to Units, structures and improvements thereon or Limited Common Elements.
- C. <u>Cost of Insurance</u>. All premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- D. <u>Proceeds of Insurance Policies</u>. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, the Co-owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction, and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Condominium unless all of the institutional holders of first mortgages on Units in the Condominium have given their prior written approval.
- SECTION 2. Responsibilities of Co-owners. Each Co-owner shall be obligated and responsible for obtaining all risk insurance with respect to the residential structure and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and its appurtenant Limited Common Elements and for his personal property located therein of thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs. Each Co-owner

also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit and appurtenant Limited Common Elements or the improvements located thereon (naming the Association as an additional insured), and also for any other personal insurance coverage that the Co-owner wishes to carry. Each Co-owner shall deliver certificates of insurance to the Association as requested, but at least annually, to evidence the continued existence of all insurance required to be maintained by the Co-owner hereunder. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums therefore shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof.

The Association shall under no circumstances have any obligation to obtain any of the insurance overage described in this Section 3 or have any liability to any person for failure to do so. The Association and all Co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

SECTION 3. Determination of Primary Carrier. It is understood that there may be overlapping coverage between the Co-owners' policies and those of the Association, as required to be carried pursuant to this Article. In situations where both coverages/policies are applicable to a given loss, the provisions of this subsection shall control in determining the primary carrier. In cases of property damage to the Unit and its contents, Limited Common Element or other element or property for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Master Deed (including improvements and betterments), or incidental or consequential damages to any other Unit resulting from an item, element or occurrence for which the Co-owner is assigned responsibility in Article IV of the Master Deed, the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of property damage to the General Common Elements or a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Master Deed, the Association's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the Unit or in/upon a Limited Common Element for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Master Deed (including improvements and betterments), the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the General Common Elements or in/upon a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Master Deed (including improvements and betterments), the Association's policy/carrier shall be deemed to be the primary carrier. In all cases where the Association's policy/carrier is not deemed the primary policy/carrier, if the Association's policy/carrier contributes to payment of the loss, the Association's liability to the Co-owner shall be limited to the amount of the insurance proceeds, and shall not in any event require or result in the Association paying or being responsible for any deductible amount under its policies. In cases where the Co-owner's policy is deemed primary for the purpose of covering losses where the

damage is incidental or caused by a general common element or the repair or replacement thereof, the insurance carrier of the Co-owner shall have no right of subrogation against the Association or its carrier.

SECTION 4. <u>Indemnification</u>. Each individual Co-owner shall indemnify and hold harmless every other Co-owner and the Association from all damages and costs, including attorneys' fees, which such other Co-owners or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit or appurtenant Limited Common Elements and shall carry insurance to secure this indemnity if so required by the Association. This Section 5 shall not, however, be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

ARTICLE V RECONSTRUCTION OR REPAIR IN CASE OF CASUALTY

- SECTION 1. <u>Determination of Reconstruction or Repair</u>. If any part of the Condominium shall be damaged, the determination of whether or not it shall be reconstructed or repaired and the responsibility therefor, shall be made in the following manner:
- A. Repair or Reconstruction of General Common Elements. If the damaged property is a General Common Element, the property shall be rebuilt or repaired unless it is determined by the affirmative vote of eighty (80%) percent of the Co-owners in the Condominium that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given prior written approval of such termination.
- B. Repair or Reconstruction of Unit and Limited Common Elements. If the damaged property is a Unit or Limited Common Element or any improvements thereon, the Co-owner of such Unit alone, subject to the rights of any mortgagee or other person or entity having an interest in such property shall be responsible for any reconstruction or repair. The Co-owner shall promptly restore his Unit, Limited Common Elements and improvements thereon to a condition substantially equal to their original condition, in a manner satisfactory to the Association.
- SECTION 2. Repair and Reconstruction To Condition Existing Prior to Damage. Any such reconstruction or repair shall be substantially in accordance with the Second Amended and Restated Master Deed and the plans and specifications for any damaged improvements to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise.
- SECTION 3. Association Responsibility for Reconstruction or Repair of Common Elements. Immediately after a casualty causing damage to General Common Elements for which the Association has the responsibility of repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon

completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of the repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

SECTION 4. <u>Timely Reconstruction</u>. If damage to Common Elements or a Unit adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof shall proceed with the replacement or repair of the damaged property without delay.

SECTION 5. <u>Eminent Domain</u>. Section 133 of the Act (to the extent not inconsistent with the following) and the following provisions shall control upon any taking by eminent domain:

- A. <u>Common Elements Taken by Eminent Domain</u>. If any portion of the Common Elements is taken by eminent domain, the award therefor shall be allowed to the Co-owners in proportion to their respective undivided interests in the Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-owners for any taking of the Common Elements and any negotiated settlement approved by more than two-thirds (2/3) of the Co-owners in number and value shall be binding on all Co-owners.
- B. <u>Condominium Unit Taken by Eminent Domain</u>. If a Unit is taken by eminent domain, the undivided interest in the Common Elements appertaining to the Condominium Unit shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The Court shall enter a decree reflecting the reallocation of the undivided interest in the Common Elements as well as for the Condominium Unit.
- C. Partial Taking of a Condominium Unit. If portions of a Condominium Unit are taken by eminent domain, the court shall determine the fair market value of the portions of the Condominium Unit not taken. The undivided interest of such Condominium Unit in the Common Elements shall be reduced in proportion to the diminution in the fair market value of such Condominium Unit resulting from the taking. The portions of undivided interest in the Common Elements thereby divested from the Co-owners of such Condominium Unit shall be reallocated among the other Condominium Units in the condominium project in proportion to their respective undivided interests in the Common Elements. A Condominium Unit partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court under this subsection. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Condominium Unit partially taken for that portion of the undivided interest in the Common Elements divested from the Co-owner and not re-vested in the Co-owner pursuant to the following subsection, as well as for that portion of the Condominium Unit taken by eminent domain.
- D. <u>Impossibility of Use of Portion of Unit not Taken by Eminent Domain</u>. If the taking of a portion of a Condominium Unit makes it impractical to use the remaining portion of that Condominium Unit for a lawful purpose permitted by the condominium documents, then the

entire undivided interest in the Common Elements appertaining to that Condominium Unit shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The remaining portion of that Condominium Unit shall thenceforth be a Common Element. The court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Condominium Unit for the Co-owner's entire undivided interest in the Common Elements and for the entire Condominium Unit.

- E. <u>Future Expenses of Administration Appertaining to Condominium Unit(s) Taken by Eminent Domain</u>. Votes in the Association of Co-owners and liability for future expenses of administration appertaining to a Condominium Unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their relative voting strength in the Association. A Condominium Unit partially taken shall receive a reallocation as though the voting strength in the Association was reduced in proportion to the reduction in the undivided interests in the Common Elements.
- F. Condominium Continuation after the taking by Eminent Domain. In the event the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner, but only with the prior written approval of all holders of first mortgage liens on individual Units in the Condominium.
- G. <u>Condemnation or Eminent Domain Proceeding</u>. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements, or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

SECTION 6. Rights of First Mortgagees. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

SECTION 1. Use of Condominium Unit.

A. <u>Single Family Use</u>. No Unit in the Condominium shall be used for other than single-family residential purposes (as defined by the City of Novi Zoning Ordinances), and the Common Elements shall be used only for purposes consistent with the use herein stated. No Co-owner shall carry on any commercial activities anywhere on the premises of the Condominium, except that Co-owners shall be allowed to have offices in their homes, provided

the same do not constitute a violation of any ordinances or regulations of the City of Novi, and do not involve additional pedestrian or vehicular traffic and/or congestion within the Condominium, do not disturb other Co-owners, do not involve additional expense to the Association (such as utility charges and insurance), and do not violate any other provision or restriction contained in the Condominium Documents.

B. Occupancy Restrictions. All Units shall be occupied in strict conformance with the restrictions and regulations of the BOCA National Property Maintenance Code, or such other codes or ordinances which may be adopted by the City of Novi from time to time. Accordingly, the number of persons allowed to reside in any Unit shall be restricted by the size of the bedrooms and other areas of said Unit. Such restrictions shall automatically change, without the necessity of an amendment to this document, upon the adoption of alternative regulations by the City of Novi, such that the occupancy of all Units in the Condominium shall be in accordance with all City regulations at all times.

SECTION 2. Leasing and Rental of Units.

- A. Right to Lease. A Co-owner may lease his Unit for the same purposes set forth in Section 1 of this Article VII; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the same manner as specified in subparagraph B. below. No Co-owner shall lease less than an entire Unit in the Condominium, and all leases shall be for a minimum initial term of one (1) year. Any such lease must be approved by the Association, and must be (i) require the lessee to comply with the Condominium Documents and Rules and Regulations of the Association; (ii) provide that failure to comply with the Condominium Documents and Rules and Regulations constitutes a default under the lease, and (iii) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after 15 days' prior written notice to the Condominium Unit Co-owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may suggest or require a standard form lease for use by all Unit Co-owners. Each Co-owner of a Condominium Unit shall, promptly following the execution of any lease of a Condominium Unit, forward a conformed copy thereof to the Board of Directors. Copies of all leases in effect as of the effective date of these Amended and Second Amended and Restated Condominium Bylaws shall be provided to the Association within 14 days of said effective date. Under no circumstances shall transient tenants be accommodated. For purposes of the Section 2A, a "transient tenant" is a Non-Coowner residing in a Condominium Unit for less than sixty days, who has paid consideration therefor. 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 and all leases, rental agreements and occupancy agreements shall so state.
- B. <u>Procedures for Leasing</u>. The leasing of Units in the Project shall conform to the following provisions:
 - (1) A Co-owner desiring to rent or lease a Condominium Unit, shall disclose that fact in writing to the Association at least twenty-one (21) days before presenting a Lease Form to a potential lessee, and shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. The Association shall be entitled to approve or not approve any such

proposed lease transaction in accordance with the provisions of this Section. If no lease form is to be used, then the Co-owner shall supply the Association with the name and address of the potential lessee or other occupant(s), along with the amount and due dates of any rental or compensation payable to the Co-owner, and the term of the proposed arrangement.

- (2) Tenants or Non-Co-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements shall so state.
- (3) If the Association determines that the tenant or Non-Co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
 - (a) The Association shall notify the Co-owner by certified mail advising of the alleged violation by tenant.
 - (b) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
 - (c) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association an action for eviction against the tenant or Non-Co-owner and tenant or Non-Co-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this Section may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages caused by the Co-owner or tenant in connection with the Condominium Unit. The Co-owner shall be responsible for reimbursing the Association for all costs incurred in obtaining judicial enforcement of its rights, including actual attorneys fees.
- (4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Condominium Unit under a lease or rental agreement and the tenant, after receiving the notice shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent, otherwise due the Co-owner, to the Association, then the Association may (1) issue a statutory Notice to Quit for non-payment of rent, and enforce that notice by summary proceedings, or (2) initiate proceedings pursuant to Section 112(4)(b) of the Act.

SECTION 3. Architectural Control Committee and Building and Use Restrictions.

A. <u>Architectural Control Committee</u>. There shall be an Architectural Control Committee.

- (1) The purpose of this Committee is to assure that the Condominium is developed and maintained in a beautiful and professional manner consistent with high quality and uniform standards. The members of the Committee shall not receive any compensation, and shall be selected by the Board of Directors of the Association. The Architectural Control Committee shall have all of the remedies and enforcement rights contained in these Bylaws.
- (2) Before constructing any residence with attached garage or making any exterior improvement, visual change, or elevation change upon any Unit or dwellings or improvements located therein, a Co-owner shall receive the written approval of the Architectural Control Committee. No application for a building permit or application for any other governmental approval or construction shall be filed until written approval of the Committee is received. The Committee shall approve in advance the licensed residential builder engaged by the Co-owner to construct a residence and other improvements on his or her Unit. The Committee may require that such builder or Co-owner furnish to the Association adequate security, in the Committee's sole discretion, to protect the Association against costs and expenses which it might incur in connection with the failure to complete construction in a timely and diligent manner in accordance with the approved plans and specifications for the residence and its improvements and to protect the Common Elements from damage.
- (3) A Co-owner intending to construct any residence, improvement, deck, patio, garage, structure, or intending to change the exterior appearance or elevation of any Unit shall submit to the Architectural Control Committee plans and specifications, including site, grading, utility, garage, landscape and irrigation plans (if applicable), prepared and sealed by an architect registered in the State of Michigan (if applicable in the case of residences, garages or similar structures), showing the size, nature, kind, type and color of brick, shape, elevations, facade, height and materials, color scheme (including, but not limited to stain and paint colors), location, and the approximate cost of such improvement. A copy of the plans and specifications, as finally approved, may be kept permanently with the Committee. Items requiring the written approval of the Committee include, but are not limited to, the following: Dwellings, walls, landscaping, drives, walks, substantial plantings, playground equipment and decks.
- (4) The Architectural Control Committee shall have the absolute right to waive any specifications in these Bylaws and the right to refuse to approve any plans and specifications which are not suitable or desirable in its sole and absolute discretion for aesthetic or any other reasons. In no event shall the Committee have any personal liability for its actions and approval of any plans shall not be considered to be an evaluation, recommendation or guaranty of the soundness or adequacy of the plans. In considering any plans and specifications, the Committee may take into consideration any of the following: (i) the suitability and aesthetic quality of the proposed building or other structure to be built, (ii) the site upon which it is proposed to erect the same, (iii) the compatibility of the planned structure with the adjacent or neighboring residences, (iv) whether the proposed

improvement will impair the structural integrity of a residence or Common Elements, (v) whether the proposed improvement would create a nuisance or annoyance to surrounding Co-owners, and (vi) the impact on the overall standards and appearance of the Condominium.

- (5) The Architectural Control Committee shall have thirty (30) days after the receipt of all required plans and specifications to issue a written approval or denial. If the Committee fails to issue a written approval or denial of the plans and specifications within the thirty (30) day period, then written approval will not be required and this Section shall be deemed to be fully complied with.
- B. <u>Building and Construction Restrictions</u>. The following building and construction provisions will apply to any construction within the Condominium or any Unit:
 - (1) All residences must have a private attached garage for not less than two (2) cars.
 - (2) No residence shall be more than two (2) stories high and the maximum height of any residence regardless of the number of stories shall not exceed 35 feet.
 - (3) No residence shall have a living area of less than 1,600 square feet or more than 3,000 square feet. 'Living area' as used in this section shall mean the area within the outer surface of the exterior walls but shall not include any garage, basement, chimney, deck, porch, patio, or breezeways.
 - (4) No residence shall be constructed or located on any Unit except within the setbacks established in these Bylaws and consistent with City of Novi ordinances.
 - (5) All exterior lighting, including lamps, posts, and fixtures, for any residence or garage must receive prior written approval from the Architectural Control Committee. All exterior garage lights must be installed to a photocell which will keep the lights on from dusk to dawn every day. Each garage must have two exterior lights, one on each side of the overhead garage vehicle door. No Coowner shall in any way disconnect, modify, or in any way tamper with the exterior garage lighting or the photoelectric controls. The exterior lighting is a feature common to all garages and is intended to provide light to Common Elements despite individual metering to each Co-owner.
 - (6) All outside equipment, including air conditioning compressors and pads, shall be placed and located within ten (10) feet of the rear of the residence unless otherwise approved in writing by the Architectural Control Committee. Such equipment may not be placed anywhere in the side yard area of a Unit nor may it be place so that it is visible from the Project roadways (except in the instances of corner units if no reasonable alternative location can be found).
 - (7) Decks or patios may only be constructed with the prior approval of the

Architectural Control Committee. No deck or patio may extend for more than fifteen (15) feet from the rear of any dwelling. No deck or patio may be wider than the width of the building envelope. Decks or patios may not have an area of greater than 500 square feet. Where topography permits, a dwelling may have both a deck and a patio (such as a dwelling with a walkout basement) and as long as the area of a deck or patio does not exceed 750 square feet. Decks and patios may only be installed with the approval of and a permit from the City of Novi.

- (8) All dwellings (including the garage) must have brick or masonry on all four sides on the entire first floor. Acceptable masonry materials are: brick (including reclaimed brick), fieldstone and quarry stone. Cinderblock, so called "cultured stone" and panel brick may not be used as exterior finishes. Lower level walkouts must have brick or masonry finishes on exposed surfaces of the lower level.
- (9) All dwellings must have concrete driveways.
- (10) Siding may be used on second stories. Asbestos siding is prohibited. Only wood, wood shingle, vinyl or aluminum siding may be used.
- (11) Except as may be permitted by and in the sole discretion of both of the appropriate officials of the City of Novi and the Architectural Control Committee, no residence, building or other structure shall be placed, erected, altered or located on any Unit nearer to the front, side or rear line of any Unit than is permitted by the ordinances of the City of Novi.
- (12) No flat roofs shall be permitted on the main body of any dwelling or other structure. Flat roofs may be installed over Florida rooms, porches or patios with the approval of the Architectural Control Committee. The roof of each dwelling and garage shall have a minimum pitch of 6/12 (vertical/horizontal). White roof covering or shingle materials are prohibited. Off-white or cream color roofs are acceptable with prior approval of the Architectural Control Committee. Rolled sheet goods roofing materials may not be used as a final finish for a roof.
- (13) Prefabricated chimneys must be enclosed by a material which is substantially the same as the materials which are used for the exterior finish of the dwelling. The purpose of this provision is to assure that no metal chimneys are visible in the Condominium.
- (14) All driveways must be completed as soon as possible after occupancy and in any event no later than six (6) months after initial occupancy of the dwelling.
- (15) Any construction undertaken must be completed as soon as practical and all construction of any dwelling must be completed within one (1) year of the date on which construction first commenced.
- (16) At times of construction within a Unit, all debris, construction debris,

unusable materials, litter, and trash must be cleaned up and removed every Friday afternoon and more often if required by the Architectural Control Committee.

- (17) The use of a trailer for materials and supplies to be used by a builder in the construction of a residence, and which shall be removed from the premises upon enclosure of the residence, may be allowed with the written consent of the Architectural Control Committee which shall have the sole discretion to approve or disapprove of same. No old or used buildings of any kind shall be brought on any Unit or in the Condominium. No accessory buildings shall be permitted within any Unit.
- (18) Fences, dog runs, wall or solid hedge may be erected or maintained on any Unit subject to the requirements of local ordinance or other governmental regulation. Before such a fence or wall is installed (i.e. for a hot tub), the Coowner shall obtain the express written consent of the Architectural Control Committee which shall have the sole and absolute discretion to determine the suitability of the location, design, shape, height, size and materials for any required fence, wall, or solid hedge. In the circumstances where a fence is permitted under this subsection it may not, in any event, be a chain link fence—chain link fences are prohibited under all circumstances.
- (19) The design, material, color and construction of all mailboxes and mailbox stands shall be as required by postal authorities and approved by the Architectural Control Committee. Hot tubs may be installed if permitted by the City of Novi and the Architectural Control Committee. Hot tubs may only be installed in the deck or patio as limited in subsection (18), above. Any Co-owner desiring to construct or install a hot tub must submit to the Architectural Control Committee a detailed description and proposed layout showing size, location, materials, shape, landscaping, fencing, screening, and type of construction. The Architectural Control Committee shall have absolute discretion to approve or disapprove any proposal and may attach any conditions which it deems appropriate. Any approved hot tubs must be maintained by the Co-owners in a safe and clean condition and must also be maintained in appearance consistent with the standards of the Condominium.
- (20) In ground swimming pools shall be permitted. Above ground and free standing swimming pools are prohibited.
- (21) Street address signs shall be in locations which have been approved by the Architectural Control Committee. Neon address signs and address signs with internal lighting systems are prohibited.
- (22) Spot lights shall not be permitted. No security lighting shall be allowed in the front of any dwelling. Security lighting in the backyard and side yard areas shall be shielded so as not to allow "glare" into adjoining dwellings. This section shall not be interpreted to preclude decorative lighting.

- (23) Lawns shall be installed as soon a practical after occupancy. Lawns shall be sodded. Seeding or hydro seeding shall not be acceptable. In all events, dwellings occupied after December 1 must have lawns installed by no later than June 1 of the following year.
- (24) Foundation plantings shall be installed as soon as practical after completion of construction and shall be in conformity with the minimum specifications established by the Architectural Control Committee.
- (25) No Unit which abuts Novi Road shall have a driveway directly onto Novi Road. All vehicle access to Novi Road shall be over the Project roads.
- (26) All public utilities such as water main, sanitary sewers, storm sewers, gas mains, electric and telephone local distribution lines, cable television lines, 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.
- (27) The grade of any Unit in the Condominium may not be changed from the Grading Plan prepared by Ziemet/Wozniak Associates, Inc., as part of Engineering Plan No. 91—182 and approved by the City of Novi. The Grading Plan may be subsequently amended from time to time as conditions require if approved by the City of Novi, the Architectural Control Committee and any other governmental authority having jurisdiction. It shall be the responsibility of each Owner to maintain the surface drainage grades of his Unit as established by the Grading Plan, as changed from time to time. Each Owner covenants that he will not change the surface grade of his Unit in a manner which will materially increase or decrease the storm water flowing onto or off of his Unit and will not block, pond or obstruct surface water. The Board of Directors of the Association shall enforce this covenant and shall charge the costs of the correction to the Owner and such costs shall be a lien upon the Unit.

SECTION 4. Alterations and Modifications.

A. <u>Alterations and Modifications</u>. No Co-owner shall make any alterations in the exterior appearance of his dwelling, the Unit or any improvements or landscape located thereon (including changes in color or material used) or make changes, including changes in use, in any of the Common Elements, limited or general, without the express written approval of the Architectural Control Committee. The erection of antennas, DBS reception devices, and other technologies regulated by the Federal Communications Commission, shall be in accordance with duly promulgated rules and regulations of the Association, which shall at all times be construed so as not to violate FCC regulations applicable thereto. No Co-owner shall in any way restrict access to any pump, plumbing, water line, water line valves, water meter, sprinkler system valves or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or

attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access. The Co-owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Co-owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the same manner as provided for the collection of assessments in Article II hereof. The Co-owner shall indemnify and hold the Association harmless from and against any and all costs, damages, and liabilities incurred in regard to said modification and/or improvement.

- B. <u>Modifications or Improvements to Accommodate the Disabled</u>. Notwithstanding the previous subparagraph A, a Co-owner may make improvements or modifications to the Co-owner's Condominium Unit, including Common Elements and the route from the public way to the door of the Co-owner's Condominium Unit, at the Co-owner's expense, if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities who reside in or regularly visit the unit or to alleviate conditions that could be hazardous to persons with disabilities who reside in or regularly visit the unit, subject to the following:
 - (1) The improvement or modification shall not impair the structural integrity of a structure or otherwise lessen the support of a portion of the Condominium Project, nor unreasonably prevent passage by other residents of the Condominium Project upon the Common Elements.
 - (2) The Co-owner shall be liable for the cost of repairing any damage to a Common Element caused by building or maintaining the improvement or modification, and such improvement or modification shall comply with all applicable state and local building requirements and health and safety laws and ordinances and shall be made as closely as possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed modification.
 - (3) Before an improvement or modification allowed by this subsection is made the Co-owner shall submit plans and specifications for such alteration to the Association for approval. If the proposed alteration substantially conforms to the requirements of this subsection, the Association shall not deny the same without good cause. A denial shall be in writing, delivered to the Co-owner, listing the changes needed for the proposed alteration to conform. Any requests for approval by the Association under this subsection shall be acted upon not later than sixty (60) days after the required plans and specifications are submitted. Failure of the Association to approve or deny a request within the sixty (60) day period shall entitle the Co-owner to undertake the alteration without the approval of the Association.
 - (4) Any Co-owner making an alteration pursuant to this subsection shall maintain

liability insurance and provide the Association with proof thereof prior to undertaking the alteration or modification, underwritten by an insurer authorized to do business in this state, in an amount adequate to compensate for personal injuries caused by the exterior improvement or modification, and naming the Association as an additional insured, but the Co-owner shall not be liable for acts or omissions of the Association with respect to the exterior alteration, and the Co-owner shall not be required to maintain liability insurance with respect to any Common Element.

- (5) Responsibility for the cost of any maintenance, repair or replacement of an exterior alteration allowed by this Section shall be in accordance with the provisions of Section 47(a) of the Michigan Condominium Act.
- (6) A Co-owner having made an improvement or modification allowed by this subsection shall notify the Association in writing of the Co-owner's intention to convey any interest in or lease (if permitted) his or her Condominium Unit to another, not less than thirty (30) days before the effective date of the conveyance or permitted lease. Not more than thirty (30) days after receiving such a notice, the Association may require that the Co-owner remove the improvement or modification and restore the premises at the Co-owner's expense. In the absence of the required notice of conveyance or permitted lease, the Association may at any time remove or require the Co-owner to remove the improvement or modification at the Co-owner's expense, however, the Association may not remove or require the removal of an improvement or modification if the Co-owner intends to resume residing in the Unit within 12 months or a Co-owner conveys or leases (if permitted) the Condominium Unit to a person with disabilities who needs the same type of improvement or modification, or who has a person residing with him or her who requires the same type of improvement or modification. As used in this Section, "person with disabilities" means that term as defined in Section 2 of the state construction code act of 1972 - MCL 125.1502.

SECTION 5. Animals upon the Condominium Premises. No more than three (3) household pets may be kept or allowed on the Condominium Premises by any Co-owner. This approval shall be revocable at any time by the Association for failure of such pets or their owners to abide by the provisions of this Section and the Rules and Regulations of the Association pertaining to the keeping of pets.

A. Restrictions Applicable to Pets in the Project. Before an existing pet can be maintained, it SHALL BE REGISTERED WITH THE ASSOCIATION. The registration shall include a complete description of the pet, its name, the name and telephone number of the adult person responsible for the pet at all times, and the name, address and telephone number of the veterinarian or veterinary clinic which maintains the pet's health and immunization records.

No animals may be kept or bred for any commercial purpose. Any pets permitted to be kept in the Condominium shall have such care and restraint as not to be obnoxious or offensive on account of, by way of illustration and not as limitation, excessive or persistent

barking, odor, or unsanitary conditions. No animal which creates noise and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. No animal may be permitted to be loose upon the Common Elements and any animal shall at all times be leashed, on a leash not to exceed ten (10) feet in length, when outdoors with the leash being held and controlled at all times by a responsible adult person in accordance any ordinances of the City of Novi that may apply. No pets many be "tied out" on the Common Elements. Each Co-owner shall be responsible for the immediate collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner, anywhere in the Condominium Project. Stray animals and wild animals shall not be fed or housed by Coowners, nor shall Co-owners allow any condition to exist within their dwelling, on their Unit or the Common Elements, limited or general, appurtenant to their Units, which may attract stray or wild animals. No savage or dangerous animal of any type shall be kept and any Co-owner who causes any animal to be brought, maintained or kept on the premises of the Condominium for any length of time shall indemnify and hold harmless the Association for any loss, damage or liability, including attorney fees and costs, which the Association may sustain as a result of the presence of such animal on the premises, whether such animal is permitted or not, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance costs to the Association of accommodating animals within the Condominium. All animals kept in accordance with this Section shall be licensed by the municipal agency having jurisdiction, and proof of the animal's shots shall be provided to the Association. The term "animal" or "pet" as used in this section shall not include fish or small birds. Any exotic pets or animals are strictly prohibited.

B. <u>Association Remedies</u>. The Association may adopt such additional reasonable rules and regulations with respect to animals, as it may deem proper. The Association may, after notice and hearing, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulation of the Association.

SECTION 6. Conduct upon the Condominium Premises. No noxious, improper, unlawful or offensive activity shall be carried on or upon the Common Elements, Limited or General, or any Unit, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium, nor shall any unreasonably noisy activity be carried upon the Common Elements or any Unit. There shall not be maintained any animals or device or thing of any sort whose normal activities or existence is in any way noxious, noisy, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the reasonable enjoyment of other Units in the Condominium. The Board of Directors of the Association shall be the final arbiter of whether a particular animal, device, or thing is in violation of the foregoing restrictions, and disputes among Co-owners that cannot be amicably resolved shall be arbitrated by the disputing Co-owners. No Co-owner shall do or permit anything to be done or keep or permit to be kept on his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without written approval of the Association and each

Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

SECTION 7. <u>Use of Units and Common Elements</u>. The use of the Common Elements, limited or general, and all Units shall be subject to the following restrictions and obligations:

- A. Storage and Trash. The Common Elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind. No Unit shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. All rubbish, trash, garbage and other waste shall be regularly removed from each Unit and shall not be allowed to accumulate therein. Trash receptacles shall be maintained inside each individual garage at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. In any event, no trash container may be placed out for pick up prior to 6:00 p.m. the night before and the containers must be returned to the garage by no later than 6:00 p.m. the next day.
- B. <u>Unsightly Conditions</u>. The Common Elements shall not be used in any way for the drying or airing of clothing or other fabrics. No unsightly condition shall be maintained on any patio or deck, and only furniture and equipment consistent with the normal seasonal use of such areas shall be permitted in such areas. Overhead garage vehicle entry doors shall remain closed when not in use. All vacant Units must remain free of debris, litter and trash and be cleaned up regularly. All grass and weeds on any vacant Unit must be mowed at least once monthly or more often if required by the Association.
- C. <u>Nuisances</u>. Powered lawn maintenance equipment may not be operated within the Condominium before 10:00 a.m. on Sundays or legal holidays or before 8:00 a.m. on any other day.
- D. <u>Prohibited Activities</u>. Trailers, tents, shacks, barns, or any temporary building of any description whatsoever are expressly prohibited within the Condominium. No temporary occupancy shall be permitted in an unfinished condominium residence. Basketball backboards and nets may not be attached directly to dwellings or garages. However, freestanding basketball backboards may be installed in locations which have been approved by the Architectural Control Committee in a manner consistent with Article VI, Section 3 of these Bylaws. Burning of trash waste or leaves is not permitted in the Project.

In general, no activity shall be carried on nor condition maintained by a Co-owner either in his Unit or upon the Common Elements, which detracts from or spoils the appearance of the Condominium.

SECTION 8. Vehicles upon the Condominium Premises. No recreational vehicles of any kind, such as pickup campers, house trailers, boat trailers, watercraft, boats, motor homes, camping vehicles/trailers, snowmobiles, snowmobile trailers, trailers of any other kind, aircraft, off-the-road vehicles, all terrain vehicles, commercial vehicles or vehicles other than automobiles and non-commercial pick-up trucks, SUVs and passenger vans, used as an occupant's primary means of transportation, and not for any commercial purposes, may be parked or stored upon the premises of the Condominium, except in the garage appurtenant to a Co-owner's Unit. No Co-owner shall use, or permit the use by an occupant, agent, employee, invitee, guest or member of his/her family of any casual, personal, motorized

transportation or entertainment anywhere within the Project, including, but not limited to, gocarts, dirt bikes and the like. Motorcycles used for personal transportation purposes only shall be permitted to be kept within Unit garages, provided the same are equipped and operated within the Condominium so as to not be objectionable to other Co-owners on account of noise.

- A. <u>Temporary Presence</u>. The Board of Directors shall have discretion to issue rules and regulations which provide for the temporary presence of the above enumerated recreational/leisure vehicles upon the Condominium Premises for proper purposes, such as loading and unloading of said vehicles. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area therefor. If the prior approval of the Association has been obtained, a Co-owner may park a vehicle of the type listed in the first paragraph above on the Condominium Premises for a period not to exceed 72 consecutive hours not more than once per month.
- B. Commercial Vehicles. Commercial vehicles and trucks shall not be parked in or about the Condominium unless while making deliveries or pickups in the normal course of business. For purposes of this Section, commercial vehicles shall include vehicles or trucks with a curb weight of more than 10,000 pounds, overall length in excess of 19 feet, or with more than two axles, vehicles with commercial license plates, vehicles with any commercial markings or advertising appearing on the exterior, vehicles not intended for personal transportation, or any vehicle either modified or equipped with attachments, equipment or implements of a commercial trade, including, but not limited to, storage racks, ladder or material racks, snow blades, tanks, spreaders, storage bins or containers, vises, commercial towing equipment or similar items. For purposes of this Section, passenger vans, SUVs and pick-up trucks, used for primary transportation, and no commercial purpose whatsoever, shall not be considered commercial vehicles provided they do not meet the definition of a commercial vehicle contained herein. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area thereof.
- C. Standing Vehicles, Repairs. Non-operational vehicles or vehicles with expired license plates shall not be parked or stored on the Condominium Premises. Any unlicensed or non-operative vehicle parked within the Condominium Premises for more that 48 hours will be deemed abandoned and subject to removal at the expense of the owner. No vehicle repair or non-emergency maintenance or similar repairs are allowed on the Common Elements or Units, except within the garages of the Units. Washing or polishing of vehicles may only be undertaken in the garage or on the driveway appurtenant to the Co-owner's Unit.
- D. <u>Parking Restrictions</u>. No parking of any vehicles whatsoever shall be allowed in designated fire lanes or in violation of duly promulgated rules and regulations of the Association. Co-owners are encouraged to park all of their vehicles in the driveway or garage and parking areas on their Units. Reasonable and safe parking in the streets is allowed. Any vehicles parked on the General Common Elements must be moved not less than every 48 hours or they will be deemed abandoned and subject to removal by the Association at the expense of the vehicle's owner. No vehicles may be parked, stored or maintained on any lawn areas within the Condominium Premises, including the lawns within any Units.

E. Association Rights. Any damage to the Condominium Premises or Project caused by violation of these vehicle restrictions are the responsibility of the Co-owner who owns the vehicle or the Co-owner of the Unit which the operator or owner of the vehicle is visiting. 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 stickered and/or removed (towed) from the Condominium Premises, and the cost of such removal may be assessed to, and collected from, the Co-owner of the Unit responsible for the presence of the vehicle in the manner provided in Article II hereof. In such cases, the Co-owner shall be responsible for costs incurred in having a towing company respond, even if the vehicle is moved and properly parked before the towing contractor arrives at the Condominium. The Board of Directors may promulgate reasonable rules and regulations governing the parking and use of vehicles in the Condominium Project consistent with the provisions hereof, and may levy fines for violations of such rules and regulations or this Section. The Association may also construct such additional parking facilities on the General Common Elements as the Association, in its discretion, determines to be necessary, and may assign such spaces to units on an equitable basis.

SECTION 9. <u>Prohibition of Dangerous Items upon the Condominium Premises</u>. No Co-owner shall use, or permit the use by an occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows, slingshots, or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Premises, nor shall any Co-owner use or permit to be brought into the Condominium any explosives, highly volatile of flammable material or other items deemed to be extra-hazardous to life, limb, or property, without in each case obtaining the written consent of the Association.

SECTION 10. Signs upon the Condominium Premises. No signs, billboards or other advertising devices of any kind shall be displayed or located on a Unit or on the Common Elements, including "For Sale" signs, except that one (1) "For Sale" sign may be placed in the window of a dwelling or on the lawn. Subject to policies issued by the Architectural Control Committee as to material and placement, free standing flag poles are permitted up to 15 feet in height, and the display of flags from flag poles attached to the dwelling is also allowed as long as the flag pole does not exceed eight (8) feet in total length. Nothing herein shall be construed so as to prohibit the display of an American Flag of a size not to exceed 3' x 5'. One political sign per Unit, of a size not to exceed 2' x 3', may be displayed three (3) weeks before, and must be removed completely within one (1) week after, any Municipal, State or Federal election.

SECTION 11. Regulations Consistent with the Act. Reasonable regulations consistent with the Act, the Second Amended and Restated Master Deed, and these Bylaws, concerning the use of the Common Elements or the rights and responsibilities of the Co-owners and the Association with respect to the Condominium or the manner of operation of the Association and of the Condominium may be made and amended from time to time by any Board of Directors of the Association. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective as stated in said rule or regulation. Any rule or regulation may be revoked at any time by the affirmative vote of more than 50% of all Co-owners.

SECTION 12. <u>Obstruction of Common Elements</u>. Sidewalks, yards, landscaped areas, driveways, roads and parking areas shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs, benches, toys, baby carriages, obstructions or other personal property may be left unattended on or about the Common Elements.

SECTION 13. Association Access to Units and/or Limited Commons Elements. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements or other elements for which the Association has or has assumed responsibility. The Association or its agents shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Co-owner to provide the Association with a telephone number for emergency purposes and means of access to his Unit and any Limited Common Elements appurtenant thereto during all periods of absence and in the event of the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances, at the Co-owner's expense, and shall not be liable to such Co-owner for any necessary damage to his Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

SECTION 14. Landscaping and Decoration of Common Elements. Co-owners are responsible for maintaining, and replacing if diseased, dead or dying, the street tree located between their Unit and the roadway surface. No Co-owner shall perform any landscaping, plant, trim or remove any trees, shrubs or flowers or place any ornamental materials, including but not limited to statuary, bird feeders, exterior lighting, furniture, implements, rocks or boulders, fencing or other decorative items upon the Common Elements, Limited or General, unless the same is approved by the Association in writing, and is in total conformance with the Association's policies on landscaping as are published from time to time. Any landscaping performed by the Co-owner and any such trees, flowers or shrubs planted by the Co-owner, if and when approved, shall be the responsibility of the Co-owner to maintain. In the event that such Co-owner fails to adequately maintain such landscaping performed by the Co-owner and any such trees, shrubs, or flowers planted by the Co-owner to the satisfaction of the Association, the Association shall have the right to perform such maintenance, or to remove the same and restore the area to its previously existing condition, and assess and collect from the Co-owner the cost thereof in the manner provided in Article II hereof. The Co-owner shall also be liable for any damages to the Common Elements or other Units arising from the performance of such landscaping or the planting of such trees, flowers or shrubs, or the continued maintenance thereof. Each lawn must watered as may reasonably be required to keep it in good condition. Each Co-owner shall be responsible for the maintenance of any lawn area directly in front of his or her Unit and between the Unit line and the pavement, notwithstanding the fact that this may be a General Common Element or right of way. Should access to any Common Elements of any sort be required, or should any materials specified in this Section interfere with maintenance or services provided by the Association, the Association may remove any obstructions of any nature that restrict such access and/or services and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access and/or performance of such services, nor shall the Association be responsible for monetary damages of any sort arising out of any such actions.

SECTION 15. Co-owner Maintenance of Unit and Limited Common Elements. Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Coowner shall also use due care to avoid damaging any of the Common Elements, including, but not limited to, the telephone, water, gas, plumbing, electrical, cable TV or other utility conduits and systems and any other Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from damage to or misuse of any of the Common Elements by him, or his family, quests, agents or invitees, or by casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or common elements which are the responsibility of the Co-owner to maintain, repair and replace, unless such damages or costs are covered by primary insurance carried by the Association, in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount.) Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement as soon as it is discovered.

SECTION 16. Non-Disturbance of Wetlands. Some of the land within the Condominium may be a wetland which is protected by federal, state or local law. Under the provisions of the Goemaere-Anderson Wetland Protection Act, Public Act No. 203 of 1979 and local ordinances, any disturbance of a wetland by depositing material in it, dredging or removing, material from it, or draining water from the wetland may be done only after a permit has been obtained from the Department of Environmental Quality (or its administrative successor) and/or the City of Novi. The penalties specified in the Goemaere-Anderson Wetland Protection Act and local ordinances are substantial. In order to assure no inadvertent violations of the Goemaere-Anderson Wetland Protection Act and local ordinances occur, no Co-owner may disturb the wetlands without obtaining: (i) written authorization of the Association; (ii) any necessary municipal permits; and (iii) any necessary state permits.

SECTION 17. <u>Standard of Maintenance</u>. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-owners and all persons interested in the Condominium.

SECTION 18. <u>Application of Restrictions to the Association</u>. None of the restrictions contained in this Article VI shall apply to the activities of the Association in furtherance of its

powers and purposes set forth herein, the Second Amended and Restated Master Deed and in its Articles of Incorporation, as the same may be amended from time to time.

SECTION 19. Costs of Enforcing Documents. Any and all costs, damages, fines, expenses and/or actual attorneys fees incurred or levied by the Association in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Sections 5 and 11 of these Bylaws, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to, secured by the statutory lien on the Unit and collected from the responsible Co-owner or Co-owners in the manner provided in Article II hereof. This specifically includes actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations, and responding to and defending actions relating to violations in small claims court, or any other court of competent jurisdiction.

SECTION 20. <u>Association Approvals Revocable</u>. All approvals given by the Association in accordance with these Bylaws shall be revocable and in the nature of a license, and can be withdrawn upon thirty (30) days written notice in the event of noncompliance with the conditions of such approval.

ARTICLE VII

MORTGAGES

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

SECTION 2. <u>Notification to Mortgagee of Insurance Company</u>. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium Common Elements against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

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

ARTICLE VIII

MEMBERSHIP AND VOTING

- SECTION 1. <u>Membership in the Association</u>. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:
- A. <u>Designation of Members</u>. Each Co-owner shall be a member of the Association and no other person or entity shall be entitled to membership.
- B. <u>Co-owner's Share of the Funds</u>. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to a Unit in the Condominium.
- C. <u>Co-owner Voting Designation</u>. Except as limited in these Second Amended and Restated Condominium Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned, provided that said Co-owner is in good standing and not in default of any payment of regular or special assessments against said Co-owner's Unit or in violation of any provisions of the Condominium Documents. Voting shall be by number. In the case of any Unit owned jointly by more than one Co-owner, the voting rights appurtenant to that Unit may be exercised only jointly as a single vote.
- D. <u>Evidence of Ownership for Voting Purposes</u>. No Co-owner shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Co-owner may be cast only by the Co-owner or by a proxy given by such individual representative.
- E. Designation of Voting Representative. Each corporate, partnership, LLC or other business or legal entity Co-owner, that is not a natural person, shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association (one vote per Unit) and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, LLC, association, trust or other entity that is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided. At any meeting the filing of such written notice as a prerequisite to voting may be waived by the chairman of the meeting.
- F. Quorum. The presence in person or by proxy of fifteen percent (15%) in number of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy, or by such date as is established for voting in cases where no meeting is held, shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

- G. <u>Voting</u>. Votes may be cast in person, in writing duly signed by the designated voting representative, or by any other means allowed by the voting procedures adopted by the Association for a given vote, provided the same are not in violation of the provisions of these Second Amended and Restated Condominium Bylaws. Any proxies, written votes or other votes cast by means allowed hereunder must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association or voting deadline if no meeting is held. Votes may be cast by mail, fax, delivery, e-mail or any other method approved by the Association in advance of the vote. Cumulative voting shall not be permitted.
- H. <u>Majority</u>. Unless otherwise provided, any action which could be authorized at a meeting of the members shall be authorized by the vote of a simple majority in number of those Co-owners voting in person or by proxy at said meeting, or by alternative means, in accordance with the provisions of these Bylaws. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.
- I. 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. Ballots shall be solicited in the same manner (with respect to notice) as provided in Article IX, Section 4, hereof. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast. Votes may be cast in accordance with this paragraph by mail, hand delivery, electronically or by facsimile.
- J. <u>Consent of Absentees</u>. 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 is 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 2. Records and Books of the Association. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least one (1) time a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be "reviewed" at least annually by

qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration. The Association also shall maintain on file current copies of the Second Amended and Restated Master Deed for the Project, any amendments thereto and all other Condominium Documents and shall permit all Co-owners, prospective purchasers and prospective mortgagees interested in the Project to inspect the same during reasonable business hours.

ARTICLE IX

MEETINGS

SECTION 1. <u>Place of Meetings</u>. Meetings of the Association members shall be held at any suitable place convenient to the co-owners as may be designated by the Board of Directors. <u>Meetings of the Association members shall be conducted in accordance with Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation, the Master Deed or the laws of the State of Michigan. Only Co-owners in good standing, and their legal representatives, may speak at meetings of the Association and/or address the Board or co-owners at any such meetings. Any person in violation of this provision or the rules of order governing the meeting may be removed from such meeting, without any liability to the Association or its Board of Directors.</u>

SECTION 2. <u>Annual Meetings</u>. The first annual meeting of members of the Association has already been held. Thereafter, the annual meetings of members of the Association shall be held in the month of September each succeeding year at such time and place as shall be determined by the Board of Directors. The Board of Directors may, acting by a majority vote, change the date of the annual meeting in any given year provided that at least one such meeting is held in each calendar year. Written notice of each annual meeting, as well as any change in the date of the annual meeting as provided for herein, shall be given to all co-owners at least ten (10) days before the date for which the meeting is or was originally scheduled. At the annual meeting, there shall be elected by ballot of the co-owners a Board of Directors in accordance with the requirements of Article X of these Bylaws. The co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

SECTION 3. <u>Special Meetings</u>. It shall be the duty of the President to call a special meeting of the co-owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one third (1/3) of the co-owners in number presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

SECTION 4. Notice of Meetings. It shall be the duty of such Association officer or the management company, as directed by the Board of Directors) to serve a notice of each annual

or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each co-owner, 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 co-owner at the address shown in the notice required to be filed with the Association by Article VIII, Section 1.E of these Bylaws or to the address of the unit owned by the co-owner 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 5. <u>Adjournment for Lack of Quorum</u>. 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. The quorum for each subsequent meeting shall be reduced by one-half from the quorum requirement of the previously scheduled meeting.

SECTION 6. Minutes. Minutes or a similar record of the proceedings of meetings of members, or of the Board of Directors, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A 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 X

BOARD OF DIRECTORS

SECTION 1. Qualification and Number of Directors. The affairs of the Association shall be governed by a Board of Directors all of who must be co-owners of Units in Vista Hills. The Board shall consist of five (5) members. No two occupants of the same Unit may serve on the Board of Directors at the same time. Directors shall serve without compensation.

SECTION 2. <u>Term of Directors</u>. The respective terms of office for the Directors have been staggered based on election procedures utilized in the past. In each year hereafter either two or three directors shall be elected for two year terms depending on how many directorships expire that year. All directors shall serve two year terms, and shall hold office until their successors have been elected and hold their first meeting.

SECTION 3. <u>Powers and Duties</u>. The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association and may do all acts and things necessary thereto subject always to the Condominium Documents and applicable laws. In addition to the foregoing general powers and duties imposed by these Second Amended and Restated Condominium Bylaws, or any further powers and duties which may be imposed by law or the Articles of Incorporation, the Board of Directors shall be responsible specifically for the following:

A. <u>Management and Administration</u>. To manage and administer the affairs of and maintenance of the Condominium Project and the Common Elements thereof, all to the extent set forth in the Second Amended and Restated Master Deed, or elsewhere in the Condominium Documents.

- B. <u>Collecting Assessments</u>. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- C. <u>Insurance</u>. To carry insurance and collect and allocate the proceeds thereof in the manner set forth in Article IV hereof.
- D. <u>Rebuild Improvements</u>. To rebuild improvements after casualty, subject to the terms hereof.
- E. <u>Contract and Employ Persons</u>. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- F. Real or Personal Property. 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 any easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- G. <u>Easements and Telecommunications</u>. To grant such easements, licenses and other rights of entry, use and access, and to enter into any contract or agreement, including wiring agreements, utility agreements, right of way agreements, access agreements and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Condominium or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be feceipts affecting the administration of the Condominium, within the meaning of the Act, and shall be paid over to and shall be the property of the Association.
- H. <u>Borrow Money</u>. To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association, provided, however, that any such action shall also be approved by affirmative vote of more than fifty (50%) percent of all of the members of the Association, except in the case of financing or refinancing of a Unit acquired through foreclosure of the statutory lien for unpaid assessments, which shall require no such approval..
- I. <u>Rules and Regulations</u>. To make rules and regulations in accordance with Article VI, Section 11 of these Bylaws.
- J. <u>Committees</u>. To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of

the Condominium and to delegate to such committees, or any specific Officers or Directors of the Association any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

K. Enforce Documents. To enforce the provisions of the Condominium Documents.

SECTION 4. <u>Professional Management</u>. The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3 of this Article X, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent in which the maximum term is greater than three (3) years, or which is not terminable by the Association upon ninety (90) days' written notice, with or without cause, to the other party. In the event the Board does employ professional management for the Association, the Board shall secure the written approval of each institutional holder of a first mortgage lien on any Unit in the Condominium prior to terminating professional management and assuming self management.

SECTION 5. <u>Vacancies</u>. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum. Each person so appointed shall be a director until the end of the term of the Director who he/she replaced and a successor is elected at such annual meeting of the Association.

SECTION 6. Removal of Directors. At any regular or special meeting of the Association duly called and held, any one or more of the directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent of all Co-owners, and a successor may then and there be elected to fill the vacancy thus created. The quorum requirement for the purpose of filling any vacancy shall be the normal 15% requirement set forth in Article VIII, Section 1F. Any director whose removal has been proposed by the co-owners shall be given an opportunity to be heard at the meeting.

SECTION 7. First Meeting of New Board. The first meeting of a newly elected Board of Directors shall be held within thirty (30) days of election at such place and time 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, provided a majority of the entire Board is present at such a meeting.

SECTION 8. 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. At least four (4) 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, or by mail, electronically or by telephone prior to the date named for such meeting, unless waived by said director.

SECTION 9. <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by the president on notice to each director, given personally, or by mail, electronically or by telephone, 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 directors.

SECTION 10. <u>Waiver of Notice</u>. Before or at any meeting of the Board of Directors, any director may, in writing or orally, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meetings of the Board shall be deemed a waiver of notice by that director of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 11. 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. A Director will be considered present and may vote on matters before the Board by proxy, by teleconference, electronically or by any other method giving the remainder of the Board sufficient notice of the absent Director's vote and position on any given matter, provided however, that any vote not in writing is confirmed in writing not later than the next meeting of the Board. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. 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 12. <u>Action Without Meeting</u>. Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid if consented to in writing by the requisite majority of the Board of Directors. Further, the presiding officer of the Association, in exceptional cases requiring immediate action, may poll all Directors by phone for a vote, and provided the action is consented to by the requisite number of Directors, such vote shall constitute valid action by the Board, provided the results of the vote and the issue voted upon are noted in the minutes of the next Board meeting to take place.

SECTION 13. Closing of Board of Directors' Meetings to Members; Privileged Minutes. The Board of Directors, in its discretion, for good and sufficient reason, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

SECTION 14. <u>Fidelity Bonds</u>. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums for such bonds shall be expenses of administration.

ARTICLE XI

OFFICERS

SECTION 1. <u>Designation</u>. The principal officers of the Association shall be a president, vice president, secretary and treasurer. The directors may appoint such other officers as in their judgment may be necessary. Any two offices except that of president and vice president may be held by one person. The President must be a member of the Board of Directors. All officers must be Co-owners.

SECTION 2. <u>Appointment</u>. The officers of the Association shall be appointed annually by the Board of Directors and shall hold office at the pleasure of the Board.

SECTION 3. <u>Removal</u>. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed by the Board of Directors either with or without cause, and the successor to the removed officer may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

SECTION 4. <u>President</u>. The president shall be the chief executive officer of the Association, and shall preside at all meetings of the Association and of the Board of Directors. The president shall have all of the general powers and duties which are usually vested in the office of the president of a corporation, including, but not limited to, the power to appoint committees from among the members of the Association from time to time in the president's discretion as may be deemed appropriate to assist in the conduct of the affairs of the Association.

SECTION 5. <u>Vice President</u>. The vice president shall take the place of the president and perform the president's duties whenever the president shall be absent or unable to act. If neither the president nor the vice president are able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The vice president shall also perform such other duties as shall from time to time be imposed by the Board of Directors.

SECTION 6. <u>Secretary</u>. The secretary shall keep the minutes of all Board and Association meetings, have charge of the corporate minute book, and of such books and papers as the Board of Directors may direct; and shall in general, perform all duties incident to the office of the secretary.

SECTION 7. <u>Treasurer</u>. The treasurer or management agent shall have responsibility for all 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 or management agent shall be responsible for the deposit of all monies and other valuable papers of the Association, in the name of and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE XII

FINANCES

SECTION 1. <u>Fiscal Year</u>. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Board of Directors. The commencement date of the fiscal year of the Association shall be subject to change by the Board of Directors for accounting reasons or other good cause.

SECTION 2. <u>Banking</u>. The funds of the Association shall be deposited in such bank or other depository as may be designated by the Board of 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.

SECTION 3. <u>Investment of Funds</u>. Funds of the Association shall only be held in accounts that are fully insured and/or backed by the full faith and credit of the United States Government. Only depositories or instruments where there is no risk of principal loss may be utilized by the Association for investment of its monies.

ARTICLE XIII

INDEMNIFICATION

SECTION 1. Indemnification of Directors and Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon the director or officer in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which the director or officer may be a party or in which he/she may become by reason of his/her being or having been a director or officer of the Association, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty or willful or wanton misconduct or gross negligence in the performance of the director's or officer's duties, and except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof.

SECTION 2. <u>Directors' and Officers' Insurance</u>. The Association shall provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a director or an officer of the Association may waive any liability

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

ARTICLE XIV

COMPLIANCE

SECTION 1. Compliance With The Documents. The Association of Co-owners and all present or future Co-owners, tenants, future tenants, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the provisions of the Act, Second Amended and Restated Master Deed, these Bylaws, the Articles of Incorporation of the Association and the Rules and Regulations of the Condominium. In the event that such Second Amended and Restated Master Deed, these Bylaws or Articles of Incorporation conflict with the provisions of any Statute, the Statute shall govern. If any provision of these Bylaws conflicts with any provision of the Second Amended and Restated Master Deed, the Second Amended and Restated Master Deed shall govern.

SECTION 2. <u>Amendment</u>. These Bylaws may be amended in accordance with the Act and the provisions of Article VIII of the Second Amended and Restated Master Deed for Vista Hills.

SECTION 3. <u>Definitions</u>. All terms used herein shall have the same meaning as set forth in the Second Amended and Restated Master Deed to which these Bylaws are attached as an Exhibit, or as set forth in the Act.

ARTICLE XV

REMEDIES FOR DEFAULT

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

- A. Remedies for Default by a Co-owner to Comply with the Documents. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association, or, if appropriate, by an aggrieved Co-owner or Co-owners.
- B. <u>Costs Recoverable From Co-owner</u>. Failure of a Co-owner and/or non-Co-owner resident or guest to comply with the Condominium Documents shall entitle the Association to recover from such Co-owner or non-Co-owner resident or guest the pre-litigation costs and actual reasonable attorneys' fees incurred in obtaining their compliance with the Condominium Documents. In addition, in any proceeding arising because of an alleged default by any Co-

owner, or in cases where the Association must defend an action brought by any Co-owner(s) or non-Co-owner resident or guest, (regardless if the claim is original or brought as a defense, a counterclaim, cross claim or otherwise), the Association, if successful, shall be entitled to recover from such Co-owner or non-Co-owner resident or guest pre-litigation costs, the costs of the proceeding and actual attorney's fees (not limited to statutory fees), incurred in defense of any claim or obtaining compliance or relief, but in no event shall any Co-owner be entitled to recover such attorney's fees or costs against the Association.

- C. Association's Right to Abate. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, limited or general, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of its exercise of its removal and abatement power granted hereunder.
- D. <u>Assessment of Fines</u>. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations in accordance with Article XVI of these Bylaws. Fines may be assessed only upon notice to the offending Co-owners as prescribed in said Article XVI. Section 2, and after a hearing at which such Co-owner may, offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

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

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

SECTION 4. Rights of Co-owners. A Co-owner may maintain an action against the Association to compel enforcement the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-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. Even if successful, Co-owners may not recover attorneys fees from the Association, but may recover such fees from another Co-owner if successful in obtaining compliance with the Condominium Documents.

ARTICLE XVI

FINES

SECTION 1. <u>General</u>. The violation by any Co-owner, occupant or guest of any of the provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

SECTION 2. <u>Procedures</u>. Upon any such violation being alleged by the Board, the following procedures will be followed:

- A. <u>Notice</u>. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the Co-owner at the address on file with the Association.
- B. <u>Hearing</u>. The offending Co-owner shall be scheduled for a hearing before the Board of Directors, at which time the Co-owner shall have an opportunity to offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting or the Board's earliest convenience, but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.
- C. <u>Default</u>. Failure to appear at the hearing or respond to the notice of violation by the date set for the hearing constitutes a default.
- D. <u>Hearing and Decision</u>. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board decision is final.

SECTION 3. <u>Fines</u>. Upon violation of any of the provisions of the Condominium Documents, and after default of the offending Co-owner, or upon the decision of the Board as recited above, the following fines may be levied:

1. FIRST VIOLATION No fine will be levied

2. SECOND VIOLATION \$50.00 Fine

3. THIRD VIOLATION \$100.00 Fine

4. FOURTH VIOLATION AND \$150.00 Fine ALL SUBSEQUENT VIOLATIONS

The Board of Directors, without the necessity of an amendment to these Bylaws, may make such changes in said fines or adopt alternative fines, including the indexing of such fines to the rate of inflation, in accordance with duly adopted Rules and Regulations promulgated in accordance with Article VI, Section 11 of these Bylaws. For purposes of this Section, the number of the violation (ie. first, second etc.) is determined with respect to the number of times that a Co-owner violates the same provision of the Condominium Documents, as long as that Co-owner may be an owner of a Unit or occupant of the Project, and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur each successive seven day period into which a violation continues. Nothing in this Article shall be construed as to prevent the Association from pursuing any other remedy under the Condominium Documents and/or the Act for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

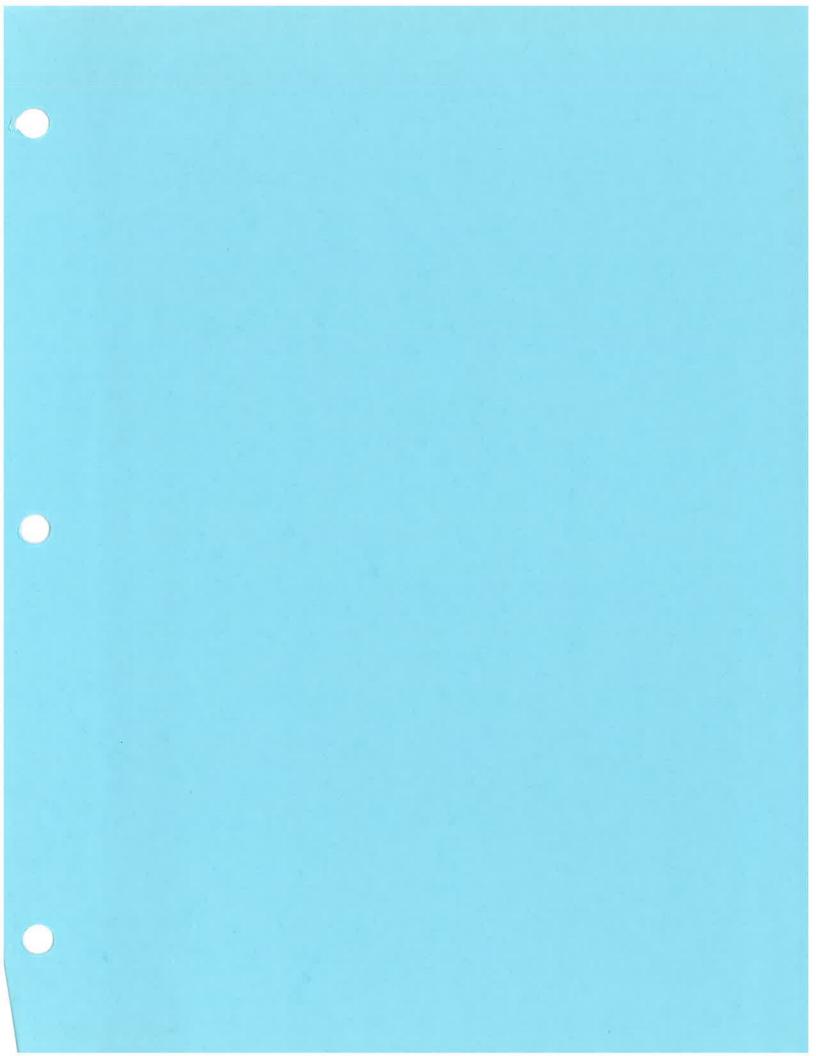
SECTION 4. <u>Collection</u>. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable on the first day of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitations, those described in Article II and Article XV of these Bylaws.

ARTICLE XVII

SEVERABILITY

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

BLOOMFIELD 47342-3 701818



VISTA EXHIBIT "B" TO THE AMENDED AND RESTATED MASTER DEED OF OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 822 LIS (FORMERLY KNOWN AS SANDSTONE)

CITY OF NOVI, OAKLAND COUNTY, MICHIGAN

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SURVEYOR & PREPARER

28450 FRANKLIN RD. SOUTHFIELD, MI 48034 ZEIMET / WOZNIAK & ASSOC, INC.

DEVELOPER

SANDSTONE ASSOCIATES LIMITED PARTNERSHIP-A, 30100 TELEGRAPH RD. A MICHIGAN LIMITED PARTNERSHIP

INDEX OF DRAWINGS

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UNIT BEARINGS

UNIT BEARINGS

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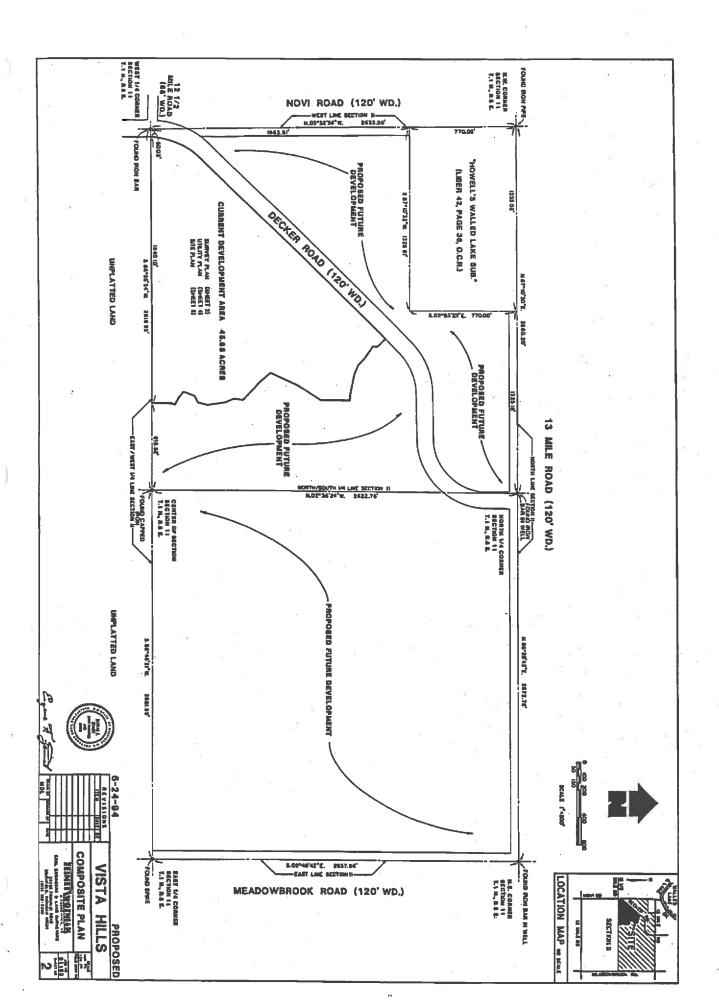
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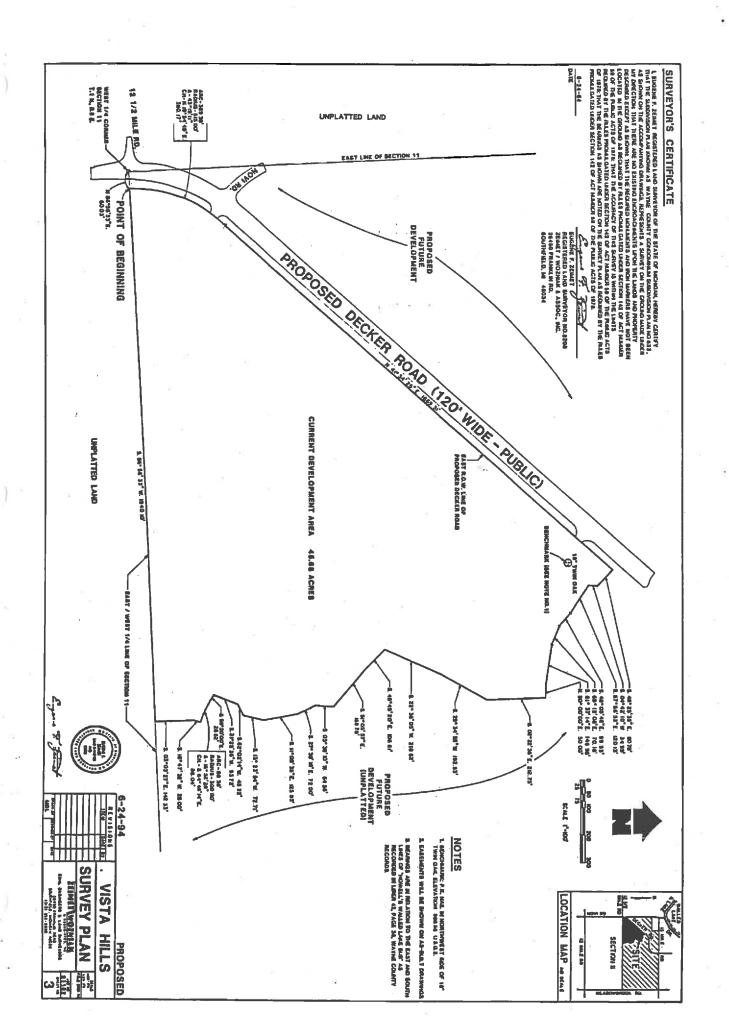
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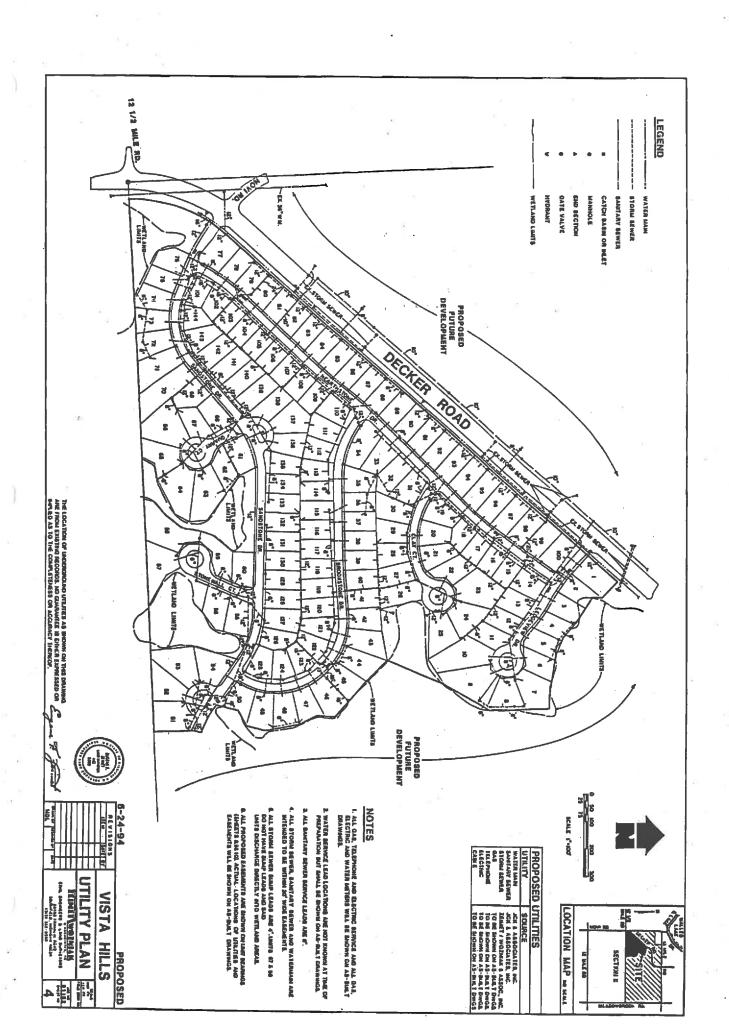
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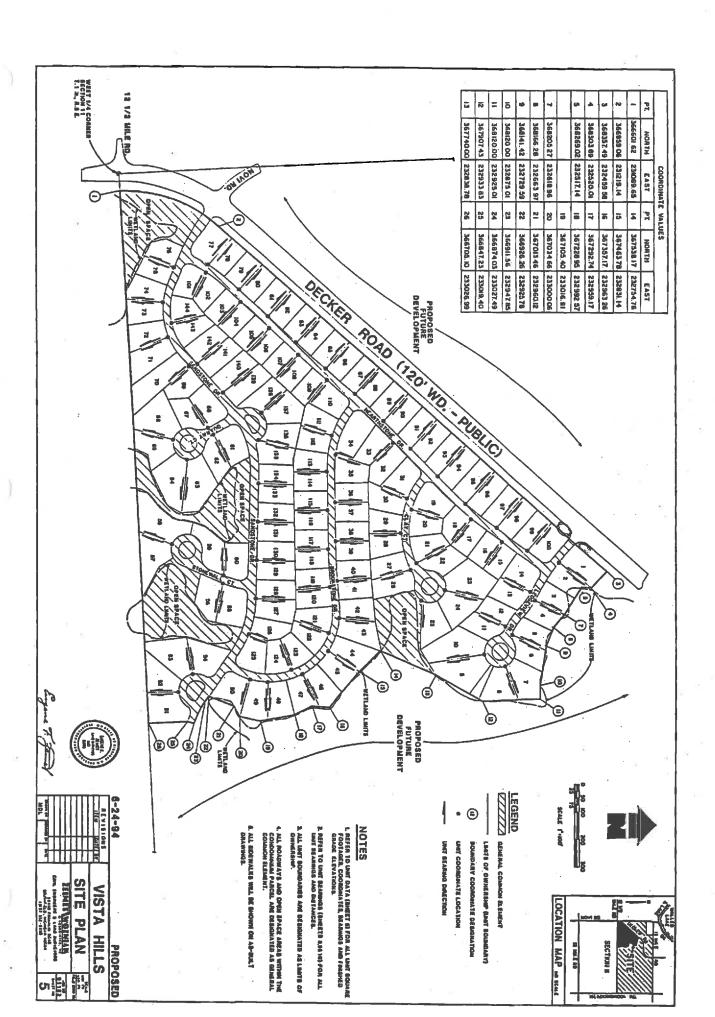
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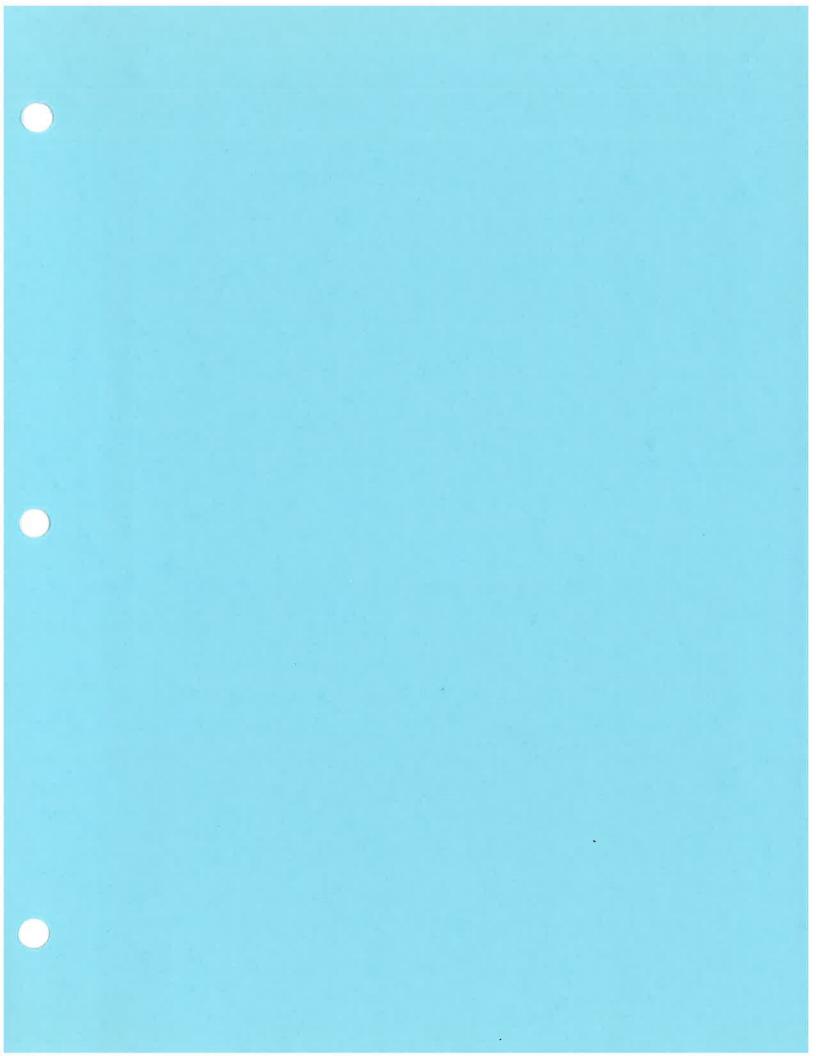


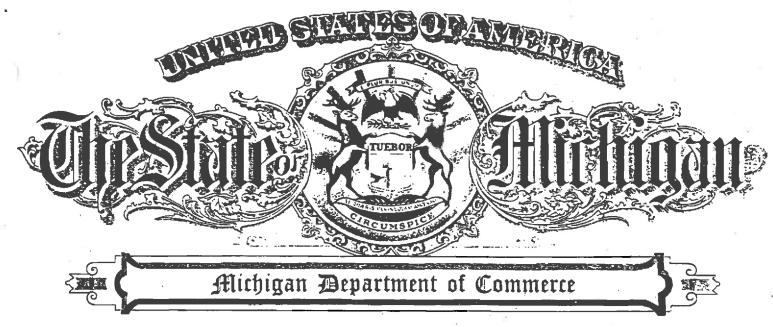




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Lansing, Michigan

This is to Gertify That Articles of Incorporation of

SANDSTONE ASSOCIATION

were duly filed in this office on the 11TH day of DECENDED, 1997 in conformity with Act 162, Lublic Acts of 1982.

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 11TH day

€ DECEMBER

, 1992

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CORPURATION AND DEGURITIES BUREAU

Director

CUEIVEL

DEC 07 1992

FOHIGAN DEPT. OF COMMERCE

SANDSTONE ASSOCIATION NON-PROFIT ARTICLES OF INCORPORATION

These Articles of Incorporation are signed and acknowledged by the incorporator for the purpose of forming a nonprofit corporation under the provisions of Act No. 162 of the Public Acts of 1982, as follows:

ARTICLE I

NAME

The name of the corporation is Sandstone Association.

ARTICLE II

PURPOSES

The purposes for which the corporation is formed are as follows:

- (a) To manage and administer the affairs of and to maintain Sandstone, a condominium (hereinafter called "Condominium")
- (b) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) to rebuild improvements after casualty;
- (e) To contract for and employ persons, firms or corporations to assist in management, operation, maintenance and administration of said Condominium;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of said Condominium;
- (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, including but not limited to, any Unit in the Condominium, any easements or licenses or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;
- (h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;



- (i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws and rules and regulations of this corporation as may hereinafter be adopted;
- (j) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Bylaws or by Act No. 59 of the Public Acts of 1978, as amended and;
- (k) In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Condominiun and to the accomplishment of any of the purposes thereof.

ARTICLE III

ADDRESS

Address of the first registered office is 30100 Telegraph Road, Suite 316, Bingham Farms, Michigan 48025.

ARTICLE IV

RESIDENT AGENT

The name of the first resident agent is David L. Lanciault.

ARTICLE V

INCORPORATOR

The name of the incorporator is Gregory J. Gamalski and his place of business is 28400 Northwestern Highway, Third Floor Essex Centre, Southfield, Michigan 48034.

ARTICLE VI

BASIS OF ORGANIZATION AND ASSETS

Said corporation is organized upon a non-stock, membership basis.

The value of assets which said corporation possesses is:

Real Property: None

Personal Property: None

Said corporation is to be financed under the following general plan: Assessment of Members

ARTICLE VII

EXISTENCE

The term of corporate existence is perpetual.

ARTICLE VIII

MEMBERSHIP AND VOTING

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

- (a) The Developer of the Condominium and each Co-owner of a Unit in the Condominium shall be members of the corporation and no other person or entity shall be entitled to membership; except that the subscriber hereto shall be a member of the corporation until such time as his membership shall terminate, as hereinafter provided.
- (b) Membership in the corporation (except with respect to the incorporator, who shall cease to be a member upon the recording of the Master Deed) shall be established by acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds of Oakland County, Michigan, a deed or other instrument establishing a change of record title to such unit and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishment and the Condominium) the new Co-owner thereby becoming a member of the corporation and the membership of the prior Co-owner thereby being terminated. The Developer's membership shall continue until no Units remain to be created in the Condominium and until the Developer no longer owns any Units in the Condominium.
- (c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to Owner's Unit in the Condominium.
- (d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

ARTICLE IX

LIMITATION OF LIABILITY OF DIRECTORS

No volunteer director, as that term is defined in Act 162, Public actions of 1982, as amended ("Act"), shall be personally liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director, provided that the foregoing shall not eliminate the liability

of a director for any of the following: (i) breach of the director's duty of loyalty to the corporation or its members; (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) a violation of Section 551(1) of the Act; (iv) a transaction from which the director derived an improper personal benefit; or (v) an act or omission that is grossly negligent. If the act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the corporation, in addition to the limitation on personal liability contained herein, shall be limited to the fullest extent permitted by the amended Act. No amendment or repeal of this Article IX shall apply to or have any effect on the liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

Signed this 3rd day of December, 1992.

Account of Amalda

Gregory J. Gámalski, Incorporator

When filed, return to:

Gregory J. Gamalski, Esq.
MADDIN, HAUSER, WARTELL, ROTH, HELLER & PESSES, P.C.
Third Floor Essex Centre
28400 Northwestern Highway
Southfield, Michigan 48034
313/354-4030
2168B

* 5.	1140	OMPLETE SECTION (a) IF THE CORPORATOR(S) BEFORE 1 HERWISE, COMPLETE SECTION	HE FIRST MEETING	ADOPTED BY THE UNANIM OF THE BOARD OF DIRE	OUS CONSENT OF THE CTORS OR TRUSTEES;
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a.		The foregoing amendment to the		v.	
		of the incorporator(s) before the	in accordance first meeting of the boa	with the provisions of the Act bridge of directors or trustees.	by the unanimous consent
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			94 . The amendme	nt: (check one of the following)	
		was duly adopted in acco	rdance with Section 61	1(2) of the Act by the vote of t	the shareholders if a profit
		directors if a nonprofit cor	of the shareholders or	members if a nonprofit corporation nonstock directorship basis.	ation, or by the vote of the
		cast in favor of the amend	ment.	monstock directorship basis.	The necessary votes were
		was duly adopted by the	written consent of all th	ne directors pursuant to Section	on 525 of the Act and the
		corporation is a nonprofit of	orporation organized on	a nonstock directorship basis.	
		was duly adopted by the w	ritten consent of the sha	areholders or members having	not less than the minimum
		number of votes required	by statute in accordan	ce with Section 407(1) and (2 it corporation. Written notice to	2) of the Act if a nonprofit
		who have not consented	l in writing has been i	given. (Note: Written consen	t by less than all of the
		shareholders or members	is permitted only if such	provision appears in the Article	s of Incorporation.)
		was duly adopted by the v	vritten consent of all the	shareholders or members ent	itled to vote in accordance
	1	with section 407(3) of the A	Act if a nonprofit corporation	tion, and Section 407(2) of the	Act if a profit corporation.
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			Signed this 18	Bayof Murch	10 94
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			By Clerk		
		ii ii	(ONLY SIGNATURE	OF: PRESIDENT, VICE-PRESIDENT, CHAIRPER	ISON ORVICE-CHAIRPERSON)
			David I Ioma	isule Dussident	
			TYPE OR PRINT NAM	iault, President	(TYPE OR PRINT TITLE)

(TYPE OR PRINT TITLE)

Name of Person or Organization Remitting Fees:	
Sandstone Association	
Preparer's Name and Business Telephone Number:	
Gregory J. Gamalski, Esq.	
(810) 355-5200	

INFORMATION AND INSTRUCTIONS

- 1. The amendment cannot be filed until this form, or a comparable document, is submitted.
- 2. Submit one original copy of this document. Upon filing, a microfilm copy will be prepared for the records of the Corporation and Securities Bureau. The original copy will be returned to the address appearing in the box on the front as evidence of filing.

Since this document must be microfilmed, it is important that the filing be legible. Documents with poor black and white contrast, or otherwise illegible, will be rejected.

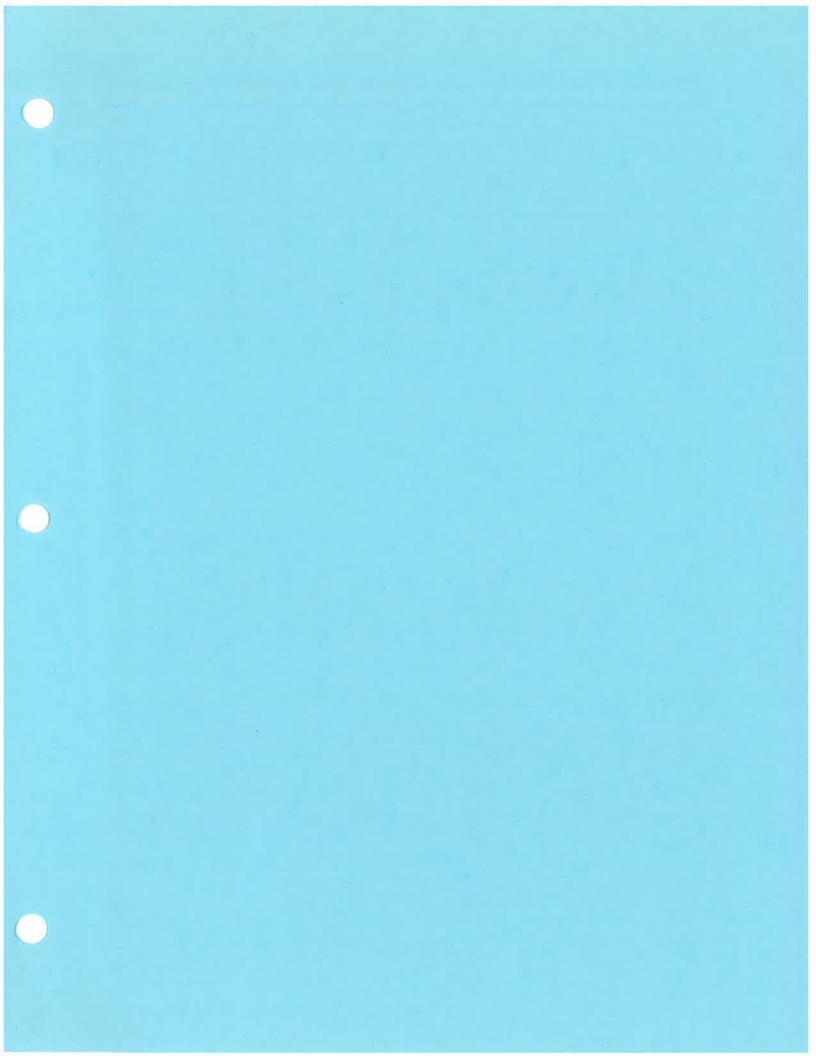
- 3. This document is to be used pursuant to the provisions of section 631 of the Act for the purpose of amending the articles of incorporation of a domestic profit or nonprofit corporation. Do not use this form for restated articles. A nonprofit corporation is one incorporated to carry out any lawful purpose or purposes not involving pecuniary profit or gain for its directors, officers, shareholders, or members. A nonprofit corporation formed on a nonstock directorship basis, as authorized by Section 302 of the Act, may or may not have members, but if it has members, the members are not entitled to vote.
- 4. Item 2 Enter the identification number previously assigned by the Bureau. If this number is unknown, leave it blank.
- 5. Item 4 The article being amended must be set forth in its entirety. However, if the article being amended is divided into separately identifiable sections, only the sections being amended need be included.
- 6. This document is effective on the date approved and filed by the Bureau. A later effective date, no more than 90 days after the date of delivery, may be stated.
- 7. If the amendment is adopted before the first meeting of the board of directors, item 5(a) must be completed and signed in ink by a majority of the incorporators if more than one listed in Article V of the Articles of Incorporation if a profit corporation, and all the incorporators if a non-profit corporation. If the amendment is otherwise adopted, item 5(b) must be completed and signed in ink by the president, vice-president, chairperson or vice-chairperson of the corporation.

authorized shares or portion thereof\$30.00

9. Mail form and fee to:

Michigan Department of Commerce Corporation and Securities Bureau Corporation Division P.O. Box 30054 Lansing, Michigan 48909-7554 Telephone: (517) 334-6302 The office is located at: 6546 Mercantile Way Lansing, MI 48910





Michigan Department of Labor & Economic Growth

Filing Endorsement

This is to Certify that the CERTIFICATE OF AMENDMENT - CORPORATION

for

VISTA HILLS ASSOCIATION

ID NUMBER: 741722

received by facsimile transmission on November 21, 2006 is hereby endorsed Filed on November 22, 2006 by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 22ND day of November, 2006.

, Director

Bureau of Commercial Services

C&S 515 (Rev. 8/96)

MICHIGAN DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES CORPORATION, SECURITIES AND LAND DEVELOPMENT BUREAU

Date	Received			(FOR BUREAU USE ONLY)
		•	R ²⁰¹	夠
				EFFECTIVE DATE:
Name	Dickinson Wright, P.L.I	L.C.	- 2 9 - 1	
Addn	ns 38525 Woodward Ave, S	uite 2000	11 0	
City	Bloomfield Hills	State Michigan	Zip Code 48304	a a
&Do	current will be returned to	the name and address you er	iter above &	1

CERTIFICATE OF AMENDMENT TO THE ARTICLES OF INCORPORATION

For use by Domestic Profit and Nonprofit Corporations

(Please read information and instructions on the last page)

Pursuant to the provisions of Act 284, Public Acts of 1972 (profit corporations), or Act 162 Public Acts of 1982 (non profit corporations), the undersigned corporation executes the following Certificate:

41486 Wilcox (Street Address)	Plymouth (City)	N	Aichigan 48170 (Zip Code)
3. The location of the registered office is	g :	8	
18		741-722	
2 The identification number assigned by	the Bureau is:		
the present matte of the corporation i	s. This can Association	<u> </u>	

Existing Article IX is hereby deleted and replaced with new Articles IX, X and XI are added as follows:
 SEE ATTACHED ADDENDUM,

,in accordance with the prov corporator(s) before the first meeting of the Board of Directors or Tru	visions of the Act by the unanimous consent o
	istees.
-	
Signed thisday of	, 19
	,
(Signature)	(Signature)
(Type or Print Name)	
(rype or reserved)	(Type or Print Name)
(Signature)	(Signature)
(Type or Print Name)	
(vibe of companie)	(Type or Print Name)
foregoing amendment to the Articles of Incorporation was duly adopt	
mers it a non-provide corporation (energy one of the intrownes)	
at a meeting. The necessary votes were cast in favor of the amendmen	ut
by written consent of the shareholders or members having not less that required by statute in accordance with Section 407(1) and (2) of the Adviction 407(1) are to shareholders writing has been given. (Note: Written consent by less than all of the soaly if such provision appears in the Articles of Incorporation.)	ct if a nonprofit corporation, or Section
by written consent of all the shareholders or members entitled to vote Act if a nonprofit corporation, or Section 407(2) of the Act if a profit of	in accordance with section 407(3) of the corporation.
Signed this STH day of November	و_, 2006
A 0	9 S B
By Milles Ily	10

Article IX

Claims against Volunteers: Assumption of Volunteer Liability by the Corporation

Section 1. Claims against Volunteers. Under all circumstances except those listed in Sections 2.(a)-(e), below, no person or entity shall bring or maintain a claim for monetary damages against a volunteer director, volunteer officer, or other volunteer of the Association for a volunteer director's, volunteer officer's, or other volunteer's acts or omissions. Any such claim shall be brought and maintained against the Association.

Section 2. <u>Assumption of Volunteer Liability</u>. The Association shall assume, pay for, and undertake all obligations and liability for any and all acts or omissions of its volunteer directors, volunteer officers, or other volunteers, 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, and did not receive an improper personal benefit, or breach any duty of loyalty to the Corporation or its members.
- (b) The volunteer was acting in good faith.
- (c) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.
- (d) The volunteer's conduct was not an intentional tort.
- (e) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being section 500.3135 of the Michigan Compiled Laws.

Article X

Indemnification

In addition to the provisions of Article IX, the Association may indemnify its volunteer directors, volunteer officers, volunteers, individuals, or persons in the following manner:

Section 1. <u>Individuals</u>. The Association may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal including all appeals (including an action, suit, or proceeding by or in the right of the Association), by reason of the fact that he is or was a Director, officer, or volunteer of the Association, against expenses (including attorneys' fees), judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was lawful, except that no indemnification shall be made in respect to any claim, issue, or matter as to which such person shall have been finally adjudged to be liable for negligence or misconduct in the performance of

his duty to the Association unless and only to the extent that a court shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses as the court shall deem proper.

Section 2. Expenses. To the extent that a Director, officer, or volunteer has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 1, or in defense of any claim, issue, or matter therein, and indemnification is granted, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith and in any action, suit or proceeding brought to enforce the indemnification provided for herein.

Section 3. Determination of Right to Indemnification. Except in a situation governed by Section 2, any indemnification under Section 1 (unless ordered by a Court) shall be made by the Association only as authorized in the specific case upon determination that indemnification of the Director, officer, or volunteer is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1. Such determination shall be made (a) by a majority vote of Directors acting at a meeting at which a quorum consisting of Directors who were not parties to such action, suit, or proceeding is present, or (b) if such a quorum is not obtainable (or even if obtainable), and a majority of disinterested Directors so directs, by independent legal counsel (compensated by the Association), in a written opinion, or (c) if such a quorum is not obtainable, then by a majority vote of a committee of Directors who are not parties to the action (such committee shall consist of not less than two (2) disinterested Directors), or (d) by the shareholders or members.

Section 4. Advance Payment of Expenses. Expenses of each person indemnified hereunder incurred in defending a civil, criminal, administrative, or investigative action, suit, or proceeding (including all appeals), or threat thereof, may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors, whether a disinterested quorum exists or not, upon receipt of an undertaking by or on behalf of the director, officer, or volunteer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association. The undertaking shall be by unlimited general obligation of the person on whose behalf advances are made, but need not be secured.

Section 5. Rights Not Exclusive. The indemnification or advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled as a matter of law or under the Articles of Incorporation, these Bylaws, or any contractual agreement. However, the total amount of expenses for indemnification from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses. The indemnification provided for in this Article shall continue as to a person who has ceased to be a Director, officer, or volunteer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 6. <u>Directors and Officers Liability Insurance</u>. The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer, or volunteer of the Association, or is or was serving at the request of the Association as a unpaid, volunteer Director, officer, or volunteer of another corporation (whether non-profit or for profit), partnership, joint venture, trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article or of the Michigan Non-Profit Corporation Act.

To the extent that any provision of this Article X conflicts with the provisions of Article IX, the provisions of Article IX shall be controlling.

Article XI

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 vote of the members. Votes shall be solicited in the same manner (with respect to notice) as provided in the Condominium Bylaws. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written vote 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 vote shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of vote which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of votes cast. Votes may be cast in accordance with this paragraph by mail, hand delivery, electronically or by facsimile, as directed by the Association.