

RECORDED

2000 APR 19 1P 1:22

NANCY HAVILAND
REGISTER OF DEEDS
LIVINGSTON COUNTY, MI.
48843

LIVINGSTON COUNTY TREASURER'S CERTIFICATE
I hereby certify that there are no TAX
LIENS or TITLES held by the state or any
individual against the within description,
and all TAXES are same as paid for five
years previous to the date of this instrument
or appear on the records in this
office except as stated. 3758
4-12-00 *Dianne H. Hardy*
Dianne H. Hardy, Treasurer
Sec. 185 Act 266, 1896 as Amended
Taxes not examined

HOMESTEAD DENIALS NOT EXAMINED

MASTER DEED

THE FOREST

127/2

This Master Deed is made and executed on this 31st day of March, 2000, by Olympia Development Co. L.L.C., a Michigan limited liability company (hereinafter referred to as "Developer"), of 230 North Second Street, Suite 200, Brighton, Michigan 48116, 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."

WHEREAS, the Developer desires by recording this Master Deed, together with the Bylaws attached hereto as Exhibit A and together with the Condominium Subdivision Plan attached hereto as Exhibit B (both of which are hereby incorporated herein by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Condominium Project under the provisions of the Act.

NOW, THEREFORE, the Developer does, upon the recording hereof, establish The Forest as a Condominium Project under the Act and does declare that The Forest (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 Master Deed and Exhibits A and B hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to the land and the Developer, and the Developer's successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, and their successors and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as The Forest, Livingston County Condominium Subdivision Plan No. 192. The Condominium Project is established in accordance with the Act

and in accordance with the ordinances of Marion Township and the approved plans therefor are on file with said Township. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each Unit is a residential building site capable of individual utilization on account of having its own entrance and exit to and from the Unit to and from the General Common Elements 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 other Co-owners the General Common Elements of the Condominium Project.

ARTICLE II

LEGAL DESCRIPTION

The land which is submitted to the Condominium Project established by this Master Deed is described as follows:

A part of the N.E. 1/4, Section 12, T.2N., R.4E., Marion Township, Livingston County, Michigan more particularly described as BEGINNING at the North 1/4 corner of said Section 12; thence N. 85 deg 02 min 59 E. sec along the North line of said Section 12 and the centerline of Francis Road (100 ft. wide right-of-way) 1301.02 ft. (recorded as 1301.13 ft.); thence S. 00 deg 56 min 55 sec E. 2006.24 ft. (recorded as S. 00 deg 57 min 18 sec E. 2006.42 ft.); thence S. 85 deg 58 min 59 sec W. 1273.79 ft. (recorded as S. 85 deg 58 min 57 sec W. 1274.05 ft.) to the North-South 1/4 line of said Section 12; thence N. 01 deg 41 min 46 sec W. 1983.80 ft. (recorded as N. 01 deg 41 min 54 sec W. 1984.00 ft.) along said North-South 1/4 line, to the POINT OF BEGINNING, containing 58.869 acres subject to the rights of the public or any governmental unit in any part thereof taken, used or deeded for street, road or highway purposes; also, together with and subject to (i) a certain Agreement for the Establishment of a County Drain and County Drainage District as recorded in Liber 2432 at Pages 796 through 801, Livingston County Records; (ii) a certain Agreement for Planned Unit Development as recorded in Liber 2434 at Pages 516 through 522, Livingston County Records and; (iii) a certain Amendment of Agreements as recorded in Liber 2551 at Pages 347 through 355, Livingston County Records; also subject to any and all other easements and restrictions of record or otherwise; also, excepting and reserving to Developer all oil, gas and mineral rights of every nature and extent including, without limitation, extraction and storage.

Tax Parcel Identification No. 10-12-200-013-401-47070

ARTICLE III**DEFINITIONS**

Certain terms are utilized not only in this Master Deed and Exhibits A and B 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 Forest Homeowners Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in The Forest as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

Section 1. Act. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

Section 2. Association. "Association" means The Forest Homeowners Association, which is the non-profit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.

Section 3. Bylaws. "Bylaws" means Exhibit A hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 4. Common Elements. "Common Elements," where used, means only General Common Elements unless Limited Common Elements are created pursuant to Article VII hereof in which case the phrase "Common Elements," when used without modification, shall mean both General and Limited Common Elements.

Section 5. Condominium Documents. "Condominium Documents" means and includes this Master Deed and Exhibits A and B hereto, and the Articles of Incorporation, Bylaws and rules and regulations, if any, of the Association, as all of the same may be amended from time to time.

Section 6. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, all improvements and structures thereon, and all easements, rights and appurtenances belonging to The Forest as described above.

Section 7. Condominium Project, Condominium or Project. "Condominium Project," "Condominium" or "Project" means The Forest, as a Condominium Project established in conformity with the Act.

Section 8. Condominium Subdivision Plan. "Condominium Subdivision Plan" means Exhibit B hereto.

Section 9. Co-owner or Owner. "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 Project. The term "Owner," wherever used, shall be synonymous with the term "Co-owner."

Section 10. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed which shall describe The Forest as a completed Condominium Project and shall reflect the Project as finally configured and surveyed. Such Consolidating Master Deed, if and when recorded in the office of the Livingston County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto. In the event the Units and Common Elements in the Condominium are constructed in substantial conformance with the proposed Condominium Subdivision Plan attached as Exhibit B to this Master Deed, the Developer shall be able to satisfy the foregoing obligation by filing a certificate in the office of the Livingston County Register of Deeds confirming that the Units and Common Elements "as built" are in substantial conformity with the proposed Condominium Subdivision Plan and that no Consolidating Master Deed need be recorded. Further, in the event that there is no need to modify the terms of the Master Deed or Bylaws and if the only changes are revisions to the Condominium Subdivision Plan, then there shall be no need to re-record the Master Deed and/or Bylaws but any such revisions may be reflected by the recording of an amendment for the purpose of evidencing the locations of Units, Common Elements and utilities as actually built.

Section 11. Developer. "Developer" means Olympia Development Co. L.L.C., a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however and wherever such terms are used in the Condominium Documents.

Section 12. Development and Sales Period. "Development and Sales Period", for the purposes of the Condominium Documents and the rights reserved to Developer thereunder, shall be deemed to continue for so long as Developer continues to own any Unit in the Project.

Section 13. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units which may be created are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of the Units which may be created are sold, whichever first occurs.

Section 14. PUD Agreement. "PUD Agreement" means the Planned Unit Development Agreement entered into between the Township, the Developer and the Association which Agreement has been recorded in Liber 2434 at Pages 516 through 522, Livingston County Records.

Section 15. Township. "Township" means Marion Township and/or its duly authorized officers and agencies as may be applicable from time to time.

Section 16. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 17. Unit or Condominium Unit. "Unit" or "Condominium Unit" each mean a single Unit in The Forest, as such space may be described in Article V, Section 1 hereof and on Exhibit B 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. The Developer does not intend to and is not obligated to install any structures whatsoever within the Units. Each Unit shall be co-extensive with an entire lot within the meaning of the Township ordinances and shall extend beyond its related building envelope to the full limit of its perimeter lot lines as depicted on the Condominium Subdivision Plan.

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 and vice versa.

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project, and the respective responsibilities for maintenance, decoration, repair or replacement thereof, are as follows:

Section 1. General Common Elements. The General Common Elements are:

(a) **Land.** The land described in Article II hereof, and including other common areas, if any, not identified as Units.

(b) **Roads and Entrance Area.** The roads in the Condominium (including both their paved areas and the adjoining rights of way) known as Elk Run, Morningmist Drive, Morningmist Court and Springwood Court, together with the entrance area depicted on the Condominium Subdivision Plan and all signage installed by the Developer and/or the Association in connection therewith. It is intended (though not certain) that the roads will be dedicated to and accepted by the Livingston County Road Commission at some future

date. Until such dedication, if any, the above named roads shall be and remain General Common Elements.

(c) **Easements**. All beneficial easements, if any, now existing or created after the recording hereof which benefit the Condominium Premises as a whole.

(d) **Electrical**. The electrical transmission mains throughout the Project, up to the point of lateral connections for Unit service, together with common lighting for the Project if any is installed. There is no obligation on the part of the Developer to install any particular common lighting but Developer reserves the right to do so, either within the Common Elements or within any one or more Units. Any common lighting installed within a Unit and designated as such by the Developer shall be maintained, repaired and replaced by the Association except that the costs of electrical power consumption therefor shall be paid by each Co-owner to whose Unit such designated common light is metered. Any street lighting or other lighting installed within the General Common Elements shall be metered to and paid by the Association unless the Developer determines otherwise.

(e) **Telephone**. The telephone system throughout the Project up to the point of lateral connections for Unit service.

(f) **Gas**. The gas distribution system throughout the Project up to the point of lateral connections for Unit service.

(g) **Telecommunications**. The telecommunications system, if and when any may be installed, up to the point of lateral connections for Unit service.

(h) **Water**. The water distribution system throughout the Project up to the point of lateral connection for Unit service.

(i) **Sanitary Sewer**. The sanitary sewer system throughout the Project up to the point of lateral connection for Unit service.

(j) **Storm Water Drainage System**. The storm water drainage system including the storm water detention areas and other drainage areas and apparatus depicted as such on the Condominium Subdivision Plan.

(k) **Wetlands Areas**. The wetlands areas designated as such on the Condominium Subdivision Plan.

(l) **Open Space**. The open space areas designated as such on the Condominium Subdivision Plan.

(m) **Mailboxes and Signage.** Developer reserves the right to establish such mailbox system as Developer may elect or as may be required to be installed by a public authority or service agency having jurisdiction and, to that end, may establish an individual mailbox system or may consolidate or cluster the same in such manner as Developer may deem appropriate. If mailboxes are clustered, the Developer or the Association may designate individual compartments in the clustering structure or structures as Limited Common Elements or may assign or reassign the same from time to time for use by Co-owners on an equitable basis without such designation. Developer may elect, however, to require that Owners install individual mailboxes of a nature and design and in a location as required by Developer, and that the same be installed by each Owner at such Owner's personal expense. Developer also reserves the right, in its discretion, to install street signs, traffic control signs, street address signs and other signage at any location or locations as Developer deems appropriate within the General Common Element road rights of way.

(n) **Other.** Such other elements of the Project not herein designated as General Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep, appearance, utility or safety of the Project.

Section 2. Limited Common Elements. There are no Limited Common Elements in The Forest as originally recorded although it is possible that some may be created by the Developer pursuant to the rights reserved in Article VII of this Master Deed.

Section 3. Responsibilities. The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements are as follows:

(a) **Co-owner Responsibilities.**

(i) **Units.** The responsibility for and the costs of maintenance, decoration, repair and replacement of each Unit designated in the Condominium Subdivision Plan, the dwelling and appurtenances contained therein and all improvements thereto shall be borne by the Co-owner of such Unit; provided, however, that the exterior appearance of the dwellings within the Units, to the extent visible from any other dwelling within a Unit or Common Element in the Project, shall be subject at all times to the approval of the Association and to reasonable aesthetic and maintenance standards prescribed by the Association in duly adopted rules and regulations. Each Co-owner shall also be responsible for maintenance of any areas lying between his Unit and the curb adjoining the pavement within the road right of way in front of the Unit as may be prescribed by the Association. All structures shall be built in accordance with Township requirements and shall not extend beyond building setbacks as set forth on the Condominium Subdivision Plan without approval of the Township and/or the Developer as

may be applicable. Failure of any Co-owner to adhere to maintenance and aesthetic standards imposed by the Association shall entitle the Association to enter upon such Co-owner's Unit and to perform the necessary maintenance, decoration, repair or replacement in accordance with the provisions of Article VIII, Section 4 of this Master Deed.

(ii) **Utility Services.** All costs of initial installation and subsequent operation of water, sanitary sewer, electricity, natural gas, telephone, cable television (to the extent any are available and/or installed) and any other utility services shall be borne by the Co-owner of the Unit to which such services are furnished. All utility laterals and leads shall be installed, maintained, repaired and replaced at the expense of the Co-owner whose Unit they service, except to the extent that such expenses are borne by a utility company or a public authority and the Association shall have no responsibility therefor.

(b) **Association Responsibilities.** The costs of maintenance, repair and replacement of all Common Elements shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary. The Association shall maintain all Common Elements requiring periodic maintenance in a neat, clean, and first-class condition in keeping with their basic nature. Additional maintenance assessments may be levied for individual Units requiring expenditures by the Association. Standards for maintenance may be established by the Association through its Board of Directors. The Association shall not be responsible, in the first instance, for performing any maintenance, repair or replacement with respect to residences and their appurtenances located within the Condominium Units. Nevertheless, in order to provide for flexibility in administering the Condominium, the Association, acting through its Board of Directors, may undertake such other regularly recurring, reasonably uniform, periodic exterior maintenance functions within any Unit boundaries as it may deem appropriate and as the affected Co-owners may agree (including, without limitation, lawn mowing, snow removal and tree trimming). Nothing herein contained, however, shall compel the Association to undertake such responsibilities. Any such responsibilities undertaken by the Association shall be charged to any affected Co-owner on a reasonably uniform basis and collected in accordance with the assessment procedures established under Article II of the Bylaws. The Developer, in the initial maintenance budget for the Association, shall be entitled to determine the nature and extent of such services and reasonable rules and regulations may be promulgated in connection therewith.

(c) **Common Lighting.** The Developer may (but is not required to) install common illuminating fixtures within the Condominium and to designate the same as common lighting as provided in Article IV, Section 1(d) hereof. Some of such common lighting may be installed on the General Common Elements or may be located within Units (such as coach lamps). The costs of electricity for common lighting located within General

Common Elements or Units may, at Developer's election, be metered by the individual electric meters of the Co-owners to whose Unit the same are respectively appurtenant and, if so, shall be paid by such individual Co-owners without reimbursement therefor from the Association. Any common lighting fixtures shall be maintained, repaired and replaced and light bulbs furnished by the Association. The size and nature of the bulbs to be used in the fixtures shall also be determined by the Association in its discretion. No Co-owner shall modify or change such fixtures in any way and shall not cause the electrical flow for operation thereof to be interrupted at any time. Said fixtures shall operate on photoelectric cells which shall not be tampered with in any way or disabled by any Co-owner.

Section 4. Utility Systems. Some or all of the utility lines, systems (including mains and service leads) and equipment and any telecommunications, described above may be owned and/or maintained by a public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and any telecommunications, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the Developer's responsibility will be to see to it that telephone, electric and natural gas mains are existing or installed within reasonable proximity to, but not within, the Units. Each Co-owner will be entirely responsible for arranging for and paying all costs in connection with extension of such utilities by laterals from the mains to any structures and fixtures located within the Units.

Section 5. Storm Water Drainage System and Open Space Areas. The costs of maintenance, repair and replacement of the Condominium storm water drainage system and the open space areas shall be borne by the Association in accordance with the provisions of the PUD Agreement. In the event that the Association fails to provide adequate maintenance, repair or replacement of the storm water drainage system or the open space areas, the Township may serve written notice of such failure upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance, repair or replacement be cured within a stated reasonable time period. If such deficiencies are not cured, the Township may undertake such maintenance, repair, or replacement and the costs thereof plus a 25% administrative fee may be assessed against the Co-owners and collected as a special assessment on the next annual Township tax roll.

Section 6. Use of Units and Common Elements. No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Project or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the Common Elements. Each dwelling constructed within a Unit shall be located entirely within the setbacks for such Unit as set forth on the Site Plan which constitutes a part of Exhibit B hereto.

ARTICLE V

UNIT DESCRIPTIONS, PERCENTAGES OF VALUE AND CO-OWNER RESPONSIBILITIES

Section 1. Description of Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of The Forest as prepared by B. F. Thompson, P.C., and attached hereto as Exhibit B. There are 75 Units in the Condominium Project established by this Master Deed. Each Unit shall consist of the area located within Unit boundaries as delineated on Exhibit B hereto together with all appurtenances thereto.

Section 2. Percentage of Value. The percentage of value assigned to each of the 75 Units is equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of the Units in the Project and concluding that there are not material differences among the Units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the General Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and expenses of administration and the value of such Co-owner's vote at meetings of the Association of Co-owners.

ARTICLE VI

CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium may be consolidated, modified and the boundaries relocated, in accordance with Section 48 of the Act, any applicable local ordinances and regulations, and this Article; such changes in the affected Unit or Units shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed. No such changes shall be made, however, without the approval of the Township. Subject to approval of the Township, Developer reserves the sole right during the Development and Sales Period and without the consent of any other Co-owner or any mortgagee of any Unit to do the following:

Section 1. Realignment and Changes to Units; Consolidation of Units; Relocation of Boundaries. Realign or alter any Unit which it owns, consolidate under single ownership two or more Units located adjacent to one another, and relocate any boundaries between adjoining Units. Such realignment of Units, consolidation of Units and/or relocation of boundaries of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns. The provisions of the Marion Township Zoning Ordinance regarding minimum lot size, minimum floor area per dwelling unit, yard setbacks, and maximum

height of building shall apply at all times to this Condominium. For purposes of applying these ordinance provisions to the Condominium development, the following shall apply: The term "lot" as used in the Zoning Ordinance shall mean "Unit" as defined herein and as shown on Exhibit "B."

Section 2. Amendments to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, the Unit or Units resulting from such realignment or consolidation shall be separately identified by number and the percentage of value as set forth in Article V hereof shall be adjusted so that all Units have equal percentages of value. Such amendment or amendments to the Master Deed shall also contain such further definitions of Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so modified and/or consolidated. 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 and to any proportionate reallocation of percentages of value of Units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording an entire Master Deed or the Exhibits hereto.

ARTICLE VII

CONVERTIBLE AREAS

Notwithstanding any other provision of the Master Deed or the Bylaws, Developer retains and may exercise rights of convertibility in accordance with Section 31 of the Act, any applicable local ordinances and regulations, and this Article; such changes in the affected Units and/or Common Elements shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed. No such changes shall be made, however, without the approval of the Township. Subject to approval of the Township, Developer reserves the sole right during the Development and Sales Period and without the consent of any other Co-owner or any mortgagee of any Unit to do the following:

Section 1. Designation of Convertible Areas. All Units and Common Element areas are hereby designated as Convertible Areas within which: (a) the individual Units may be expanded or reduced in size, otherwise modified and/or relocated; (b) Common Elements may be constructed, expanded or reduced in size, otherwise modified and/or relocated; and, (c) at Developer's sole discretion (without obligation to do so) recreational amenities may be added within the areas designated as open space areas (the nature of which amenities shall be solely determined by Developer). Only the Developer or such person or persons to whom it specifically assigns the rights under this Article may exercise convertibility rights hereunder, subject at all times to the approval

of the Township and subject to the same requirements and limitations as set forth in Article VI, Section 1 of this Master Deed.

Section 2. The Developer's Right to Modify Units and/or Common Elements. The Developer reserves the right in Developer's sole discretion, from time to time, during a period ending six years from the date of recording this Master Deed, to enlarge, extend, diminish and/or relocate Units, and to construct private or common amenities on all or any portion or portions of the Convertible Areas. The Developer shall also be entitled to convert General Common Element areas into Limited Common Elements or Units in such areas as it, in its sole discretion, may determine. The precise number, nature, size and location of Unit and/or Common Element extensions and/or reductions and/or amenities which may be constructed and designated shall be determined by Developer in its sole judgment or any other person to whom it specifically assigns the right to make such determination subject only to necessary public agency approvals. Any private amenity other than a dwelling extension may be assigned by the Developer as a Limited Common Element appurtenant to an individual Unit. In the event Developer elects to construct recreational amenities within open space areas, the costs of maintenance, repair and replacement thereof shall be an Association expense.

Section 3. Developer's Right to Grant Specific Right of Convertibility. The Developer shall have the authority to assign to the Owner of a particular Unit the right of future convertibility for a specific purpose. Such assignment shall be by specific written authority duly executed by the Developer prior to the completion of the Development and Sales Period and shall be granted only at the sole discretion of the Developer.

Section 4. Compatibility of Improvements. All improvements constructed within the Convertible Areas described above shall be reasonably compatible with the development and structures on other portions of the Condominium Project, as determined by Developer in its sole discretion.

Section 5. Amendment of Master Deed. The exercise of rights of modification and/or convertibility in this Condominium Project shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer or its assigns. The Developer shall be obligated to amend the Condominium Subdivision Plan to show all changes in the Units resulting from exercise of convertibility rights pursuant to this Article VII. The Developer shall, however, have the right to close on the sale of a Unit, notwithstanding the fact that the Unit may not conform in size and/or shape to the depiction of the Unit on the Condominium Subdivision Plan, provided that a Consolidating Master Deed depicting the modified Unit is ultimately recorded as required by the Act and this Master Deed.

Section 6. Redefinition of Common Elements. Such amendments to the Master Deed shall also contain such further definitions and redefinitions of Common Elements as may be necessary to adequately describe and service the modified Units, dwellings and appurtenances being

included in the Project under this Article VII. In connection with any such amendments, the Developer shall have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article. In the event a Co-owner exercises the right of convertibility described herein subsequent to Developer's final recording of a Consolidating Master Deed or other final amendment to the Master Deed such Co-owner shall be responsible, at his expense, to cause the Association to prepare and record an amendment to the Master Deed depicting such changes made by Co-owner to the Unit and/or Common Elements.

Section 7. Consent of Interested Persons. 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 amendments to this Master Deed as may be proposed by the Developer to effectuate the purposes of this Article VII. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of execution of such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto.

ARTICLE VIII

EASEMENTS, RESERVATIONS, RESTRICTIONS AND ENABLEMENTS

Section 1. Easement for Utilities. There shall be easements to, through and over all portions of the land in the Condominium, including all areas lying within Unit boundaries, for installation and for the continuing existence, maintenance, repair, replacement and enlargement of or tapping into all utilities in the Condominium including, without limitation, placement of electrical transformers.

Section 2. Rights Retained by Developer.

(a) **Access Easements for Development Purposes.** The Developer reserves for the benefit of Developer, and Developer's successors and assigns, the right of unrestricted use of the Condominium roadways and all other Common Elements and all Units for the purposes of ingress and egress to and from all or any portion of the Condominium for purposes of development thereof and for construction and marketing in connection therewith.

(b) **Utility Easements for Development Purposes.** The Developer also hereby reserves for the benefit of itself, its successors and assigns, perpetual easements to utilize, tap, tie into, extend and enlarge all utilities located in the Condominium, including, but not limited to, electric, telephone, gas and storm sewer mains, if any. In the event Developer, its successors or assigns, utilizes, taps, ties into, extends or enlarges any utilities located in the

Condominium, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying-in, extension or enlargement.

(c) **Granting Utility Rights to Agencies.** The Developer reserves the right at any time during the Development and Sales Period to grant easements for utilities over, under and across the Condominium and all Units and Common Elements therein to appropriate governmental agencies or public utility companies and to transfer title of utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Livingston County Records. 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 amendments to this Master Deed as may be required to effectuate the foregoing grant of easements or transfers of title.

Section 3. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such reasonable easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes or other lawful purposes as may be necessary for the benefit of the Condominium subject, however, to the approval of the Developer so long as the Development and Sales Period has not expired.

Section 4. Association Easements for Maintenance, Repair and Replacement. The Developer, the Association and all public or private utility agencies or companies 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 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; 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. While it is intended that each Co-owner shall be solely responsible for the performance and costs of all maintenance, repair and replacement of and decoration of the dwelling and all other appurtenances and improvements constructed or otherwise located within his Unit, it is nevertheless a matter of concern that a Co-owner may fail to maintain the exterior of his Unit in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules and regulations promulgated by the Association. Therefore, in the event a Co-owner fails, as required by this Master Deed, the Bylaws or any rules and regulations of the Association, to properly and adequately maintain, decorate, repair, replace, landscape or otherwise keep his Unit, the dwelling thereon or any improvements or appurtenances located therein, the Association (and/or the Developer during the Development and Sale Period) 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 dwelling within the Unit (including the exteriors of any structures located therein), its appurtenances and any landscaping, all at the expense of the Co-owner of the Unit. Neither the Developer nor the Association shall be liable to the Co-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 (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer 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 regular periodic assessment installment next falling due; 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 5. Utility Easements and Locations of Utility Installations. Various utility installations exist within the Units and are depicted on the Condominium Subdivision Plan. Perpetual easements exist and are hereby created in this Master Deed and otherwise in favor of all Units and the Owners thereof for the continued existence, maintenance, repair and replacement of such utilities, whether located above or below ground. Also, other utility mains (including, without limitation, natural gas, electric and telephone conduits) may be installed by or at the instance of Developer across all Units to serve some or all other Units in the Condominium. Developer reserves the right to create all such easements and to install or cause to be installed any and all utilities within and across all Units in such locations as Developer may elect, in Developer's sole and absolute discretion and, further, to tap into, extend and enlarge such utilities as may be necessary, in Developer's judgment. All Units shall be convertible by Developer to any extent necessary to create Common Elements and easements in furtherance of the rights reserved in this Section 5.

Section 6. Easements for Storm Drainage. There shall exist easements over all Units and Common Elements for purposes of construction, operation, maintenance and improvement of storm water drainage and retention or detention as designated on the Condominium Subdivision Plan. The easements so granted are in favor of The Forest Drain Drainage District with respect to any subsequently established Drainage District. No Co-owner shall disturb the grade or otherwise modify the areas within such easements in any way inconsistent with the storm water drainage designed for the Condominium Premises. No Co-owner shall install, maintain, repair or replace landscaping materials located within any open storm drainage easement areas lying within such Co-owner's Unit in any way inconsistent with the use by the Drainage District.

Section 7. Storm Water Detention Areas, Storm Water Drainage System and Open Space Areas. All costs of repair and replacement to the extent necessary, of the storm water detention areas, the storm water drainage system and the open space areas of the Condominium shall

be borne by the Drainage District consistent with the "433 Agreement" for The Forest recorded in Liber 2432 at Pages 796 through 801, Livingston County Records. There shall be an easement of access in favor of the Association and the Drainage District over all Units as may be necessary to enable inspection of such areas and system and to facilitate such operation, maintenance and improvement.

Section 8. Wetlands Areas, Open Space Areas and Access Thereto. The wetlands areas as designated on the Condominium Subdivision Plan shall be retained predominantly in their natural, scenic and open space condition, prohibiting any use that will impair or interfere with the natural and scenic values of the wetlands areas as part of an ecologically sensitive land system. Likewise, the open space areas as designated on the Condominium Subdivision Plan shall be retained predominantly in their natural, scenic and open space condition except that the Developer and/or the Association may make such improvements or modifications thereto as may be expressly approved by the Township in accordance with any applicable legal requirements. Their use shall perpetually be subject to the covenants, conditions and restrictions set forth herein and in the Bylaws attached hereto. The costs of any necessary maintenance and/or restoration of the wetlands areas and/or open space areas of the Condominium shall be borne by the Association. There shall be no access by the public to the wetlands areas or open space areas although the Township shall have easements of access as may be necessary for inspection thereof to determine compliance with law and the Condominium Documents.

Section 9. Roads. The roads in the Condominium shall be initially constructed by the Developer, at its sole expense, for purposes of ultimate dedication to the Livingston County Road Commission, in accordance with all applicable provisions of the Marion Township Zoning Ordinance. Until dedication to the public of the roads, there shall exist an easement over all of such roads for use by the Township, public and private emergency, service and utility vehicles and such other invitees (including tradesmen and delivery persons) as shall be necessary to permit the reasonable enjoyment of their Units by the Co-owners. This 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 private emergency and other normal services and visitation to the Condominium Project and Co-owners thereof. Also, until such dedication, the roads as shown on the Condominium Subdivision Plan will be maintained (including, without limitation, snow removal), replaced, repaired and resurfaced as necessary by and at the sole expense of the Association. In the event that the Association fails to provide adequate maintenance, repair or replacement of the roads, the Township may serve written notice of such failure upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance, repair or replacement be cured within a stated reasonable time period. If such deficiencies are not cured, the Township may undertake such maintenance, repair, or replacement and the costs thereof plus a 25% administrative fee may be assessed against the Co-owners and collected as a special assessment on the next annual Township tax roll.

Section 10. Gas Access and Storage Site Easement. No structures shall be constructed within the Panhandle Eastern Pipeline Company Gas Access and Storage Site Easement in accordance with the Amendment of Agreements pertinent thereto as recorded in Liber 2551, at Pages

347 through 355, Livingston County Records, and depicted in the Condominium Subdivision Plan. The provisions of such instrument and all related instruments are hereby incorporated by reference herein and are binding upon the Association and all Co-owners.

ARTICLE IX

AMENDMENT

This Master Deed and the Condominium Subdivision Plan may be amended with the consent of 66-2/3% of the Co-owners, except as hereinafter set forth:

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-owner of such Unit. The Developer may, without such consent, modify the Unit and Limited Common Elements appurtenant to any Unit to make adjustments for survey error or to take into account topographic conditions of the Unit or the Limited Common Elements of the Unit or as elsewhere herein provided (but subject to any necessary consent of the Township).

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendments shall require the approval of 66-2/3% of all first mortgagees of record allocating one vote for each mortgage held.

Section 3. By Developer. Prior to one year after expiration of the Development and Sales Period, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A as do not materially affect any rights of any Co-owners or mortgagees in the Project.

Section 4. Change in Percentage of Value. Except as otherwise provided in this Master Deed, the value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his first mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent; thus, any change in such matters shall require unanimity of action of all Co-owners.

Section 5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of the Developer and 100% of non-Developer Co-owners.

Section 6. Developer Approval. During the Development and Sales Period, the Condominium Documents shall not be amended nor shall the provisions thereof be modified in any way without the written consent of the Developer.

Section 7. Amendments for Secondary Market Purposes. The Developer or Association may amend the Master Deed or Bylaws to facilitate mortgage loan financing for existing or prospective Co-owners and to enable the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration, the Department of Housing and Urban Development, Michigan State Housing Development Authority or by any other institutional participant in the secondary mortgage market which purchases or insures mortgages. The foregoing amendments may be made without the consent of Co-owners or mortgagees.

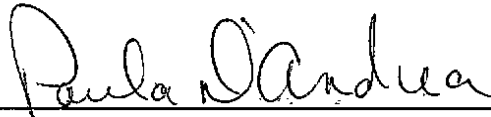
ARTICLE X

ASSIGNMENT


Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the office of the Livingston County Register of Deeds.

WITNESSES:

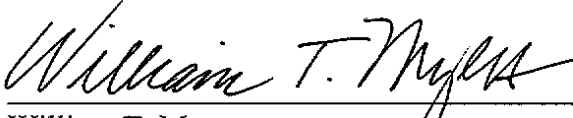
OLYMPIA DEVELOPMENT CO. L.L.C.,
a Michigan limited liability company



Paula D'Andrea

By: 

Frank M. Soave, Member

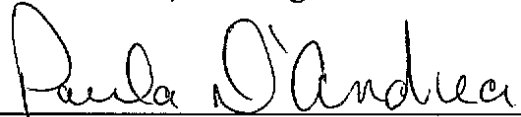


William T. Myers

[Acknowledgment appears on next page]

STATE OF MICHIGAN)
) SS
COUNTY OF OAKLAND)

On this 31st day of March, 2000, the foregoing Master Deed was acknowledged before me by Frank M. Soave, a member of Olympia Development Co. L.L.C., a Michigan limited liability company, on behalf of the company.



Paula D'Andrea
Paula D'Andrea
Notary Public, Oakland County, Michigan
My commission expires: 9-29-03

Master Deed drafted by:

William T. Myers of Myers Nelson Dillon & Shierk, PLLC
1701 North Woodward Avenue, Suite 235
Bloomfield Hills, Michigan 48304

When recorded, return to drafter

THE FOREST

EXHIBIT A

BYLAWS

ARTICLE I

ASSOCIATION OF CO-OWNERS

The Forest shall be administered by an Association of Co-owners which has been incorporated as a Michigan non-profit corporation known as The Forest Homeowners Association, 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 in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. 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 his or her Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. 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.

ARTICLE II

ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Co-owners thereof in accordance with the following provisions:

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the General Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the General Common Elements or the administration of the Condominium

Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

Section 2. Determination of Assessments. Assessments shall be determined in accordance with the following provisions:

(a) **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 Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those General Common Elements that must be repaired or replaced on a periodic basis shall be established in the budget and must be funded by regular quarter annual payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subsection may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said 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. Should the Board of Directors at any time decide, in its sole discretion: (1) that the assessments levied are or may prove to be insufficient: (a) to pay the costs of operation and management of the Condominium, (b) to provide repairs or replacements of existing General Common Elements, (c) to provide additions to the General Common Elements not exceeding \$1,000.00 annually for the entire Condominium Project, or (2) that an emergency exists, the Association shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 3 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subsection shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

(b) **Special Assessments.** Special assessments, in addition to those required in subsection (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the General Common Elements of a cost exceeding \$1,000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subsection (b) (but not including those assessments referred to in subsection 2(a) above, which shall be levied in the sole discretion of the Board of

Directors) shall not be levied without the prior approval of more than 60% of all Co-owners. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof. This Section 2(b) does not apply to special assessments levied by the Township pursuant to applicable provisions of the Master Deed.

(c) **Special Assessment District for Francis Road.** If a special assessment district is created by Marion Township for the improvement of Francis Road, the Units within the Condominium Project, together with all other benefitted properties, shall be included within the special assessment district. The Co-owners of each Unit shall pay in annual installments the pro-rata share of the costs of the road improvement project for the special assessment(s) as spread equitably against all benefitted parcels within the special assessment district. In the event that the special assessments are levied against the benefitted lands within the special assessment district based on another formula, the Co-owners of each Unit shall pay an equitable share of the costs of the road improvement as established by such formula.

(d) **Limitations on Assessments for Litigation.** The Board of Directors shall not have authority under this Article II, Section 2, or any other provision of these Bylaws or the Master Deed, to levy any assessment, or to incur any expense or legal fees with respect to any litigation, without the prior approval, by affirmative vote, of not less than 66-2/3% of all Co-owners. This subsection shall not apply to any litigation commenced by the Association to enforce collection of delinquent assessments pursuant to Article II, Section 7 of these Bylaws. In no event shall the Developer be liable for, nor shall any Unit owned by the Developer be subject to any lien for, any assessment levied to fund the cost of asserting any claim against Developer, whether by arbitration, judicial proceeding, or otherwise.

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned equally among and paid by the Co-owners. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in four (4) equal quarter-annual installments, 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 installment shall be in default if such installment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Each installment in default for 10 or more days may bear interest from the initial due date thereof at the rate of 7% per annum until each installment is paid in full. The Association may assess reasonable automatic late charges or may, pursuant to Articles XIX and XX hereof, levy fines for late payment of assessment installments in addition to such interest. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his or her Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessment levied up to and including the date upon which

such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 4. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself or herself from liability for his or her 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 or her Unit.

Section 5. Enforcement.

(a) **Remedies.** In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his or her Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon 7 days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his or her 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 or her. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Articles XIX and XX of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) **Foreclosure Proceedings.** 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 the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. 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 with respect to which the assessment installment(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 or she was notified of the provisions of this subsection and that he or she 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.

(c) **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 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his, her or their last known address, 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 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's fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to 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 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 delinquent Co-owner and shall inform him or her that he or she may request a judicial hearing by bringing suit against the Association.

(d) **Expenses of Collection.** The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his or her Unit.

Section 6. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a *pro rata* share of such assessments or charges resulting from a *pro rata* reallocation of such assessments or charges to all Units including the mortgaged Unit).

Section 7. Developer's Responsibility for Assessments. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the regular Association assessments. The Developer, however, shall at all times pay all expenses of maintaining the Units that it owns, including the improvements located thereon, together with a proportionate share of all current expenses of administration actually incurred by the Association from time to time, except expenses related to maintenance and use of the Units in the Project and of the improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, the Developer's proportionate share of such

expenses shall be based upon the ratio of all Units owned by the Developer at the time the expense is incurred to the total number of Units then in the Project. In no event shall the Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to Units owned by it on which a completed residential dwelling is located. For instance, the only expenses presently contemplated that the Developer might be expected to pay are a *pro rata* share of snow removal and other road maintenance concerning The Forest from time to time as well as a *pro rata* share of any liability insurance and other administrative costs which the Association might incur from time to time. Any assessments levied by the Association against the Developer for other purposes shall be void without Developer's consent. The Developer may assign this limited exemption from regular Association assessments to any residential builders to which Developer may sell Units. Further, the Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, any cost of investigating and preparing such litigation or claim or any similar or related costs. A "completed residential dwelling" shall mean a residential dwelling with respect to which a certificate of occupancy has been issued by the Township.

Section 8. Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 9. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 10. Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

Section 11. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least 5 days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

ARTICLE III

ARBITRATION

Section 1. Scope and Election. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between the Co-owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

Section 2. Judicial Relief. 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. Election of Remedies. Such election and written consent by Co-owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE 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 extended coverage, vandalism and malicious mischief and liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion, but in no event less than \$1,000,000 per occurrence), 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 and such insurance shall be carried and administered in accordance with the following provisions:

(a) **Responsibilities of Association.** All such insurance shall be purchased by the Association for the benefit of the Association, the Developer and 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, upon request of a mortgagee.

(b) **Insurance of Common Elements.** All General Common Elements of the Condominium Project shall be insured against perils covered by a standard extended coverage endorsement, if applicable and appropriate, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association.

(c) **Premium Expenses.** All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(d) **Proceeds of Insurance Policies.** If applicable, proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the 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 Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.

Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his or her true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the General Common Elements of the Condominium Project, with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing. Unless the Association obtains coverage for the dwelling within the Unit pursuant to the provisions of Article IV, Section 3 below, the Association's authority shall not extend to insurance coverage on any dwelling.

Section 3. Responsibilities of Co-owners. Each Co-owner shall be obligated and responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to the dwelling and all other improvements constructed or to be constructed within the perimeter of his or her Condominium Unit and for his or her personal property located therein or 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 shall deliver certificates of insurance to the Association from time to time 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 obtain such insurance on behalf of such Co-owner and the premiums therefor 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. Each Co-owner also shall be obligated to obtain insurance coverage for his or her personal liability for occurrences within the perimeter of his or her Unit and the improvements located thereon, and also for any other personal insurance coverage that the Co-owner wishes to carry. Such insurance shall be carried in such minimum amounts as may be specified by the Association and such coverage shall not be less than \$1,000,000.00 (and as specified by the Developer during the Development and Sales Period) and each Co-owner shall furnish evidence of such coverage to the Association or the Developer upon request. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so.

Section 4. Waiver of Right of Subrogation. The Association and all Co-owners shall use their best efforts to cause all property and liability insurance carried by the Association or any Co-owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

Section 5. Indemnification. Each individual Co-owner shall indemnify and hold harmless every other Co-owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit and shall carry insurance to secure this indemnity if so required by the Association (or the Developer during the Development and Sales Period). This Section 5 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired, and the responsibility therefor, shall be as follows:

(a) **General Common Elements.** If the damaged property is a General Common Element, the damaged property shall be rebuilt or repaired unless all of the Co-owners and all of the institutional holders of first mortgages on any Unit in the Project unanimously agree to the contrary; provided, however, that this Section shall not affect the right of the Township to require maintenance, repair and replacement of the private roads as set forth in applicable provisions of the Master Deed.

(b) **Unit or Improvements Thereon.** If the damaged property is a Unit or any improvements thereon, the Co-owner of such Unit alone shall determine whether to rebuild or repair the damaged property, subject to the rights of any mortgagee or other person or entity having an interest in such property, and such Co-owner shall be responsible for any reconstruction or repair that he or she elects to make. The Co-owner shall in any event remove all debris and restore his or her Unit and the improvements thereon to a clean and slightly condition satisfactory to the Association and in accordance with the provisions of Article VI hereof as soon as reasonably possible following the occurrence of the damage.

Section 2. Repair in Accordance with Master Deed, Etc. Any such reconstruction or repair of an improvement within the General Common Elements shall be substantially in accordance with the Master Deed and the original plans and specifications of the improvements unless the Co-owners shall unanimously decide otherwise. Further, any such reconstruction or repair will be subject to any applicable building code requirements and other ordinance requirements of the Township.

Section 3. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment 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 repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 4. Timely Reconstruction and Repair. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.

Section 5. Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) **Taking of Unit or Improvements Thereon.** In the event of any taking of all or any portion of a Unit or any improvements thereon by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and his or her mortgagee shall, after acceptance of the condemnation award therefor, be divested of all interest in the Condominium Project.

(b) **Taking of General Common Elements.** If there is any taking of any portion of the General Common Elements, the condemnation proceeds relative to such taking shall

be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

(c) **Continuation of Condominium After Taking.** In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner.

(d) **Notification of Mortgagees.** 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.

(e) **Applicability of the Act.** To the extent not inconsistent with the foregoing provisions, Section 133 of the Act shall control upon any taking by eminent domain.

Section 6. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Co-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 Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

All of the Units in the Condominium shall be held, used and enjoyed subject to the following limitations and restrictions:

Section 1. Residential Use. No Unit in the Condominium shall be used for other than single-family residential purposes and the Common Elements shall be used only for purposes consistent with single-family residential use. Dwellings shall be designed and erected for occupation by, and occupied by, one single family. Neither the Units nor the Common Elements shall be used in violation of applicable zoning or other ordinances of the Township or in violation of other pertinent laws or regulations and all Co-owners and the Association shall, whenever required, obtain affirmative approvals or permits from the Township as may be required by applicable ordinances.

The Forest is established as a first-class residential site condominium project and shall be maintained at all times in accordance with high standards consistent with such use.

Section 2. Leasing and Rental.

(a) **Right to Lease.** A Co-owner may lease or sell his or her Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least 6 months unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the Condominium in its discretion.

(b) **Leasing Procedures.** The leasing of Units in the Project shall conform to the following provisions:

(1) A Co-owner, including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least 10 days before presenting a lease form to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If the Developer desires to rent Units before the Transitional Control Date, it shall notify either the Advisory Committee or each Co-owner in writing.

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

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

(i) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.

(ii) The Co-owner shall have 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.

(iii) If after 15 days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or

derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the General Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.

(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 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 constitute a breach of the rental agreement or lease by the tenant.

Section 3. Architectural Control. No dwelling, structure, or other improvement of any nature shall be constructed or installed within a Condominium Unit, or elsewhere within the Condominium Project, nor shall any material exterior modification be made to any existing building, structure or improvement, unless architectural plans (including elevations), and specifications therefor together with site plans, and building materials and containing such other details as the Developer may require, have first been approved in writing by the Developer. Developer will establish rules and regulations (which Developer may amend from time to time) for submittal of all plan approval applications and all such rules and regulations shall be strictly followed by each Co-owner, in form and substance, in seeking any plan approval required hereunder. Construction of any building or other improvements must also receive any necessary approvals from the local public authority. No carports shall be constructed on any Unit. Developer shall have the right to refuse to approve any such plans or specifications which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to be constructed and the degree of harmony thereof with the Condominium as a whole. The Developer shall act upon any such application for approval of plans within 15 days after receipt of such plans and specifications by it. If Developer fails to respond to any such plan approval application within 15 days after receipt, the plan(s) submitted shall be deemed approved. Any modifications or improvements which obtain the required approval of the Developer and/or the Association shall always be made strictly in accordance with all requirements of the Ordinances of Marion Township and any other public agency having jurisdiction and any Co-owner failing to obtain any required permits and approvals from pertinent public agencies shall indemnify the Association against all expense or damage which it may incur as a result thereof. Approved construction, once begun, shall proceed promptly and shall be completed within a reasonable time and each Co-owner shall be duly diligent in pursuance of this requirement. Each Co-owner shall obtain a certificate of occupancy for his or her residence within one year after commencement, and, notwithstanding issuance of such certificate, no residence shall be left in an incomplete state on the exterior for longer than a year after construction begins. No boundary fences

or walls shall be permitted and fences or walls to be used in connection with gardens, patios, privacy areas, pools, or dog runs shall be permitted only with approval of the Developer and in accordance with duly prescribed rules and regulations of the Association. No outbuildings may be constructed on any Unit.

No residence shall be hereafter constructed on any Unit of less than the following sizes of finished living areas as calculated on exterior dimensions, exclusive of porches, patios, garages and basements:

- (a) A one story dwelling shall have no less than 1,300 square feet of living area on the ground floor, above grade.
- (b) A two story dwelling shall have no less than an aggregate living area of 1,700 square feet.
- (c) A one and one-half story dwelling shall have an aggregate living area no less than 1,700 square feet.

No "bi-level," "tri-level" or "quad-level" residence shall be permitted.

All structures shall be erected upon a foundation constructed on suitably permanent material extending below the frost line. All residential structures built in a Unit shall have exterior finishes of woodboard siding, vinyl siding, brick, and/or stone. Plywood siding is prohibited except for T 1-11. No aluminum siding shall be installed on a residential structure. All dwellings shall have a minimum 2-car attached garage. No carports shall be constructed or utilized. Sloping roof pitches are to be a minimum of 6/12 for functional and aesthetic reasons. Only new materials and no used materials (except for reclaimed brick) shall be used in the construction of a residential structure. Neither mobile homes nor modular homes may be constructed, erected or placed on any Unit. No structure shall be occupied as living quarters unless and until said structure shall be completed according to approved plans and until a temporary or permanent occupancy permit has been issued by the governmental unit having jurisdiction over the construction and use of such structure. During construction and upon completion, the Unit shall be kept free and clean of construction debris and rubbish and an orderly and neat appearance shall be maintained. Within sixty (60) days after substantial completion of construction of a residential structure, all unused construction materials, equipment and supplies shall be removed from the site. Areas of the Unit disturbed by excavation and construction work shall be finish-graded and seeded, sodded or otherwise suitably landscaped as soon as construction activities and weather permits and, in no event, longer than six (6) months thereafter; provided, however, that Developer may grant exemptions from this requirement to builders of unsold homes. All driveways shall be surfaced with concrete or bituminous paving with suitable sub-base support. The grading, installation and paving of driveways shall be completed immediately after occupancy of a residential structure, weather permitting. If a disagreement on the guidelines set forth in this paragraph should arise, the decision of Developer shall be final and binding upon all persons to whom these restrictions may apply.

The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners (except as Developer may make exceptions hereto under Section 21 of this Article VI). Developer's rights under this Article VI, Section 3 may, in Developer's discretion, be assigned to the Association or other successor to Developer.

Section 4. Alterations and Modifications of Units and Common Elements. No Co-owner shall make structural alterations, modifications or changes to the exteriors of any structures constructed within any of the Units (as opposed to the interior of the dwelling located within the Unit), or to any of the Common Elements without the express written approval of the Board of Directors (and the Developer during the Development and Sales Period), which approvals shall not be unreasonably withheld (but may be reasonably conditioned) including, without limitation, the erection of antennas of any sort (including dish antennas), aerials, awnings, flag poles, or other exterior attachments or modifications. No outbuildings, sheds, above-ground pools, boundary fences or walls shall be permitted under any circumstances. No swing sets or playground equipment shall be placed in front or side yards and the design and construction materials of all swing sets and play structures must be approved in advance by Developer. No attachment, appliance or other item may be installed which is designed to kill or repel insects or other animals by light or which emits a humanly audible sound. No Co-owner shall in any way restrict access to any utility line, or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. No structures shall be erected within the Panhandle Eastern Pipeline Company Gas Access and Storage Site Easement as reflected by the Amendment of Agreements recorded in Liber 2551, Pages 347 through 355, Livingston County Records.

Section 5. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time and disputes among Co-owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his or her Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the 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 even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices. Migratory birds and fowl in a state of nature shall not be killed or injured by any person.

Section 6. Animals. Co-owners may maintain a maximum of three common domestic pets. No other pets or animals shall be maintained by any Co-owner unless specifically approved in writing by the Association which consent, if given, shall be revocable at any time for infraction of the rules with respect to animals. All animals kept within the Condominium Premises shall be maintained in strict accordance with Township requirements and each Co-owner shall obtain from

the Township any permit or approval required by law for the maintenance of any animal for which such Co-owner is responsible. No animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the General Common Elements or upon any Unit other than its Owner's Unit and any animal shall at all times be leashed and attended by some responsible person while on the General Common Elements. Any dog runs or other pet enclosures shall be approved in accordance with Section 3 of this Article VI. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. No dog whose barks can be heard on an obnoxiously continuing basis shall be kept in any Unit or on the Common Elements even if permission was previously granted to maintain the pet on the premises. The Association may, without liability to the owner thereof, cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations of the Association.

Section 7. Aesthetics. The Common Elements and all Units shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Garbage, trash and other waste shall be disposed of by burning in an approved incinerator to the extent possible. Non-burnable waste shall be kept in covered sanitary containers. Trash receptacles shall be maintained in garages, utility rooms, basements or other approved areas designated therefor at all times and shall not be permitted to remain elsewhere or anywhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. In general, no activity shall be carried on nor condition maintained by a Co-owner, either in his or her Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

Section 8. Vehicles. No house trailers, commercial vehicles, boat trailers, boats, personal watercraft, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal transportation purposes, may be parked or stored on the Units unless they are stored within garages. The Developer shall have the right to make reasonable exceptions to this requirement and to impose conditions as to screening and limitation of visibility in connection therewith. All vehicles shall be parked in garages to the extent possible. Garage doors shall be kept closed when not in use. No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. The Association may make reasonable rules and regulations in implementation of this Section including exceptions to garage storage requirements if other adequate

screening is provided. The purpose of this Section is to accommodate reasonable Co-owner parking but to avoid unsightly conditions which may detract from the appearance of the Condominium as a whole, and to assure that all vehicles and recreational or construction type equipment are not to be visible from the roadway, other Units or the General Common Elements.

Section 9. Advertising and Signs. No signs or other advertising devices or symbols of any kind shall be displayed which are visible from another Unit or on the Common Elements, including "For Sale" signs, without written permission from the Association and, during the Development and Sales Period, from the Developer. After the Development and Sales Period, one sign, not exceeding six (6) square feet in area advertising a Unit for sale, may be displayed so long as it conforms to the rules and regulations of the Association relative thereto with regard to size, shape, color, placement and such other criteria as the Association may deem appropriate. All such permitted signs must be maintained in good condition and shall be removed immediately after termination of their immediate use. Garage sales shall be conducted, if at all, only in accordance with such uniform rules and regulations as may be prescribed by the Board of Directors which shall have the authority to prohibit such sales entirely if deemed in the best interests of the Association.

Section 10. Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.

Section 11. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary to carry out any responsibilities imposed on the Association by the Condominium Documents. The Association or its agents shall also have access to Units as may be necessary to respond to emergencies. The Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for any necessary damage to his or her Unit caused thereby. If an emergency does not prevail, then the Association shall not have the right to enter within any Unit without permission of the Owner which permission shall not be unreasonably withheld. This provision shall not be construed to permit access to the interiors of residences or other structures.

Section 12. Landscaping. No Co-owner shall perform any landscaping or earth moving or plant any trees, shrubs or flowers or place any ornamental materials upon the General Common Elements without the prior written approval of the Association and, during the Development and Sales Period, the Developer. All yard areas shall be maintained in a healthy and acceptable manner as specified in standards set by the Association.

Section 13. Co-owner Maintenance. Each Co-owner shall maintain his or her Unit for which he or she has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but

not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other Common Elements 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 negligent damage to or misuse of any of the Common Elements by him or her, or his or her family, guests, contractors, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). 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.

Section 14. Reserved Rights of Developer.

(a) **Prior Approval by Developer.** During the Development and Sales Period, no buildings, or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made, except interior alterations which do not affect structural elements of any dwelling, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, location and approximate cost of such structure or improvement of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with the Developer (subject, however, to the review and approval provisions of Section 3 of this Article VI). The Developer shall have the right to refuse to approve any such plan or specifications which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

(b) **Developer's Rights in Furtherance of Development and Sales.** None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, model units, mobile trailer used as a sales office, advertising display signs, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by the Developer and may continue to do so during the entire Development and Sales Period.

(c) **Enforcement of Bylaws.** 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. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then the Developer, or any person to whom it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period which right of enforcement shall include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

Section 15. Setbacks. Each dwelling constructed in The Forest shall be built within building setback or envelope lines as depicted on the Township-approved Site Plan for the Condominium which lines reflect the building setback requirements imposed by the Township zoning ordinances and, to some extent by the Developer. In certain instances, the Developer has required or may, in the future, impose more stringent standards than the setback requirements of the Township. There shall be no deviations from the foregoing except as specifically approved by the Township to any extent required by its ordinances and/or by the Developer (during the Development and Sales Period and by the Association thereafter), as each individual case may require. The Developer shall not be subject to this provision except as Township approvals may be required for any deviations or variances from Township imposed minimums.

Section 16. Swimming Pools. Subject to any approvals and/or permits which may be required to be obtained from any public authority having jurisdiction, in-ground swimming pools may be installed in rear yard areas but only upon specific written approval of the Developer based upon plans and specifications therefor. Such approval shall not be unreasonably withheld but may be reasonably conditioned upon compliance with adequate screening and other aesthetic requirements. No above-ground swimming pools may be installed under any circumstances.

Section 17. Tree Preservation. No trees in a General Common Element area may be trimmed or cut without Association approval in writing. Each tree removed or trimmed in violation of this provision shall constitute a separate violation and shall subject the offending Co-owner to fines as set forth in Articles XIX and XX of these Bylaws. This provision shall not apply to the Developer and its assigns during the Development and Sales Period except that the Developer, the Association and all Co-owners shall comply with any ordinances of the Township, including woodlands regulations, which are applicable from time to time to the Condominium Premises.

Section 18. Non-Disturbance of Wetlands. Certain portions of the land within the Condominium which are designated on the Condominium Subdivision Plan as Wetlands Area contain wetlands, in whole or in part, which are protected by federal and state law. Under the provisions of the Goemaere-Anderson Wetland Protection Act, Public Act No. 203 of 1979, 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. The penalties specified in the Goemaere-Anderson Wetland Protection Act are substantial. To avoid any possibility of violation

of such laws and to preserve the inherent beauty of the Wetlands Area for all Co-owners, neither any Co-owner nor the Association may disturb in any way (including by pedestrian traffic, chemical sprays or any other intrusion) any Wetlands Area depicted as such on the Condominium Subdivision Plan.

Section 19. Maintenance and Use of Wetlands Areas. The Association shall undertake and/or supervise and control any programs of use, maintenance or restoration of the Wetlands Area which it determines to be appropriate to preserve the desirable features of the natural environment or restore previously existing features of the environment of the Wetlands Area which may have deteriorated. Any maintenance or restoration shall be conducted after the approval, if applicable, of the Township, the Michigan Department of Environmental Quality, or as otherwise required by applicable law. No right of access by the general public to any portion of the Wetlands Area is conveyed or created by these provisions. During the Development and Sales Period, the Developer shall be entitled to make such changes within the Wetlands Area as Developer may determine in Developer's sole discretion without approval by any Co-owner or mortgagee and subject only to approval by the Township and any other public agency having jurisdiction.

Section 20. Maintenance of Yards and Lawns.

(a) **Yards and Lawns.** All yard areas within Units (unless such a Unit has not been built upon) shall be well maintained and in keeping with such rules and regulations as may be promulgated from time to time by the Developer and the Association. The size and nature of Units in The Forest dictate that, in some instances, it will be aesthetically acceptable to maintain vegetation other than well maintained lawns on portions of a Unit. The Developer and the Association shall be entitled to require that a well maintained lawn be installed in certain areas of Units as shall be reasonable under the circumstances and compatible with the nature of The Forest in general, in light of the fact that the Condominium is intended to be a first-class residential development, albeit of a suburban character. Well maintained lawns shall be deemed to be lawns which are regularly cut to a uniform height appropriate for such grass in a first-class residential development, and are trimmed and edged to preserve a neat, groomed and cared-for appearance in the Condominium. The Developer may also specify time periods within which lawns shall be installed. At a minimum, each Co-owner shall be required to install a lawn and otherwise reasonably landscape his Unit, including installation of trees and shrubs, within six months (with reasonable extensions for inclement weather) after issuance of a certificate of occupancy with respect to any dwelling constructed within his or her Unit. Each Co-owner's responsibility shall extend to maintaining the area in the General Common Element right-of-way lying between his or her Unit and the road pavement within the right-of-way.

The Developer, during the Development and Sales Period, and the Board of Directors thereafter, may require Owners of Units on which dwellings have not been built to mow the weeds or vegetation on the Units up to twice a year. One mowing may be required in the late spring or early summer after initial growth has subsided; a second mowing may be required in mid- to late fall after the growing season has ended. The Developer, during the

Development and Sales Period, and the Association thereafter, may also elect to require mowing of yard areas after a home has been constructed if it deems appropriate.

(b) **Installation and Maintenance of Trees Within Street Margins.** Each Unit Owner shall install at least one tree in the street margin in front of his Unit. All trees shall be protected from damage by wind and other elements during the first full year after planting. At planting, trees shall have a minimum diameter of 1-1/2 inches at 6 inches above the root ball. Each tree required hereunder shall be planted by the Owner at the time of occupancy of his residence or, in case of inclement weather, no later than six (6) months following such occupancy. Neither the Developer nor the Association shall have any financial or other obligation to Unit Owners for the planting of such trees and the responsibility therefor shall be solely and absolutely that of the Owner who initially acquires a new residence on any Unit. Failure of a Unit Owner to comply with the provisions of this Section 20(b) shall entitle the Developer or the Association, at the election of either, to plant such trees and charge all costs thereof to the Unit Owner and collect the same from such Owner as otherwise provided for assessment of landscaping costs in Section 20(c) of this Article VI and for assessment of costs generally under these Bylaws. In the event of such election by Developer, it may obtain reimbursement for its costs from the Association which shall in turn charge and collect the same from the Owner.

(c) **Enforcement.** If any of the provisions in this Section 20 are violated by the Co-owner or his or her representatives or if there is a failure to comply, the Developer or Association may hire workmen and buy materials necessary to cure the violation and may charge the Co-owner the actual expense incurred for such violations plus an administrative fee to cover the expenses attendant in correcting the damage resulting from the violation of these provisions and to help defray the extra expenses incurred by the Developer and the Association in undertaking the necessary repairs and the supervision of such repairs. The Developer and the Association shall also have available all remedies set forth in these Bylaws and under Michigan law, including the right to assess fines, the right to place a lien on the Unit and such equitable relief as may be reasonable and appropriate.

Section 21. General. The purpose of this Article VI is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon all Co-owners. The Developer may, in the Developer's sole discretion, waive, at any time during the Development and Sales Period, any part of the restrictions set forth in this Article VI due to unusual topographic, natural or aesthetic considerations or other circumstances which the Developer deems compelling. Any such waiver must be in writing and shall be limited to the Unit to which it pertains and shall not constitute a waiver as to enforcement of the restrictions as to any other Unit. Developer's rights under this Article VI may, in Developer's discretion, be assigned to the Association or other successor to Developer. Developer may construct any improvements upon the Condominium Premises that Developer may, in Developer's sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Condominium Documents.

Section 22. Planned Unit Development Agreement. The Association and all Co-owners of Units therein shall be subject at all times to the terms and provisions of (i) a certain Agreement for the Establishment of a County Drain and County Drainage District as recorded in Liber 2432 at Pages 796 through 801, Livingston County Records; (ii) The Planned Unit Development Agreement for The Forest as recorded in Liber 2434 at Pages 516 through 522, Livingston County Records; and (iii) a certain Amendment of Agreements as recorded in Liber 2551 at Pages 347 through 355, Livingston County Records.

ARTICLE VII

MORTGAGES

Section 1. Notice to Association. Any Co-owner who mortgages his or her Unit shall notify the Association of the name and address of the mortgagee at closing and shall further notify the Association of any subsequent mortgagee acquiring an interest in the Co-owner's Unit. 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 60 days. If a Co-owner fails to provide the information required in this Section the Association may charge the Co-owner for any costs it incurs in collecting the information for its records and the costs incurred may be collected from the Owner in the same manner as assessments are collected under these Bylaws.

Section 2. Insurance. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the General Common Elements of the Condominium with extended coverage, and against vandalism and malicious mischief and the amounts of such coverage.

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

ARTICLE VIII

VOTING

Section 1. Vote. Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned.

Section 2. Eligibility to Vote. No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he or she has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of

these Bylaws, no Co-owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article IX. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members. At and after the First Annual Meeting the Developer shall be entitled to one vote for each Unit which it owns. If, however, the Developer elects to designate a Director (or Directors) pursuant to its rights under Article XI; it shall not then be entitled to also vote for the non-developer Directors.

Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

Section 4. Quorum. The presence in person or by proxy of 35% 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 by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

Section 5. Voting. Votes may be cast only in person or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than 50% of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.

ARTICLE IX

MEETINGS

Section 1. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance

with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by the Developer and may be called at any time after more than 50% of the Units in The Forest have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% of all Units or 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days' written notice thereof shall be given to each Co-owner.

Section 3. Annual Meetings. Annual meetings of members of the Association shall be held on the third Tuesday of March each succeeding year after the year in which the First Annual Meeting is held, at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than 8 months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI 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 4. Special Meetings. 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 or upon a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner of record, at least 10 days but not more than 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 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 6. Adjournment. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspectors of election (at annual meetings or special meetings held for the purpose of electing Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary and Treasurer.

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. 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.

Section 9. Consent of Absentees. 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 10. Minutes; Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. 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

ADVISORY COMMITTEE

Within one year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of one-third (1/3) of the Units which may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Co-owners and to aid in the transition of control of the Association from the Developer to purchaser Co-owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

ARTICLE XI

BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The Board of Directors shall be comprised of three members, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors. Directors shall serve without compensation.

Section 2. Election of Directors.

(a) **First Board of Directors.** The first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. Elections for non-developer Co-owner Directors shall be held as provided in subsections (b) and (c) below.

(b) **Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting.** Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% of the Units, one of the three Directors shall be selected by non-developer Co-owners. When the required number of conveyances has been reached, the Developer shall notify the non-developer Co-owners and request that they hold a meeting and elect the required Director. Upon certification by the Co-owners to the Developer of the Director so elected, the Developer shall then immediately appoint such Director to the Board to serve until the First Annual Meeting of members unless he or she is removed pursuant to Section 7 of this Article or he or she resigns or becomes incapacitated.

(c) **Election of Directors at and After First Annual Meeting.**

(1) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 75% of the Units, the non-developer Co-owners shall elect all Directors on the Board, except that the Developer shall have the right to designate at least one Director as long as it owns and offers for sale at least 10% of the Units in the Project. Such designee, if any, shall be one of the total number of Directors referred to in Section 1 above. Whenever the required conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(2) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, the non-developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subparagraph (1). Application of this subparagraph does not require a change in the size of the Board of Directors.

(3) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-owners have the right to elect under subsection 2(b) and subparagraph (c)(1), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co-owners under subparagraph (c)(2) results in a right of non-developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one Director as provided in subsection (c)(1).

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

(5) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.

Section 3. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.

Section 4. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically to do the following:

- (a) To manage and administer the affairs of and to maintain the Condominium Project and the General Common Elements thereof.
- (b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
- (d) To rebuild improvements after casualty.
- (e) 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) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- (g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of 75% of all of the members of the Association.
- (h) To make rules and regulations in accordance with Article VI, Section 10 of these Bylaws.
- (i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

- (j) To enforce the provisions of the Condominium Documents.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than 3 years or which is not terminable by the Association upon 90 days' written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act. No management contract shall be entered into by the Association where the management fee to be charged to the Association is in excess of five (5%) percent of the total budget, exclusive of reserves for repair and replacement of the common elements.

Section 6. Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom they are permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-developer Co-owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

Section 7. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% of all of the Co-owners qualified to vote and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

Section 8. First Meeting. The first meeting of a newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by mail, telephone or telegraph, at least 10 days prior to the date named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on 3 days' notice to each Director given personally, by mail, telephone, telecopy or telegraph, 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 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him or her 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 12. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

Section 13. First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

Section 14. Fidelity Bonds. 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 on such bonds shall be expenses of administration.

ARTICLE XII

OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. Any two offices except that of President and Vice President may be held by one person.

(a) **President.** The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. He or she shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he or she may in his or her discretion deem appropriate to assist in the conduct of the affairs of the Association.

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

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

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

Section 2. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his or her successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board

called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

Section 4. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE XIII

SEAL

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

ARTICLE XIV

FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and 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 once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by 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 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

Section 2. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

Section 3. Bank. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or equivalent insurer and may also be invested in interest-bearing obligations of the United States Government.

ARTICLE XV

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and 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 him 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 he or she may be a party or in which he or she may become involved by reason of his or her being or having been a Director or officer of the Association, whether or not he or she is a Director or officer at the time such expenses are incurred, 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 Association (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 days prior to payment of any indemnification which it has approved, the Association shall notify all Co-owners thereof. Further, the Association is authorized to carry officers' and Directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

ARTICLE XVI

AMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or may be proposed by 1/3 or more of the Co-owners by instrument in writing signed by them.

Section 2. Meeting. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Bylaws.

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 66-2/3% of all Co-owners. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66-2/3% of the first mortgagees shall be required, with each mortgagee to have one vote for each first mortgage held.

Section 4. By Developer. Prior to the Transitional Control Date, these Bylaws may be amended by the Developer without approval from any other person so long as any such amendment does not materially alter or change the right of a Co-owner or mortgagee.

Section 5. When Effective. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Livingston County Register of Deeds.

Section 6. Binding. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Project irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XVII

COMPLIANCE

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

ARTICLE XVIII

DEFINITIONS

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

ARTICLE XIX

REMEDIES FOR DEFAULT

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

Section 1. Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.

Section 2. Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-owner be entitled to recover such attorney's fees.

Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or into any Unit (but not into any dwelling or related garage), where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

Section 4. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XX hereof.

Section 5. Non-waiver of Right. 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, provision, covenant or condition in the future.

Section 6. Cumulative Rights, Remedies and Privileges. 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 7. Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. 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.

ARTICLE XX

ASSESSMENT OF FINES

Section 1. General. The violation by any Co-owner, occupant or guest of any 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 or her personal actions or the actions of his or her family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

Section 2. Procedures. Upon any such violation being alleged by the Board, the following procedures will be followed:

- (a) **Notice.** 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 representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.
- (b) **Opportunity to Defend.** The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Co-owner be required to appear less than 10 days from the date of the Notice.
- (c) **Default.** Failure to respond to the notice of violation constitutes a default.
- (d) **Hearing and Decision.** 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's decision is final.

Section 3. Amounts. 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 shall be levied:

- (a) **First Violation.** No fine shall be levied.
- (b) **Second Violation.** Twenty-Five Dollar (\$25.00) fine.
- (c) **Third Violation.** Fifty Dollar (\$50.00) fine.
- (d) **Fourth Violation and Subsequent Violations.** One Hundred Dollar (\$100.00) fine.

This schedule of fines may be changed by the Board of Directors by a resolution of the Board. Notwithstanding anything stated in these Bylaws to the contrary, a change in this schedule of fines may be made by Board resolution and will not require that an amendment to these Bylaws be adopted or recorded. Furthermore, should the Board of Directors adopt an appropriate resolution, this schedule of fines may escalate to keep pace with adjustments to the Consumer Price Index as announced by the Bureau of Labor Statistics which Index shall be the Index published to the metropolitan statistical area in which the Project is located.

Section 4. Collection. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the next regular installment of the

Condominium assessment. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitation, those described in Article II and this Article XX of these Bylaws.

ARTICLE XXI

RIGHTS RESERVED TO DEVELOPER

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

ARTICLE XXII

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 held to be partially invalid or unenforceable.

LIVINGSTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 192
EXHIBIT "B" TO THE MASTER DEED OF

THE FOREST

MARION TOWNSHIP, LIVINGSTON COUNTY, MICHIGAN

PROPERTY DESCRIPTION:

A part of the N.E. 1/4, Section 12, T.2N., R.4E., Marion Township, Livingston County, Michigan, more particularly described as BEGINNING at the North 1/4 corner of said Section 12; thence N. 85 deg 02 min 59 sec E. along the North line of said Section 12 and the centerline of Francis Road (100 ft. wide right-of-way), 1301.02 ft. (recorded as 1301.13 ft.); thence S. 00 deg 56 min 55 sec E. 2006.24 ft. (recorded as S. 00 deg 57 min 18 sec E. 2006.42 ft.); thence S. 85 deg 58 min 59 sec W. 1273.79 ft. (recorded as S. 85 deg 58 min 57 sec W. 1274.05 ft.) to the North-South 1/4 line of said Section 12; thence N. 01 deg 41 min 46 sec W. 1983.80 ft. (recorded as N. 01 deg 41 min 54 sec W. 1984.00 ft.) along said North-South 1/4 line, to the POINT OF BEGINNING, containing 58.869 acres, subject to the rights of the public or any governmental unit in any part thereof taken, used or deeded for street, road or highway purposes, also subject to easements and restrictions of record, if any.

ATTENTION: COUNTY REGISTRAR OF DEEDS
THE CONDOMINIUM PLAN NUMBER MUST BE ASSIGNED IN
CONSECUTIVE SEQUENCE, WHEN A NUMBER HAS BEEN
ASSIGNED TO THIS PROJECT IT MUST BE PROPERLY
SHOWN IN THE TITLE ON THIS SHEET AND IN THE
SURVEYOR'S CERTIFICATE ON SHEET 2.

DEVELOPER

OLYMPIA DEVELOPMENT CO., L.L.C.
230 N. SECOND STREET, SUITE 200
BRIGHTON, MICHIGAN 48116
PHONE: (810) 229-2710

SHEET INDEX

- 1) COVER SHEET
- 2) SURVEY PLAN
- 3) SITE PLAN
- 4) UTILITY PLAN
- 5) UNIT PLAN

Brad F. Thompson

BRAD F. THOMPSON
PROFESSIONAL SURVEYOR AND
PROFESSIONAL ENGINEER NO. 23828
B.F. THOMPSON, P.C.
1520 GULLEY ROAD
HOWELL, MICH. 48843
PHONE: 517/548-3142

PROPOSED: 4-6-00



BENCHMARK "A"
 SET 404 NAIL IN
 WEST SIDE OF POLE
 ELEV. = 936.93 (USGS DATUM)

LINE	LENGTH	BEARINGS
L231	50.00	N04°57'00"W
L232	70.71	S40°02'59"W
L233	50.00	S89°02'59"W
L234	70.71	S40°02'59"W
L235	50.00	N04°57'00"W
L236	124.70	S01°08'46"W
L237	104.88	S18°19'46"W
L238	196.88	N02°22'27"W
L239	207.00	N02°22'27"W
L240	116.93	N74°52'23"W
L241	128.63	N18°27'37"W
L242	150.77	S70°57'42"E
L243	113.44	S33°15'29"E
L244	179.82	S19°25'46"E
L245	180.88	S19°25'46"E
L246	139.85	S83°42'19"E
L247	152.42	N83°42'19"E
L248	20.00	S06°17'41"W
L249	108.05	N23°10'27"E
L250	139.00	H89°21'23"E

LINE	LENGTH	BEARINGS
L251	93.45	S89°53'09"E
L252	176.25	S89°57'04"E
L253	147.88	S11°12'29"E
L254	28.72	N28°32'54"W
L255	15.00	N89°56'04"W
L256	28.02	S89°28'14"E
L257	15.00	S89°28'14"E
L258	116.69	S13°53'17"W
L259	29.26	N64°51'17"E
L260	19.89	N29°11'45"W
L261	32.25	N84°29'20"W
L262	31.58	N25°11'42"E
L263	19.08	N84°29'20"W
L264	35.18	N09°56'55"W
L265	94.31	N23°06'14"E
L266	93.16	N89°42'42"E
L267	111.00	S03°08'52"E
L268	99.73	N82°07'42"E
L269	112.87	N89°03'05"E
L270	334.74	N00°56'55"W

BEARINGS ARE REFERENCED TO THE NORTH LINE OF SEC. 12 PER SURVEY BY BOSS ENG. CO. JOB #1164 (N 89° 02' 59" E)

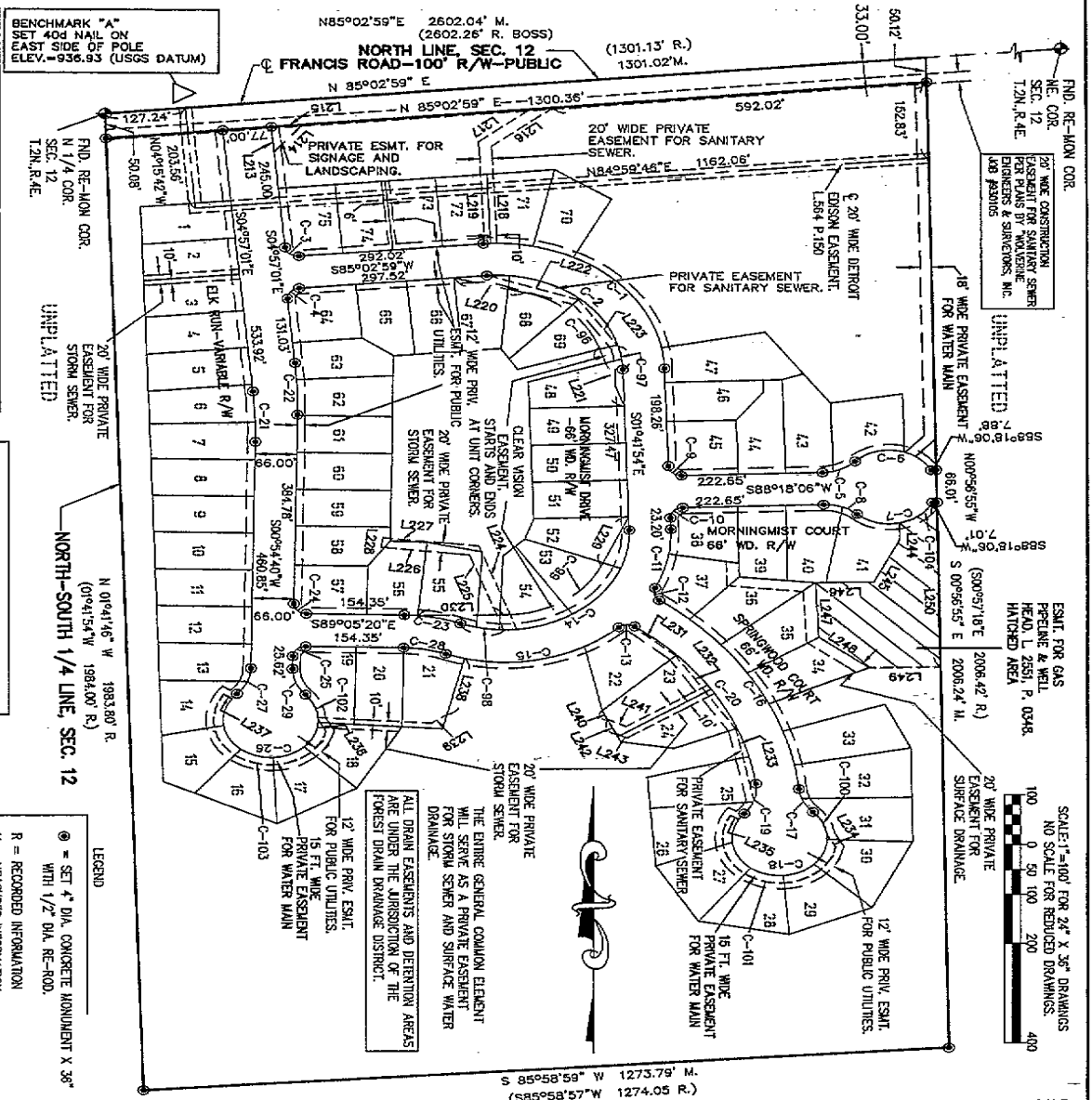
IN ADDITION TO EXISTING AND PROPOSED EASEMENTS AS SHOWN THE ENTIRE PROPERTY IS ALSO COVERED BY THE FOLLOWING: -RIGHT OF WAY IN FAVOR OF PANHANDLE EASTERN PIPE LINE CO., AS RECORDED IN L.230, P.142. -REMS AND CONDITIONS OF GAS STORAGE AGREEMENT AND OIL AND GAS LEASE IN FAVOR OF PANHANDLE EASTERN PIPE LINE CO., AS RECORDED IN L.251, P.505 AND ALSO L.818, P.317. -NATURAL GAS CONCESSION IN FAVOR OF PANHANDLE EASTERN PIPE LINE CO., AS RECORDED IN L.353, P.7 AND ALSO L.825, P.818.

BRAD F. THOMPSON
 PROFESSIONAL SURVEYOR AND
 PROFESSIONAL ENGINEER NO. 23828
B.F. THOMPSON, P.C.
 1520 GULEY ROAD
 HOWELL, MICH. 48843
 PHONE: 517/548-3142

Brad F. Thompson

THE FOREST SURVEY PLAN
 SHEET 2
 BFT JOB #96-2770

PROPOSED: 4-6-00



UNPLATTED

LEGEND

- ⊙ = SET 4" DIA. CONCRETE MONUMENT X 36" WITH 1/2" DIA. IRON-ROD.
- R = RECORDED INFORMATION
- M = MEASURED INFORMATION

SURVEYOR'S CERTIFICATE

I, BRAD F. THOMPSON, REGISTERED LAND SURVEYOR AND CIVIL ENGINEER OF THE STATE OF MICHIGAN, HEREBY CERTIFY:

THAT THE SUBDIVISION PLAN KNOWN AS LIVINGSTON COUNTY SUBDIVISION PLAN NO. 192, AS SHOWN ON THE ACCOMPANYING DRAWINGS, REPRESENTS A SURVEY ON THE GROUND MADE UNDER MY DIRECTION, THAT THERE ARE NO EXISTING ENCUMBRANCES UPON THE LANDS AND PROPERTY HEREIN DESCRIBED.

THAT THE REQUIRED MONUMENTS AND IRON MARKERS HAVE BEEN LOCATED IN THE GROUND AS REQUIRED BY RULES PROMULGATED UNDER SECTION 142 OF ACT NUMBER 59 OF THE PUBLIC ACTS OF 1978.

THAT THE ACCURACY OF THIS SURVEY IS WITHIN THE LIMITS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NUMBER 59 OF THE PUBLIC ACTS OF 1978.

THAT THE BEARINGS, AS SHOWN, ARE NOTED ON THE SURVEY PLAN AS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NUMBER 59 OF THE PUBLIC ACTS OF 1978.

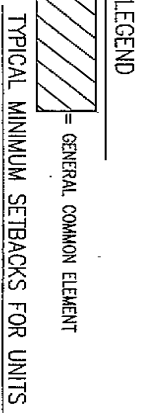
DATED: **4-6-2000**

CURVE TABLE

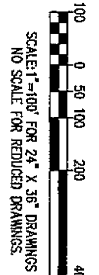
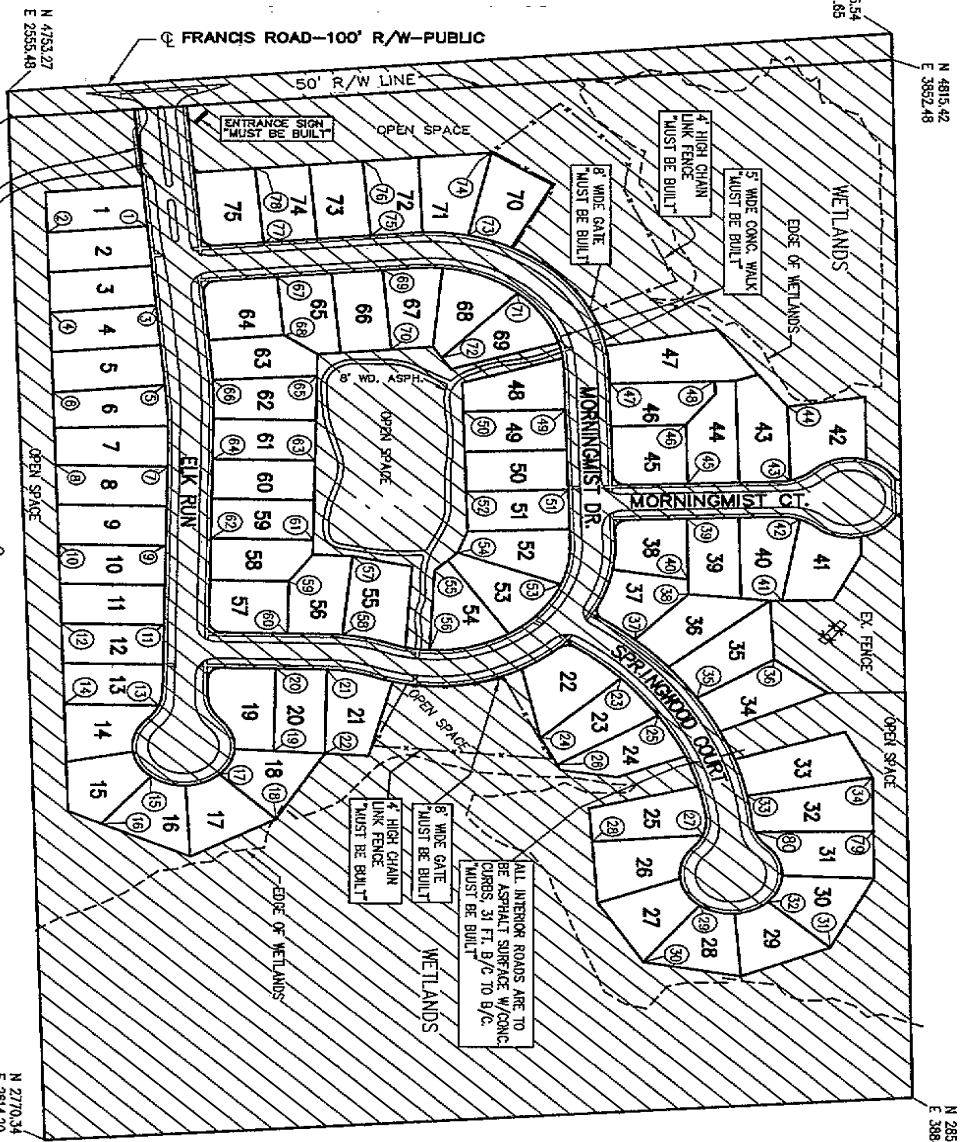
CURVE	LENGTH	RADIUS	DELTA	CHD. BEARING	CHORD
C-1	428.05'	263.00'	83°16'07"	N48°19'27"W	382.34'
C-2	320.63'	197.00'	93°19'07"	N48°19'27"W	288.39'
C-3	31.42'	20.00'	90°00'00"	S49°57'01"E	28.28'
C-4	31.42'	20.00'	90°00'00"	S49°57'01"E	28.28'
C-5	57.62'	75.00'	43°56'44"	N89°14'44"E	56.12'
C-6	141.16'	75.00'	107°50'30"	N19°19'35"E	121.23'
C-7	141.16'	75.00'	107°50'30"	N19°19'35"E	121.23'
C-8	57.62'	75.00'	43°56'44"	N89°14'44"E	56.12'
C-9	31.42'	20.00'	90°00'00"	S49°57'01"E	28.28'
C-10	31.42'	20.00'	90°00'00"	S49°57'01"E	28.28'
C-11	123.68'	263.00'	28°56'37"	N19°16'25"E	78.51'
C-12	27.60'	20.00'	78°28'23"	S14°54'28"E	25.62'
C-13	27.46'	20.00'	78°40'07"	S89°10'06"W	25.35'
C-14	386.44'	197.00'	112°23'39"	N42°42'56"E	327.40'
C-15	293.14'	263.00'	63°59'42"	N78°45'54"E	278.20'
C-16	453.53'	533.00'	48°45'10"	N30°01'11"W	419.57'
C-17	82.27'	75.00'	39°58'42"	S89°58'21"E	81.27'
C-18	350.13'	75.00'	28°28'59"	N88°10'13"E	108.37'
C-19	63.00'	75.00'	48°28'32"	N17°04'52"E	62.89'
C-20	381.04'	467.00'	48°44'57"	N31°07'22"W	370.56'
C-21	102.30'	1000.00'	05°59'14"	N02°01'11"W	102.25'
C-22	105.67'	1033.00'	05°59'14"	N02°01'11"W	105.63'
C-23	50.82'	263.00'	19°44'06"	N19°11'48"W	50.57'
C-24	31.42'	20.00'	90°00'00"	S49°57'01"E	28.28'
C-25	31.42'	20.00'	90°00'00"	S49°57'01"E	28.28'
C-26	350.67'	75.00'	25°25'32"	S89°05'29"E	108.00'
C-27	57.62'	75.00'	43°56'44"	N82°28'02"E	56.12'
C-28	68.03'	197.00'	19°44'06"	N19°11'48"W	67.89'
C-29	57.62'	75.00'	43°56'44"	S21°03'42"E	56.12'
C-30	46.38'	197.00'	13°29'24"	N08°26'53"W	46.28'
C-31	46.38'	197.00'	20°11'55"	S19°24'12"E	46.28'
C-32	192.63'	197.00'	66°50'21"	N88°18'43"E	182.13'
C-33	51.28'	75.00'	39°31'16"	N29°47'33"W	50.76'
C-34	313.28'	80.00'	199°28'21"	N89°04'15"E	177.42'
C-35	54.06'	75.00'	41°59'16"	N22°02'25"W	53.74'
C-36	315.99'	50.00'	209°06'47"	S83°35'37"E	175.94'
C-37	89.74'	75.00'	53°19'29"	N81°02'34"E	67.25'

COORDINATE CHART

1	N 4500.44	21	N 3566.05	41	N 3798.64	61	N 3810.99
2	N 4760.18	22	E 3024.63	42	E 3591.94	62	E 3004.17
3	N 4487.72	23	N 3508.84	43	N 3952.35	63	N 3913.37
4	E 2613.37	24	E 3022.10	44	E 2854.18	64	E 2854.18
5	N 4390.99	25	N 3651.77	45	N 4028.09	65	N 4060.97
6	E 2733.12	26	E 3485.65	46	E 3703.54	66	E 3006.55
7	N 4337.54	27	N 3539.43	47	N 4164.14	67	N 4063.35
8	E 2817.81	28	E 3338.14	48	E 3699.44	68	E 3699.44
9	N 4201.55	29	N 3582.52	49	E 3550.26	69	E 4211.25
10	E 2786.06	30	N 3487.16	50	E 3550.43	70	N 4029.07
11	N 4048.63	31	E 3510.32	51	E 3553.66	71	E 3009.43
12	N 4187.37	32	E 3510.32	52	E 3553.66	72	N 4219.63
13	E 2622.26	33	N 3487.16	53	E 3553.66	73	E 3009.43
14	N 4021.55	34	E 3510.32	54	E 3553.66	74	E 3009.43
15	E 2786.06	35	E 3510.32	55	E 3553.66	75	E 3009.43
16	N 4048.63	36	E 3510.32	56	E 3553.66	76	E 3009.43
17	N 4187.37	37	E 3510.32	57	E 3553.66	77	E 3009.43
18	E 2622.26	38	E 3510.32	58	E 3553.66	78	E 3009.43
19	N 4021.55	39	E 3510.32	59	E 3553.66	79	E 3009.43
20	E 2786.06	40	E 3510.32	60	E 3553.66	80	E 3009.43



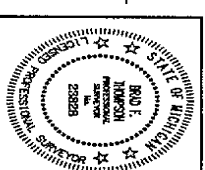
- GENERAL NOTES:**
- ALL INTERIOR ROADS ARE TO BE DEDICATED TO THE L.C.R.C. AT TIME OF COMPLETION AND "MUST BE BUILT".
 - THE 8' WIDE ASPHALT PATH AND RECREATIONAL COURT "MUST BE BUILT".
 - ALL UNIT CORNERS HAVE BEEN STAKED WITH 1/2" X 18" RE-RODS.
 - ALL DRAIN EASEMENTS AND DETENTION AREAS ARE UNDER THE JURISDICTION OF THE FOREST DRAIN DRAINAGE DISTRICT.



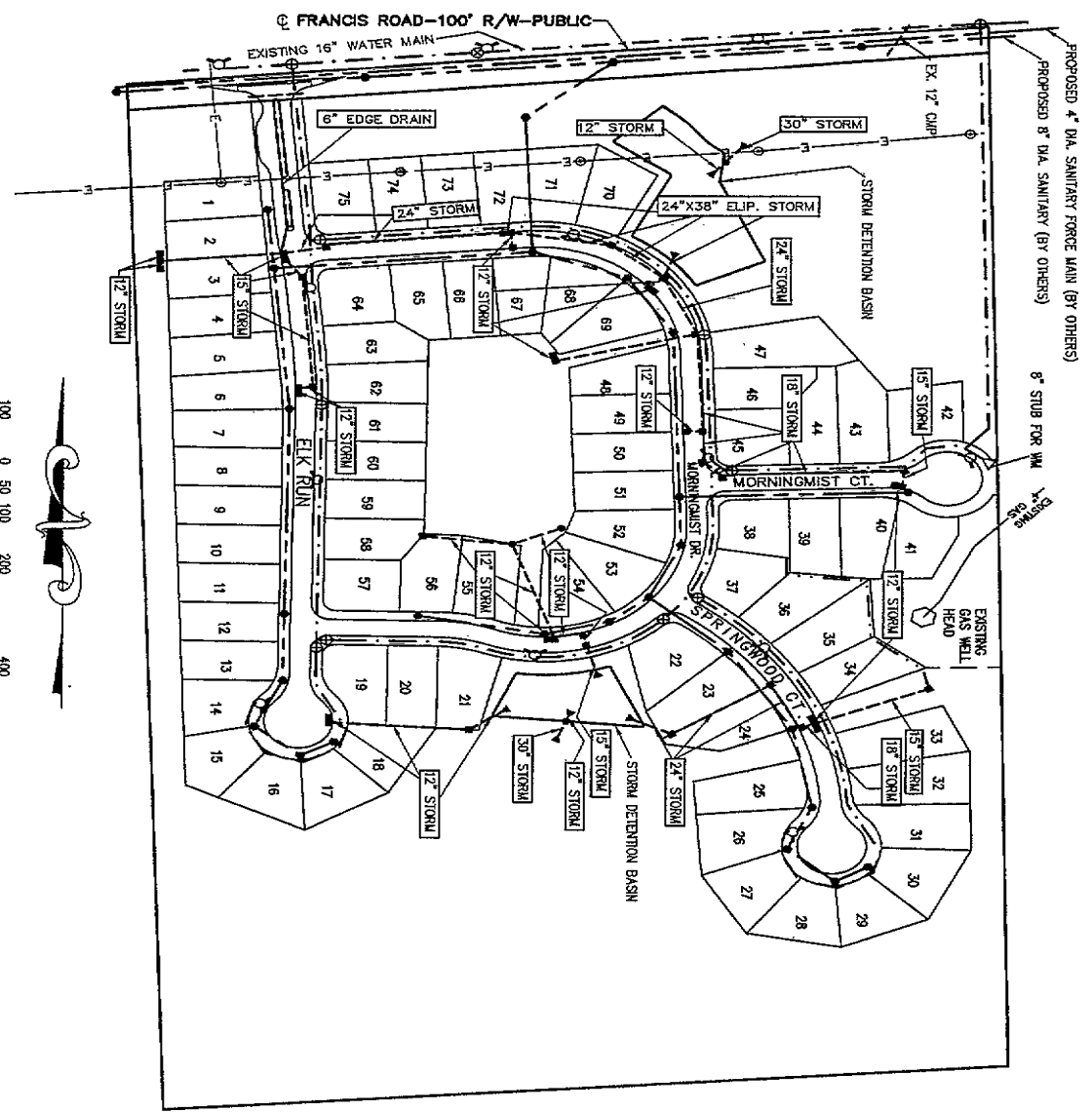
Brad J. Thompson

BRAD F. THOMPSON
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 PROFESSIONAL ENGINEER NO. 23828
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 1520 GUILLEY ROAD
 HOWELL, MICH. 48843
 PHONE: 517/548-3142

THE FOREST
 SITE PLAN
 SHEET 3
 BFT 108 #46-2770



PROPOSED: 4-6-00

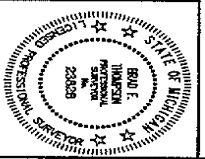


LEGEND	UTILITY	SOURCE
—	STORM DRAIN	ENGINEER*
▲	CONC. FLARED END SECTION W/RIP-RAP	ENGINEER*
•	STORM MANHOLE	ENGINEER*
◆	STORM CATCH BASIN	ENGINEER*
◊	STORM INLET	ENGINEER*
—	DRAINAGE SWALE	ENGINEER*
•	SANITARY MAN HOLE	ENGINEER*
—	8" & 10" DIA. SANITARY SEWER	ENGINEER*
⊕	UTILITY POLES (EXISTING)	ENGINEER*
—	OVERHEAD ELECTRIC LINES (EXISTING)	ENGINEER*
⊗	GATE VALVE	ENGINEER*
⊙	HYDRANT	ENGINEER*
—	8" DIA. WATER MAIN	ENGINEER*

GENERAL NOTES:
 - ALL STORM DRAIN, SANITARY SEWER, WATER MAINS AND ROADS "MUST BE BUILT".
 - ACTUAL LOCATION OF GAS, ELECTRIC, TELEPHONE AND CABLE TV SERVICE LINES IS UNKNOWN AT THIS TIME BUT WILL BE LOCATED IN THE 12 FT. WIDE PRIVATE EASEMENTS AS SHOWN ON THE SURVEY PLAN AND/OR IN THE RIGHT OF WAYS OF THE PROPOSED INTERIOR ROADS.
 - ALL DRAIN EASEMENTS AND DETENTION AREAS ARE UNDER THE JURISDICTION OF THE FOREST DRAIN DRAINAGE DISTRICT.

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THE FOREST
 UTILITY PLAN
 SHEET 4
 BFT JOB #96-2770



ENGINEER B.F. THOMPSON, P.C.

