RECORDED

2005 JUN TO A 8: 12

SALLY REYNOLDS 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 tive
years previous to the date of this instrument
or appear on the records in this

6-/0-05 Diame H. Hardy, Treasurer
Ser. 185 Act 265, 1933 as Amended
Tayes not examined

HOMESTEAD DENIALS NOT EXAMINED

MASTER DEED

COPPERFIELD VILLAS

#339

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 incorporated by reference into and made a part of this Master Deed), 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 Copperfield Villas as a Condominium Project under the Act and does declare that Copperfield Villas (the "Condominium," the "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 the attached Exhibits A and B, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, and its 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 Copperfield Villas, Livingston County Condominium Subdivision Plan No. 329. The Condominium Project is established in accordance with the Act. 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. Each Unit is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium Project.

10-01-300-030, 10-01-300-031, 10-01-300-032

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Each Co-owner in the Condominium Project shall have an exclusive right to his or her 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:

Part of the Southwest fractional ¼ and the Southeast fractional ¼ of Section 1, T2N-R4E, Marion Township, Livingston County, Michigan being described as follows: Beginning at the South 1/4 corner of said Section 1; thence along the South line of said Section 1 and the centerline of Francis Road, S 86°15'04" W, 138.82 feet; thence N 03°42'53" W, 437.19 feet; thence S 86°16'41" W, 300.20 feet; thence S 87°53'32" W, 74.40 feet; thence S 76°34'36" W, 126.95 feet; thence S 55°51'51" W, 9.27 feet; thence S 03°44'56" E, 413.43 feet; thence along the South line of said Section 1 and centerline of Francis Road, S 86°15'04" W, 650.38 feet; thence N 00°47'59" W, 1182.74 feet; thence along the Southerly right-of-way line of I-96 Highway, along an arc to the Southeast, having a length of 1472.51 feet, radius of 2967.79, delta angle 28°25'41" and a long chord bearing and distance S 70°50'29" E, 1457.45 feet; thence continuing along said right-ofway, S 85°03'19" E, 403.73 feet; thence S 01°50'22" E, 542.84 feet; thence along the centerline of Francis Road and South line of said Section 1, S 85°02'59" W, 487.82 feet to the Point of Beginning and containing 26.55 acres, more or less. Subject to the rights of the public over the existing Francis Road and any other easements or restrictions of record, if any.

ARTICLE III DEFINITIONS

Certain terms are utilized not only in this Master Deed and the attached Exhibits A and B, 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 Copperfield Villas 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 Copperfield Villas 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. <u>Association</u>. "Association" means Copperfield Villas 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.

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- Section 3. <u>Bylaws</u>. "Bylaws" means the attached Exhibit A, 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. <u>Common Elements</u>. "Common Elements", where used without modification, means both the General and Limited Common Elements described in Article IV hereof.
- Section 5. <u>Condominium Documents</u>. "Condominium Documents" means and includes this Master Deed and the attached Exhibits A and B, 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. <u>Condominium Premises</u>. "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 Copperfield Villas as described above.
- Section 7. <u>Condominium Project, Condominium or Project</u>. "Condominium Project", "Condominium" or "Project" means Copperfield Villas, as a Condominium Project established in conformity with the Act.
- Section 8. <u>Condominium Subdivision Plan</u>. "Condominium Subdivision Plan" means the attached Exhibit B.
- Section 9. <u>Consolidating Master Deed</u>. "Consolidating Master Deed" means the final amended Master Deed which shall describe Copperfield Villas as a completed Condominium Project and shall reflect the entire land area in the Condominium Project resulting from parcels that may have been added to and/or withdrawn from the Condominium from time to time under Articles VI and VII of this Master Deed, and all Units and Common Elements therein, as constructed, and which shall express percentages of value pertinent to each Unit as finally readjusted. 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.
- Section 10. <u>Co-owner or Owner</u>. "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 11. <u>Developer</u>. "Developer" means Copperfield, L.L.C., a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns including any successor developer(s) under section 135 of the Act. All successor developers

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under Section 135 of the Act 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. <u>Development and Sales Period</u>. "Development and Sales Period", for the purposes of the Condominium Documents and the rights reserved to the Developer thereunder, means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any Unit which it offers for sale, so long as the Developer is entitled to add Units to the Project as provided in Article VI. For the purposes of this Section, the term "Developer" shall also mean any successor developer(s) as defined in Section 135 of the Act.
- Section 13. <u>First Annual Meeting</u>. "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of all 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 that 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 that may be created are sold, whichever first occurs.
- Section 14. <u>Transitional Control Date</u>. "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 15. <u>Unit or Condominium Unit</u>. "Unit" or "Condominium Unit" each mean a single Unit in Copperfield Villas, as such space may be described in Article V, Section 1 of this Master Deed and on the attached Exhibit B, 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 or their appurtenant Limited Common Elements.

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:

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

- (a) <u>Land</u>. The land described in Article II above, including the roads located within the Condominium, and other common areas, if any, not identified as Limited Common Elements.
- (b) <u>Electrical</u>. The electrical transmission lines and transformers throughout the Project, up to the point at which service leads leave the transformer to provide connections for service of Units and dwellings.
- (c) <u>Telephone</u>. The telephone system throughout the Project up to the point of lateral connections for Unit service.
- (d) <u>Gas</u>. The gas distribution system throughout the Project up to the point of lateral connections for Unit service.
- (e) <u>Telecommunications</u>. The telecommunications system, if and when any may be installed, up to the point of lateral connections for Unit service.
 - (f) <u>Storm Drainage System</u>. The storm water drainage system throughout the Project.
- (g) <u>Entrance Areas</u>. The entrance areas to the Condominium as shown as General Common Elements as the Condominium Subdivision Plan.
- (h) <u>Sanitary Sewer System</u>. The sanitary sewer system throughout the Project up to the point of lateral connection for service to Units and dwellings.
- (i) <u>Water Service System</u>. The water service system and water mains throughout the project up to the point of lateral connection for service to Units and dwellings.
- (j) <u>Sprinkler System</u>. Any sprinkler system(s), if and when installed, by the Developer to serve general common lawn areas shall be General Common Elements to be maintained, repaired and replaced by the Association.
- (k) Other. Such other elements of the Project not herein designated as General or Limited 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. <u>Limited Common Elements</u>. Limited Common Elements, if any, shall be subject to the exclusive use and enjoyment of the owner of the Unit to which the Limited Common Elements are appurtenant.
- (a) <u>Utility Service Leads</u>. Any utility service leads which connect any utility lines of any sort located within the Common Elements of the Project to any dwelling shall be Limited Common Elements limited in use to the Unit(s) which they serve.

- (b) <u>Driveways and Walks</u>. Driveways and walks are Limited Common Elements serving the Units as depicted on the Condominium Subdivision Plan limited in use to the Unit(s) which they serve.
- Section 3. <u>Responsibilities</u>. The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements are as follows:

(a) <u>Co-owner Responsibilities</u>.

- (1) Units and Limited Common Elements. It is anticipated that separate residential dwellings will be constructed within the Units depicted on Exhibit B. Except as otherwise expressly provided, the responsibility for, and the costs of maintenance, decoration, repair and replacement of any dwelling and appurtenances to each dwelling as a Limited Common Element (such as driveways, walks, utility leads, decks, and air conditioner compressors and pads), shall be borne by the Co-owner of the Unit which is served by such Limited Common Elements; provided, however, that the exterior appearance of such dwelling, the Units and appurtenant Limited Common Elements, to the extent visible from any other dwelling, 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.
- (2) <u>Utility Services</u>. All costs of electricity, water and natural gas and any other utility services, except as otherwise specifically provided, shall be borne by the Co-owner of the Unit to which such services are furnished.
- (3) <u>Landscaping</u>. Each Co-owner shall be responsible for the initial installation of landscaping in his or her Unit and the yard area appurtenant to the Unit. Co-owners shall be responsible for and bear the costs of, maintenance, repair and replacement of all landscaping installed in their respective Units and yard areas, including lawns. General Common Element landscaping installed by the Developer shall be maintained, repaired and replaced by the Association
- (b) <u>Association Responsibility for Units and Common Elements</u>. The Association shall not be responsible for performing any maintenance, repair or replacement with respect to residences and their appurtenances located within the Condominium Units or the Limited Common Elements appurtenant thereto, except as otherwise provided herein. 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.

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- (c) <u>Private Roads</u>. The private roads referred to in Article IV, Section 1(a) above will be maintained, replaced, repaired and resurfaced as necessary by the Association. It is the Association's responsibility to inspect and to perform preventative maintenance of the condominium roadways on a regular basis in order to maximize their useful life and to minimize repair and replacement costs. The Association shall not be responsible for the maintenance, repair or replacement of the driveways which serve the Units. Currently, Francis Road is unpaved. If Francis Road is paved in the future, the expense of said paving shall be borne by the Co-owners pursuant to one or more special assessments by public agency.
- (d) <u>General Common Elements</u>. The cost of maintenance, repair and replacement of all General Common Elements shall be borne by the Association, subject to any provision of the Condominium Documents expressly to the contrary.
- (e) <u>Sprinkling Systems for Entrance Ways</u>. If installed by the Developer, the Association shall be responsible for the repair, replacement and maintenance of the sprinkler systems within the entrance ways and the cul-de-sac islands including all electrical appliances such as pumps, timers and controls which operate the system, if and when installed wherever they may be located.
- Section 4. <u>Utility Systems</u>. Some or all of the utility lines, systems (including mains and service leads) and equipment, and the telecommunications described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the telecommunications, shall be General Common Elements only to the extent of the Co-owner's 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 that water, sanitary, telephone, electric and natural gas mains are 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. <u>Use of Units and Common Elements</u>. No Co-owner shall use his or her 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 or her Unit or the Common Elements. No Limited Common Element may be modified or its use enlarged or diminished by the Association without the written consent of the Co-owner to whose Unit the same is appurtenant.
- Section 6. <u>No Township Maintenance Responsibility, Exception</u>. Except as provided below, Marion Township has no responsibility to maintain, repair or replace any of the infrastructure in the Condominium Project, such as roads, storm drains and retention basins, except for facilities otherwise within the jurisdiction of a local drainage district. The Association is solely responsible for such maintenance, repair and replacement until dedication (if any) to the public takes place. Notwithstanding anything in this Paragraph to the contrary, the public sanitary

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sewer system servicing the Project falls under the jurisdiction of Marion Township, which has the responsibility to maintain, repair or replace said public sanitary sewer system.

Section 7. Responsibility for Public Water System. The public water system servicing the Project falls under the jurisdiction of the Marion, Howell, Oceola, Genoa Water Authority, which has the responsibility to maintain, repair or replace said public water system.

ARTICLE V UNIT DESCRIPTIONS, PERCENTAGES OF VALUE AND CO-OWNER RESPONSIBILITIES

Section 1. <u>Description of Units</u>. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Copperfield Villas, as prepared by Boss Engineering and attached to this Master Deed as Exhibit B. Each Unit shall consist of the space located within Unit boundaries as shown on the attached Exhibit B and delineated with heavy outlines together with all appurtenances thereto. The plans and specifications for the Project have been filed with the Township of Marion. All dwellings must be constructed within the Units as depicted on Exhibit B. The Units are numbered consecutively from 1 to 31.

Section 2. Percentage of Value. The percentage of value assigned to each Unit in Copperfield Villas shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each Unit in the Project and concluding that there are no 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 Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

ARTICLE VI RE-EXPANSION OF CONDOMINIUM

- Section 1. <u>Area of Future Development</u>. The initial Master Deed for the Condominium Project will create 31 Units. However, the Developer has reserved the right to withdraw land as provided under Article VII, below. Any land which is in the future withdrawn from the Condominium Project is an "area of future development".
- Section 2. Reincorporation of Land. Any other provisions of this Master Deed notwithstanding, land and Units may be re-incorporated in the Condominium Project, at the option of the Developer, from time to time, within a period ending no later than six years from the date of recording this Master Deed. The location, nature, appearance, design and structural components of all such additional Units as may be constructed thereon shall be determined by the Developer in its sole discretion subject only to approval by the Township of Marion. All such improvements shall be reasonably compatible with the existing development in the Project, as

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determined by the Developer in its sole discretion. No Unit shall be created within the area of future development that is not restricted exclusively to residential use.

Section 3. Re-Expansion Not Mandatory. Nothing herein contained shall in any way obligate the Developer to re-enlarge the Condominium Project and the Developer may, in its discretion, establish all or a portion of said area of future development as a rental development, a separate condominium project (or projects) or any other form of development. There are no restrictions on the election of the Developer to expand the Project other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium Project all or any portion of the area of future development described in this Article VI, nor is there any obligation to add portions thereof in any particular order nor to construct particular improvements thereon in any specific locations.

Section 4. <u>Township of Marion Approval</u>. The exercise of the rights reserved to the Developer under this Article VI are subject to the approval of the Township of Marion.

ARTICLE VII CONTRACTION OF CONDOMINIUM

Section 1. Right to Contract. As of the date this Master Deed is recorded, the Developer intends to establish a Condominium Project consisting of thirty-one (31) Units on the land described in Article II, all as shown on the Condominium Subdivision Plan. Developer reserves the right, however, to establish a Condominium Project consisting of fewer Units than described above and to withdraw from the Project all or some portion of the land described in Article II, except that in no event may the Project consist of fewer than two (2) Units, being Units 1 and 2 as they are depicted on Exhibit B attached hereto.

Furthermore, any land re-incorporated in the Condominium Project under Article VI above shall be deemed to be part of the contractible area under Article VII (the "contractible area").

Therefore, any other provisions of this Master Deed to the contrary notwithstanding, the number of Units in this Condominium Project may, at the option of the Developer from time to time, within a period ending no later than six (6) years from the date of recording this Master Deed, be contracted to any number determined by the Developer in its sole judgment, but in no event shall the number of Units be less than two. There is no obligation on the part of the Developer to withdraw from the Condominium all or any portion of the contractible area described in this Article VII, nor is there any obligation to withdraw portions thereof in any particular order.

Section 2. <u>Withdrawal of Land</u>. In connection with such contraction, the Developer unconditionally reserves the right to withdraw from the Condominium Project such portion or portions of the land described in this Article VII as is not reasonably necessary to provide access to or otherwise serve the Units included in the Condominium Project as so contracted. Developer reserves the right to use the portion of the land so withdrawn to establish, in its sole

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discretion, a rental development, a separate condominium project (or projects) or any other form of development. Developer further reserves the right, subsequent to such withdrawal but prior to six (6) years from the date of recording this Master Deed, to expand the Project as so reduced to include all or any portion of the land so withdrawn.

- Section 3. <u>Reservation of Rights Under Section 67</u>. The Developer further reserves all contraction rights provided under Section 67 of the Act, as amended by the Public Act 379 of 2000.
- Section 4. Township of Marion Approval. The exercise of the rights reserved to the Developer under this Article VII are subject to the approval of the Township of Marion.

ARTICLE VIII CONVERTIBLE AREAS

- Section 1. <u>Designation of Convertible Areas</u>. All Units and Common Elements are hereby designated as Convertible Areas within which the Units and Common Elements may be modified.
- Section 2. The Developer's Right to Modify Units and Common Elements. The Developer reserves the right, in its sole discretion, during a period ending no later than six (6) years from the date of recording this Master Deed, to modify the size, location, design or elevation of Units and/or General or Limited Common Elements within the Convertible Areas designated for such purpose on the Condominium Subdivision Plan, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Common Element, including the creation or elimination of Units or Common Elements.
- Section 3. <u>Compatibility of Improvements</u>. All improvements constructed within the Convertible Areas described above shall be reasonably compatible with the structures on other portions of the Condominium Project. No improvements, other than as above indicated, may be created on the Convertible Areas.

ARTICLE IX OPERATIVE PROVISIONS

Any expansion, contraction or conversion in the Project pursuant to Articles VI, VII or VIII above shall be governed by the provisions as set forth below.

Section 1. Amendment of Master Deed and Modification of Percentages of Value. Such expansion, contraction or conversion of 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 and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted when applicable in order to

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preserve a total value of 100% for the entire Project resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

- Section 2. Redefinition of Common Elements. Such amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe, serve and provide access to the additional parcel or parcels being added to (or withdrawn from) the Project by such amendments. 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, including, but not limited to, the connection of roadways and sidewalks in the Project to any roadways and sidewalks that may be located on, or planned for the area of future development or the contractible area, as the case may be, and to provide access to any Unit that is located on, or planned for the area of future development or the contractible area from the roadways and sidewalks located in the Project.
- Section 3. Right to Modify Units; Plans. The Developer further reserves the right to amend and alter the Units described in the Condominium Subdivision Plan attached hereto as long as any Unit so altered has not be sold at the time the alteration is made. The nature and appearance of all such altered Units shall be determined by the Developer in its sole judgment; but, in no event shall such altered or modified Units deviate substantially from the general development plan approved by the Township of Marion. All improvements shall be reasonably compatible with the existing improvements in the Project, as determined by the Developer in its sole discretion. No Unit shall be created within the area of future development that is not restricted exclusively to residential use.
- Section 4. <u>Consolidating Master Deed</u>. A Consolidating Master Deed shall be recorded pursuant to the Act when the Project is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.
- Section 5. 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 Articles VI and VII above and to any proportionate reallocation of percentages of value of existing Units which the Developer may determine necessary in conjunction with such amendments. 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 re-recording 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.

Section 6. <u>Consent; Township of Marion</u>. Any modification of the Condominium Project which varies from the approved site plan must be approved by the Township of Marion.

ARTICLE X SUBDIVISION, CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium may be subdivided, consolidated, modified and the boundaries relocated, in accordance with Sections 48 and 49 of the Act, applicable zoning laws and regulations in effect in the Township of Marion at the time, 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.

- Section 1. <u>By Developer</u>. Subject to the approval of Marion Township, if required under local ordinances, and the Livingston County Health Department, 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 take the following action:
- (a) <u>Subdivide Units</u>. Subdivide or resubdivide any Units which it owns and in connection therewith to install utility conduits and connections and any other improvements reasonably necessary to effect the subdivision, any or all of which may be designated by the Developer as General or Limited Common Elements; such installation shall not disturb any utility connections serving Units other than temporarily. Such subdivision or resubdivision 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.
- (b) <u>Consolidate Contiguous Units</u>. Consolidate under single ownership two or more Units. Such consolidation 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 the Developer, its successors or assigns.
- (c) Relocate Boundaries. Relocate any boundaries between adjoining Units, separated only by Unit perimeters or other Common Elements not necessary for the reasonable use of Units other than those subject to the relocation. The relocation of such boundaries 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 the Developer, its successors or assigns.
- (d) Amend to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, each portion of the Unit or Units resulting from such subdivision, consolidation or relocation of boundaries shall be separately

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identified by number. Such amendment or amendments to the Master Deed shall also contain such further definitions of General or Limited Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so modified. 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 re-recording an entire Master Deed or the Exhibits hereto.

Section 2. <u>By Co-owners</u>. Subject to the approval of the Township of Marion, if required under local ordinances, and the Livingston County Health Department, one or more Co-owners may undertake:

- (a) <u>Subdivision of Units</u>. The Co-owner of a Unit may subdivide his Unit upon request to and approval by the Association and the Developer during the Development and Sales Period and further subject to the applicable zoning regulations then in effect in the Township of Marion. Upon receipt of such request and submission of evidence that the Township of Marion has approved of the proposed division, the president of the Association shall present the matter to the Board of Directors for review and, if approved by the Board, cause to be prepared an amendment to the Master Deed, duly subdividing the Unit, separately identifying the resulting Units by number or other designation, designating only the Limited or General Common Elements in connection therewith, and reallocating the percentages of value (if necessary) in accordance with the Co-owner's request. The Co-owner requesting such subdivision shall bear all costs of such amendment. Such subdivision shall not become effective, however, until the amendment to the Master Deed, duly executed by the Association, has been recorded in the office of the Livingston County Register of Deeds.
- (b) Consolidation of Units; Relocation of Boundaries. Co-owners of adjoining Units may relocate boundaries between their Units or eliminate boundaries between two or more Units upon written request to and approval by the Association. Upon receipt of such request and submission of evidence that the proposed consolidation of Units has been approved by the Township of Marion, the president of the Association shall present the matter to the Board of Directors for review and, if approved by the Board, cause to be prepared an amendment to the Master Deed duly relocating the boundaries, identifying the Units involved, reallocating percentages of value if necessary, and providing for conveyancing between or among the Co-owners involved in relocation of boundaries. The Co-owners requesting relocation of boundaries shall bear all costs of such amendment. Such relocation or elimination of boundaries shall not become effective, however, until the amendment to the Master Deed has been recorded in the office of the Livingston County Register of Deeds.

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Section 3. <u>Limited Common Elements</u>. Limited Common Elements shall be subject to assignment and reassignment in accordance with Section 39 of the Act and in furtherance of the rights to subdivide, consolidate or relocate boundaries described in this Article IX.

Section 4. <u>Approval; Township of Marion</u>. Any modifications of the Condominium Project which vary from the approved site plan must be approved by the Township of Marion.

ARTICLE XI EASEMENTS

Section 1. <u>Easement for Maintenance of Encroachments and Utilities</u>. In the event of any encroachments due to shifting, settling or moving of an improvement, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings and improvements for the continuing maintenance, repair, replacement, enlargement of or tapping into all utilities in the Condominium. The Developer and the Association also hereby reserve easements within General Common Elements for the purpose of construction and maintenance of entry markers or signs identifying the Condominium by name. The size, design and precise location of such markers or signs shall be at the sole discretion of the Developer and the Association shall be responsible for the maintenance, repair and replacement thereof.

Section 2. <u>Easements and Right to Dedicate Retained by Developer.</u>

Roadway Easements. Developer reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Articles VI and VII or any portion or portions thereof, perpetual easements for the unrestricted use of all main service roads in the Condominium designated as such on the Condominium Subdivision Plan, as amended from time to time, for the purposes of further development and construction by it or its successors and assigns and also for purposes of access to any adjoining land which may now be owned by the Developer and to other residential projects within the area of future development by the owners and occupants thereof and their invitees, successors and assigns. In order to achieve the purposes of this Article, and of Articles VI and VII of this Master Deed, the Developer shall have the right to alter any General Common Element areas existing between any of said main service roads and any portion of said area of future development or any adjoining land which may be owned by Developer by installation of curb cuts, paving and roadway connections at such locations on and over said General Common Elements as the Developer may elect from time to time. In the event Developer disturbs any area of the Condominium Premises adjoining such curb cuts, paving or roadway connections in connection with the installation thereof, the Developer shall, at its expense, restore such disturbed areas to substantially their condition existing immediately prior to such disturbance. All expenses of maintenance, repair, replacement and resurfacing of any main service road shall be borne by all residential developments the means of access to a public road of which is over such road. The Co-owners in this Condominium shall be responsible from time to time for payment of a proportionate share of the above expenses with respect to each

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main service road which share shall be determined by multiplying such expenses times a fraction the numerator of which is the number of completed dwelling Units in this Condominium and the denominator of which is comprised of the number of such Units plus all other completed dwelling units in developments the means of access to a public road of which is over such main service road. Developer may, by a subsequent instrument, prepared and recorded in its discretion, without consent from any interested party, specifically define by legal description the easements of access reserved hereby, if Developer deems it necessary or desirable to do so.

- (b) <u>Dedication to the Public</u>. The Developer reserves the right at any time during the Development and Sales Period to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in Copperfield Villas, shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication may be made 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 the Condominium Subdivision Plan 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 amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication.
- (c) Utility Easements. The Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Articles VI and VII and any adjoining land thereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located in the Condominium, including, but not limited to, water, gas, storm and sanitary sewer mains. 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. All expenses of maintenance, repair and replacement of any utility mains referred to in this Section shall be shared by this Condominium and any developed portions of the land described in Articles VI and VII and any adjoining land which may be owned by the Developer which are served by such mains. The Coowners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the numerator plus all other dwelling Units in the land described in Articles VI and VII and any adjoining land which may be owned by Developer that are served by such mains.
- (d) Granting of Utility Easements. 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 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 the attached Exhibit B, recorded in the Livingston County Records. All of the Co-

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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 easement or transfer 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 (including dedication of the sidewalks), 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. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect thereto be varied, without the consent of each person benefited or burdened thereby.
- Section 4. Association Right to Dedicate Public Rights-of-Way and Act Upon Special Assessment Proceeding. The Association, upon expiration of the Development and Sales Period, acting through its lawfully constituted Board of Directors shall be empowered to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways or sidewalks in Copperfield Villas, shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication shall be evidenced by an appropriate amendment to the Master Deed and to the attached Exhibit B, recorded in Livingston County Register of Deeds. The Association shall further be empowered, at any time, to execute petitions for and to act on behalf of all Co-owners in any statutory proceeding regarding special assessment improvements of the roadways in the Condominium. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication. There is no promise that any such dedication will ever take place, notwithstanding the reservation of this right.
- Section 5. Association Right to Act Upon Any Special Assessment Proceeding; Responsibility for Special Assessments. The Association shall be empowered, at any time, to execute petitions for and to act on behalf of all Co-owners in any statutory proceeding by any public authority regarding special assessment for public improvements. Any such special assessment by a public authority shall be the responsibility of the individual Co-owners.
- Section 6. <u>Association Easements for Maintenance, Repair and Replacement.</u> The Developer, the Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium including without limitation an easement over all Units for maintenance, repair and replacement of lawn sprinkling systems and related controls, clocks, meters and valves;

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provided, however, that the easements granted hereunder shall not entitle any person other than the Co-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 residence and all other appurtenances and improvements constructed or otherwise located within his or her Unit unless otherwise provided herein, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of his or her Unit or any Limited Common Elements appurtenant thereto 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 or otherwise keep his or her Unit or any improvements or appurtenances located therein or any Limited Common Elements appurtenant thereto, 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 Unit (including the exteriors of any structures located therein), its appurtenances or any of its Limited Common Elements, all at the expense of the Coowner of the Unit. Neither the Developer nor the Association shall be liable to the Owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (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 or her monthly assessment next falling due; further, the lien for nonpayment 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 7. <u>Telecommunications Agreements</u>. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Development and Sales Period, shall have the power to grant such easements, licenses and other rights-of-entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit within the Project. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts affecting the administration of the

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Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

- Section 8. <u>Emergency Vehicle and Public Services Access Easement</u>. There shall exist for the benefit of the Township of Marion, any emergency service agency and the United States Postal Service ("USPS"), an easement over all roads in the Condominium for use by Township of Marion service providers, USPS, garbage collection and/or emergency vehicles. Said easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services and other lawful governmental or private emergency services to the Condominium Project and Co-owners thereof. This grant of easement shall in no way be construed as a dedication of any streets, roads or driveways to the public.
- Section 9. Grant of Easement to Township of Marion. Pursuant to Article XI, Section 2(d) hereof, the Developer hereby grants a perpetual easement to the Township of Marion, its successors and assigns over the General Common Elements for the construction, connection, repair, maintenance, replacement and expansion of the water and sewer utilities located therein.
- Section 10. <u>Special Assessment Obligation For Water and Sewer Costs.</u> The Township of Marion has levied a special assessment against the Condominium Project for construction and connection of water and sewer facilities for the Project. The Co-owners shall be responsible for repayment of the special assessment as it becomes due.
- Section 11. <u>Dedication of Water and Sewer Facilities</u>. Upon final inspection and acceptance by the Township of Marion, the Developer will dedicates the water and sewer utilities located within the General Common Elements to the Township of Marion, its successors and assigns.
- Section 12. Private Road Maintenance; Local Ordinances. EXCEPT AS PROVIDED BELOW, NO MAINTENANCE OF THE ROADS WILL BE UNDERTAKEN BY MARION TOWNSHIP. IF REQUIRED REPAIRS AND MAINTENANCE ARE NOT MADE BY THE DEVELOPER OR THE ASSOCIATION, AS APPLICABLE, THE MARION TOWNSHIP BOARD MAY BRIND THE ROADS UP TO ESTABLISHED LIVINGSTON COUNTY ROAD COMMISSION STANDARDS FOR PUBLIC ROADS AND ASSESS THE CO-OWNERS ON THE PRIVATE ROAD FOR THE IMPROVEMENTS, PLUS AN ADMINISTRATIVE FEE IN THE AMOUNT OF TWENTY-FIVE (25) PERCENT OF TOTAL COSTS OF THE IMPROVEMENTS.

THE CO-OWNERS SHALL REFRAIN FROM PROHIBITING, RESTRICTING, LIMITING OR IN ANY MANNER INTERFERING WITH THE NORMAL INGRESS AND EGRESS AND USE OF THE PROJECT ROADS BY ANY OF THE OTHER CO-OWNERS. NORMAL INGRESS AND EGRESS AND USE SHALL INCLUDE USE BY FAMILY, GUESTS, INVITEES, VENDORS, TRADESMEN, DELIVERY PERSONS, AND OTHERS BOUND TO OR RETURNING FROM ANY OF THE UNITS AND HAVING A NEED TO USE A PROJECT ROAD.

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Section 13. <u>Emergency Access Road: Maintenance</u>. The Project is subject to a 15-foot wide emergency access road easement in favor of the Township of Marion, recorded in Liber ___, Page ____ of the Livingston County Register of Deeds. Except as provided below, the Association shall be responsible for the maintenance and repair of the emergency access road. In the event that the emergency access road is dedicated to the public or improved upon or otherwise developed party other than the Association, then the Association's responsibility for maintenance and repair thereof shall cease upon dedication or commencement of improvement. The Association hereby agrees to consent to such dedication or improvement, if and when proposed.

ARTICLE XII 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. <u>Modification of Units or Common Elements</u>. No Unit dimension may be modified in any material way without the consent of the Co-owner of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified in any material way without the written consent of the Co-owner of any Unit to which the same are appurtenant.
- Section 2. Mortgagee Insurer and Mortgage Guarantor Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, mortgagee insurers or mortgage guarantors, then such amendments shall require the approval of 66-2/3% of all first mortgagees, insurers of the first mortgagee and guarantors of the first mortgages of record allocating only one vote for each mortgage held. No more than one vote may be cast per first mortgage, regardless of the number of mortgagees, insurers and guarantors having such an interest in the first mortgage.
- 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. <u>Change in Percentage of Value</u>. 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 or her 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. <u>Termination, Vacation, Revocation or Abandonment</u>. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of the

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Developer and 80% of non-Developer Co-owners and mortgagees, allocating one vote for each unit on which a mortgage is held.

Section 6. <u>Developer Approval</u>. 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. <u>Township Approval</u>. Any provision of the Condominium Documents affecting a right of the Township of Marion shall not be amended, modified or deleted without the prior written approval of the Township of Marion.

ARTICLE XIII 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, in whole or part, by it to any other entity or entities 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.

ARTICLE XIV MARION TOWNSHIP APPROVAL

Neither the review, approval and/or acceptance of, or anything contained within, this Master Deed, including Bylaws and Condominium Subdivision Plan, shall be interpreted or construed in any way as constituting a variance from or approval of any violation of any provision of any ordinance of Marion Township and any amendment of this Master Deed, including Bylaws and Condominium Subdivision Plan, relating to any matter subject to the provisions of any ordinance of Marion Township shall require the approval of Marion Township.

DEVELOPER:

COPPERFIZED L.L.C.,

a Michigan limited liability company

Bv

Mark Adler, Member

Acknowledged before me in Livingston County, Michigan, on 3005, by Mark Adler, Member of Copperfield, L.L.C., a Michigan limited liability company, for the company.

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DARLEENE G. SWANEY Notary Public, Livingston County, MI My Commission Expires Feb. 24, 2006 Notary's Stamp	Notary's Signature
(NOTARY NAME, COUNTY, ACTING IN COUNTY AND DATE COMMISSION EXPIRÉS)	Notary Public, LIVING TON County, Michigan Acting in November 2012 County, Michigan My Commission Expires: 02 24 06

Drafted By and When Recorded Return To:

Gregory J. Gamalski, Esq. Cox, Hodgman & Giarmarco, P.C. 101 West Big Beaver Road, Suite 1000 Troy, Michigan 48084-5280 (248) 457-7000

W:\Clients\Adler Enterprises Co., LLC\085418.004 Copperfield Villas\Master Deed V06 050331.doc

EXHIBIT A

COPPERFIELD VILLAS BYLAWS

ARTICLE I ASSOCIATION OF CO-OWNERS

Copperfield Villas, a residential Condominium Project located in the Township of Marion, Livingston County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation (the "Association"), organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium 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, mortgagees 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 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. <u>Assessments for Common Elements</u>. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall 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 Common Elements or the administration of the Condominium

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

- Section 2. <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:
 - The Board of Directors of the Budget; Regular Assessments. 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 Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 2(c) below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for 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. The annual assessments as so determined and levied shall constitute a lien against all Units as of the first day of the fiscal year to which the assessments relate. Failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish such lien or the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors: (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 replacements of existing Common Elements, (c) to provide additions to the Common Elements not exceeding three thousand (\$3000.00) dollars annually for the entire Condominium Project, or (2) that an emergency exists, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. 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 subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or 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 Common Elements of a cost exceeding three thousand (\$3000.00) dollars for the entire

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Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, (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, that shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than sixty (60%) percent of all 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.

- (c) Apportionment of Assessments. All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with each Co-owner's proportionate share of the expenses of administration as provided in Article V, Section 2 of the Master Deed and without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit except as otherwise specifically provided in the Master Deed. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in periodic 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.
- Developer's Responsibility for Assessments. During the Development and Section 3. Sales Period as defined in the Master Deed, the Developer of the Condominium, even though a member of the Association, shall not be responsible for payment of the monthly Association assessment. The Developer, however, shall, during the Development and Sales Period, pay a proportionate share of the Association's current maintenance expenses, including administration costs actually incurred from time to time based upon the ratio of Completed Units owned by Developer at the time the expense is incurred to the total number of Units in the Condominium. In no event shall Developer be responsible for payment, during the Development and Sales Period, of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to Occupied Units owned by it. Developer shall not be responsible at any time for payment of said monthly assessment or payment of any expenses whatsoever with respect to Units not Completed, notwithstanding the fact that such Units not Completed may have been included in the Master Deed. 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, 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. "Occupied Unit" shall mean a Unit with a structure used as a residence on it. A model home is not to be considered as an "Occupied Unit." "Completed Unit" shall mean a Unit with a dwelling constructed upon it that has been issued a final certificate of occupancy by the Township of Marion.
- Section 4. <u>Penalties for Default</u>. The payment of an assessment shall be in default if any installment thereof is not paid to the Association in full on or before the due date for such installment. A late charge not to exceed fifty (\$50.00) dollars per installment may be assessed

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automatically by the Association upon each installment in default for ten (10) or more days until paid in full. The Association may, pursuant to Article XIX, Section 4 and Article XX of these Bylaws, levy fines for late payment of assessments in addition to such late charge. Each Coowner (whether one (1) or more persons) shall be and remain personally liable for the payment of all assessments (including interest, late charges and fines for late payment and costs of collection and enforcement of payment) pertinent to his or her Unit that 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 assessments 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. Each installment in default for ten (10) or more days may bear interest from the initial due date thereof at the rate of seven (7%) percent per annum until each installment is paid in full. 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 fees; second, to any interest, late charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 5. <u>Liens for Unpaid Assessments</u>. Sums assessed to the Association that remain unpaid, including, but not limited to, regular assessments, special assessments, interest, fines and late charges, shall constitute a lien upon the Unit or Units in the Project owned by the Co-owner at the time of the assessment(s) and upon the proceeds of sale thereof. Any such unpaid sum(s) shall constitute a lien against the Unit as of the first day of the fiscal year to which the assessment, interest, fine or late charge relates and shall be a lien prior to all claims except real property taxes and first mortgages of record. All charges that the Association may levy against any Co-owner shall be deemed to be assessments for purposes of this Section and Section 108 of the Act.

Section 6. <u>Waiver of Use or Abandonment of Unit</u>. 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 7. <u>Enforcement</u>.

(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 may also discontinue the furnishing of any utilities or other services to a Co-owner in default upon seven (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;

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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 or any persons claiming under the Co-owner. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XIX, Section 4 and Article XX of these Bylaws. All of these remedies shall be cumulative and not alternative.

- 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 in these Bylaws 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(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 non-payment 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 ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Coowner(s) at the last known address of Co-owner(s), a written notice that one (1) or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, late charges, fines, 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 Livingston County Register of Deeds prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing. If the delinquency is not cured within the ten-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement,

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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) <u>Expenses of Collection</u>. The expenses incurred in collecting unpaid assessments, including interest, late charges, fines, costs, actual attorney's 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 8. 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 five (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.
- Section 9. <u>Liability of Mortgagee</u>. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project that 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 that accrue prior to the time such holder comes into possession of the Unit. The Association may, in its discretion, notify any mortgagee of a Co-owner's default under the Condominium Documents.
- Section 10. <u>Property Taxes and Special Assessments</u>. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.
- Section 11. <u>Personal Property Tax Assessment of Association Property</u>. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.
- Section 12. <u>Construction Lien.</u> 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.

ARTICLE III ALTERNATIVE DISPUTE RESOLUTION; CIVIL ACTIONS

In the event of a dispute between the Association and a Co-owner other than the Developer, or a dispute or any claims or grievance between the Co-owners related to the application or enforcement of any Condominium Documents, any party to the dispute may demand the dispute be resolved arbitration as provided under Section 54(8) of the Act ("Alternative Dispute Resolution" or "ADR").

Section 1. <u>Demand and Election</u>.

(a) Section 54(8) of the Act provides in part:

"The Bylaws shall contain a provision providing that arbitration if disputes, claims and grievances arising out of or relating to the interpretation of the application of the condominium document or arising out of disputes among or between Co-owners shall be submitted to arbitration and that parties to the dispute claim or grievance shall accept the arbitrator decision as final and binding..."

- (b) If the demand for Alternative Dispute Resolution is made, no lawsuit may be commenced in any court.
- Section 2. <u>Rules</u>. The commercial arbitration rules of the American Arbitration Association (or any recognized successor or equivalent of the American Arbitration Association should it no longer exist) shall govern arbitration proceedings if arbitration is elected. The rules of a qualified mediation service shall govern mediation proceedings, including mediation conducted by a mediator not affiliated with such a service.
- Section 3. <u>Attorney Fees and Costs</u>. Unless the mediation or arbitration rules specifically provide to the contrary, the prevailing party, as determined by the mediator or arbitrator, shall be reimbursed for its actual costs and attorney fees as part of any award.
- Section 4. <u>Enforcement</u>. The decision made in any Alternative Dispute Resolution forum shall be enforceable in circuit court (or district court if a monetary award is below the circuit court jurisdictional amount).
- Section 5. <u>Lien Claims Not Subject to ADR Election; Not Applicable to Developer.</u> Disputes related to assessments and liens for assessments may not be subjected to the provisions of this Article, including contests of the lien or any subsequent foreclosure proceedings, except with the consent of the Association, which may be withheld in the Association's absolute and sole discretion. The consent of the Association in that circumstance must be in writing. The provisions of Sections 1 through 4 above shall not apply to disputes between the Association and the Developer or between a Co-owner and the Developer unless the Developer has consented to be subject to these provisions in writing.

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Section 6. <u>Co-owner Approval for Civil Actions Against Developer; Election of Remedies.</u>

- (a) Any civil action proposed by the Board of Directors on behalf of the Association to be initiated against the Developer, its agents or assigns, and/or the First Board of Directors of the Association or other Developer-appointed directors, for any reason, shall be subject to approval by a vote of sixty-six and two-thirds (66 2/3%) percent of all Co-owners and notice of such proposed action must be given in writing to all Co-owners in accordance with Section 8 through 19 below. Such vote may only be taken at a meeting of the Co-owners and no proxies or absentee ballots shall be permitted to be used, notwithstanding the provisions of Article VIII, Section 5.
- (b) Election by the parties to any such disputes, claims or grievances to submit such disputes, claims or grievances to arbitration shall preclude such parties from litigating such disputes, claims or grievances in the Court.
- Section 7. <u>Not Applicable to Title Claims.</u> Questions involving or affecting the claim of title of any person to any fee or life estate in real estate are not subject to this Article.
- Section 8. Actions on Behalf of or Against Co-owners. Actions on behalf of and against Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association's Articles of Incorporation, the Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements of the Condominium.
- Section 9. Commencement of Civil Actions. As provided in the Articles of Incorporation of the Association, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Co-owners, and shall be governed by the requirements of this Article. The requirements of this Article are intended to ensure that the Co-owners are fully informed regarding the prospects and likely costs of any civil action the Association proposes to engage in, as well as the ongoing status of any civil actions the Association proposes to engage in, as well as the ongoing status of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Co-owner shall have standing to sue to enforce the requirements of this Article. The following procedures and requirements apply to the Association's commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments.
- Section 10. <u>Board of Directors' Recommendation to Co-owners</u>. The Association's Board of Directors shall be responsible in the first instance for recommending to the Co-owners that a civil action be filed and supervising and directing any civil actions that are filed.

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- Section 11. <u>Litigation Evaluation Meeting</u>. Before an attorney is engaged for purposes of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Co-owners ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Co-owners of the date, time and place of the litigation evaluation meeting shall be sent to all Co-owners not less than twenty (20) days before the date of the meeting and shall include the following information copied onto 8 1/2" x 11" paper:
 - (a) A certified resolution of the Board setting forth in detail the concerns of the Board giving rise to the need to file a civil action and further certifying that:
 - (i) it is in the best interest of the corporation to file a lawsuit;
 - (ii) that at least one (1) Board member has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the corporation, without success;
 - (iii) litigation is the only prudent, feasible and reasonable alternative; and
 - (iv) the Board's proposed attorney for the civil action is of the written opinion that litigation is the corporation's most reasonable and prudent alternative.
 - (b) A written summary of the relevant experience of the attorney ("litigation attorney") the Board recommends be retained to represent the corporation in the proposed civil action, including the following information:
 - (i) the number of years the litigation attorney has practiced law; and
 - (ii) the name and address of every condominium and homeowner association for which the attorney has filed a civil action in any court, together with the case number, county and court in which each civil action was filed.
 - (c) The litigation attorney's written estimate of the amount of the corporation's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the civil action.
 - (d) The litigation attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("total estimated cost"). The total estimated cost of the civil action shall include the litigation attorney's expected fees,

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court costs, expert witness fees and all other expenses expected to be incurred in the civil action.

- (e) The litigation attorney's proposed written fee agreement.
- (f) The amount to be specifically assessed against each Unit in the Condominium to fund the estimated cost of the civil action in both total and on a monthly per Unit basis, as required by this subsection.

Section 12. <u>Independent Expert Opinion</u>. If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the litigation attorney or any other attorney with whom the Board consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Co-owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to the Co-owners with the written notice of the litigation evaluation meeting.

Section 13. <u>Fee Agreement with Litigation Attorney</u>. The corporation shall have a written fee agreement with the litigation attorney and any other attorney retained to handle the proposed civil action. The corporation shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Co-owners in the text of the corporation's written notice to the members of the litigation evaluation meeting.

Section 14. <u>Co-owner Vote Required</u>. At the litigation evaluation meeting, the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the proposed litigation attorney. The commencement of any civil action by the corporation (other than a suit to enforce the Condominium Bylaws or collect delinquent assessments) shall require the approval of a majority in value of members of the corporation. Any proxies to be voted at the litigation evaluation meeting must be signed at least seven (7) days prior to the litigation evaluation meeting.

Section 15. <u>Litigation Special Assessment</u>. All legal fees incurred in pursuit of any civil action that is subject to Section 8 through 18 of this Article shall be paid by special assessment of the Co-owners ("litigation special assessment"). The litigation special assessment shall be approved at the litigation evaluation meeting (or at any subsequent duly called and noticed meeting) by a majority in number and in value of all Co-owners in the amount of the estimated total cost of the civil action. If the litigation attorney proposed by the Board of

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Directors is not retained, the litigation special assessment shall be in an amount equal to the retained attorney's estimated total cost of the civil action. The litigation special assessment shall be apportioned to the Co-owners in accordance with their respective percentage of value interests in the Condominium and shall be collected from the Co-owners on a monthly basis. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

- Section 16. <u>Attorney's Written Report</u>. During the course of any civil action authorized by the Co-owners pursuant to this Article, the retained attorney shall submit a written report ("attorney's written report") to the Board of Directors every thirty (30) days setting forth:
 - (a) The attorney's fees, the fees of any experts retained by the attorney, and all other costs of litigation during the 30-day period immediately preceding the date of the attorney's written report ("reporting period");
 - (b) All actions taken in the civil action during the reporting period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the reporting period;
 - (c) A detailed description of all discussions with opposing counsel during the reporting period, written and oral, including, but not limited to, settlement discussions;
 - (d) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action;
 - (e) Whether the originally estimated total cost of the civil action remains accurate.
- Section 17. <u>Board Meetings</u>. The Board shall meet monthly during the course of any civil action to discuss and review:
 - (a) the status of the litigation;
 - (b) the status of settlement efforts, if any; and
 - (c) the attorney's written report.

Section 18. <u>Changes in the Litigation Special Assessment</u>. If at any time during the course of a civil action the Board of Directors determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board of Directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the litigation special assessment previously approved by the Co-owners, the Board shall call a special meeting of the Co-owners to review the status of the litigation and to allow the Co-owners to vote on whether or not to continue the civil action and increase the litigation special assessment.

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The meeting shall have the same quorum and voting requirements as a litigation evaluation meeting.

Section 19. <u>Disclosure of Litigation Expenses</u>. The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association ("litigation expenses") shall be fully disclosed to the Co-owners in the Association's annual budget. The litigation expenses for each civil action filed by the Association shall be listed as a separate line item captioned "litigation expenses" in the Association's annual budget.

ARTICLE IV INSURANCE

Section 1. Extent of Coverage. The Association shall, to the extent appropriate in light of the nature of the General Common Elements of the Project, carry fire insurance, extended coverage, vandalism and malicious mischief endorsements, liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion, but in no event less than \$500,000 per occurrence), officers' and directors' liability insurance, and workers' 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) <u>Responsibilities of Association</u>. 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.
- (b) <u>Insurance of Common Elements</u>. All General Common Elements of the Condominium Project shall be insured against fire (if appropriate) and other 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. The Association shall not be responsible, in any way, for maintaining insurance with respect to Limited Common Elements.
- (c) <u>Premium Expenses</u>. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the 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

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reconstruction shall be applied to 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 insurance, extended coverage, vandalism and malicious mischief endorsements, liability insurance and workers' compensation insurance, if applicable, pertinent to the Condominium Project and the General Common Elements appurtenant thereto, 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 the insurance premiums, to collect proceeds and to distribute them to the Association, the Co-owners and their 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 the Co-owners and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

Section 3. Responsibilities of Co-owners. Each Co-owner shall be obligated and responsible for obtaining fire insurance, extended coverage, and vandalism and malicious mischief endorsements with respect to the building and all other improvements constructed or to be constructed within the perimeter of his or her Condominium Unit and its appurtenant Limited Common Elements and for his or her personal property located therein or thereon or elsewhere in 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 not less than annually to evidence the continued existence of all insurance required to be maintained by the Co-owner hereunder. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may 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 affecting appurtenant Limited Common Elements or the improvements located thereon (naming the Association and the Developer as insureds), 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 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 annually.

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. The Association may elect, however, through its Board of Directors, to undertake the responsibility for obtaining the insurance described in this Section 3, or any portion thereof, exclusive of insurance covering the contents located within a Co-owner's residence, and the cost of the insurance shall be included as an expense item in the Association budget. All Co-owners shall be notified of the Board's election to obtain the insurance at least sixty (60) days prior to its effective date, which notification shall include a description of the coverage and the name and address of the insurer. Each Co-owner shall also be provided a certificate of insurance as soon as it is available from the insurer. Co-owners may obtain supplementary insurance, but in no event shall any such insurance coverage undertaken by a Co-owner permit a Co-owner to withhold payment of the share of the Association assessment that relates to the equivalent insurance carried by the Association. The Association also shall not reimburse Co-owners for the cost of premiums resulting from the early cancellation of an insurance policy. To the extent a Co-owner does or permits anything to be done or kept on his or her Unit that will increase the rate of insurance 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 shall be charged to the Co-owner responsible for such activity or condition.

- Section 4. <u>Waiver of Right of Subrogation</u>. 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. <u>Indemnification</u>. 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. <u>Responsibility for Reconstruction or Repair</u>. 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) <u>General Common Elements</u>. If the damaged property is a General Common Element, the damaged property shall be rebuilt or repaired unless all of the Coowners and all of the institutional holders of mortgages on any Unit in the Project unanimously agree to the contrary.
 - (b) <u>Unit or Improvements on the Unit</u>. If the damaged property is within a Unit, is a Limited Common Element or any improvements thereon, the Co-

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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 sightly 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. In the event that a Co-owner has failed to repair, restore, demolish or remove the improvements on the Co-owner's Unit under this Section, the Association shall have the right (but not the obligation) to undertake reasonable repair, restoration, demolition or removal and shall have the right to place a lien on the Unit for the amounts expended by the Association for that purpose which may be foreclosed as provided for in these Bylaws.

- Section 2. <u>Repair in Accordance with Master Deed, Etc.</u> Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the original plans and specifications for any damaged improvements located within the Unit unless the Co-owners shall unanimously decide otherwise.
- 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. <u>Timely Reconstruction and Repair</u>. 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. <u>Eminent Domain</u>. The following provisions shall control upon any taking by eminent domain:
 - (a) <u>Taking of Unit or Improvements Thereon</u>. 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.

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- (b) <u>Taking of General Common Elements</u>. 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 fifty (50%) percent 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 one hundred (100%) percent. 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) <u>Notification of Mortgagees</u>. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
- (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. <u>Priority of Mortgagee Interests</u>. 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.
- Section 7. Notification of FHLMC, FNMA, Etc. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), the Michigan State Housing Development Authority ("MSHDA"), or insured by the Veterans Administration ("VA"), Department of Housing and Urban Development ("HUD"), Federal Housing Association ("FHA") or any private or public mortgage insurance program, then the Association shall give the aforementioned parties written notice, at such address as they may from time to time direct, of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds Ten Thousand (\$10,000.00) Dollars in amount or damage to a Condominium Unit or dwelling covered by a mortgage purchased, held or insured by them

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exceeds One Thousand (\$1,000.00) Dollars. Furthermore, the Association may, but is not obliged to, inform any such lender of such damages or condemnation actions.

ARTICLE VI ARCHITECTURAL, BUILDING SPECIFICATIONS AND USE RESTRICTIONS

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

Section 1. <u>Residential Use</u>. 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.

Section 2. Leasing and Rental.

- (a) Right to Lease. A Co-owner may lease 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 said Unit except under a lease, the initial term of which is at least one (1) year (however, this one-(1) year restriction on the length of the lease shall only apply after the Development and Sales Period has ended), 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) <u>Leasing Procedures</u>. The leasing of Units in the Project shall conform to the following provisions:
 - (1) A Co-owner desiring to rent or lease a Unit 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 of the alleged violation by the tenant.
- (ii) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
- (iii) If, after fifteen (15) days, the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf, or derivatively by the Co-owners on behalf of the Association 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 or non-owner occupant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant or non-owner occupant 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 or non-owner occupant occupying a Co-owner's Unit under a lease or rental agreement and the tenant or non-owner occupant, 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 or non-owner occupant.
- Section 3. <u>Drainage</u>. The grade of any Unit in the Condominium may not be changed from the Grading Plan prepared by the Developer and approved by the Township of Marion. The Grading Plan may be subsequently amended from time to time as conditions require and subsequently approved by the Township of Marion. It shall be the responsibility of each Coowner to maintain the surface drainage grades of his or her Unit as established by the Developer. Each Co-owner covenants that he or she will not change the surface grade of his or her Unit in a manner that will materially increase or decrease the storm water flowing onto or off of his or her Unit and will not block, pond or obstruct surface water. The Board of Directors of the Association shall enforce this covenant and shall charge the costs of the correction to the Coowner and such costs shall be a lien upon the Unit.
- Section 4. <u>Alterations and Modifications</u>. No Co-owner shall make any alterations in the exterior appearance of his or her dwelling or make changes in any of the Common Elements,

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limited or general, without the express written approval of the Association (and the Developer during the Development and Sales Period). No Co-owner shall in any way restrict access to or tamper with any pump, plumbing, waterline, waterline valves, water meter, sprinkler system valves or any other element that must be accessible to service other Units, the Common Elements or which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachment of any nature that restricts such access and it will have no responsibility for repairing, replacing or reinstalling any materials that are damaged in the course of gaining such access.

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 that 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 that 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 dwelling, on 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 that 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.

Section. 6. <u>Architectural Control</u>.

- (a) <u>Approvals</u>. No building, structure or other improvement shall be constructed within a Condominium Unit or elsewhere within the Condominium Project, nor shall any material exterior modification be made to any existing buildings, structure or improvement, unless plans and specifications therefor containing such detail as the Developer may reasonably request have first been approved in writing by the Developer.
- (b) <u>Municipal Approvals</u>. Construction of any building or other improvement(s) must also receive any necessary approvals from the local public authority.
- (c) <u>Suitability</u>. Developer shall have the right to refuse to approve any such plans, specifications, location of buildings, grading, or landscaping plans that 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.
- (d) <u>Association Approval</u>. This approval right shall pass to the Association once the Developmental and Sales Period has ended.

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- (e) <u>Sheds</u>. Storage sheds of not more than one hundred fifty square feet may be approved on a case-by-case basis:
 - (i) before constructing any sheds, the Co-owner must submit plans and specifications showing the location of the proposed shed, the design, color and material;
 - (ii) all shed construction must also comply with any applicable municipal rules and regulations. Approval by the Developer or Association does not exempt a Co-owner from compliance with local laws, ordinances or regulations;
 - (iii) in order to assure that sheds are minimally visible from streets, the shed can be no further than fifteen (15') feet from the rear of the garage/house and not directly visible from the road;
 - (iv) color, design and appearance must be compatible with the residence.
- Section 7. <u>Pets.</u> The following restrictions shall apply to pets.
- (a) No more than two (2) pets may be maintained on a Unit or in a dwelling. The term "pet," for the purpose of this Section, shall not include fish and other similar aquatic-type life.
- (b) All pets must be registered with the Association prior to being brought on to the Condominium Premise or on to a Unit. The Association may adopt a pet registration form.
- (c) All animals must be cared for and restrained so as not to be obnoxious or offensive on account of, by way of illustration and not as limitation, excessive or persistent barking, odor or unsanitary conditions.
 - (d) No animal may be kept or bred for any commercial purpose.
- (e) No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the General Common Elements. No pets many be "tied out" on the General Common Elements. While on the General Common Elements, all animals shall be leashed or restrained on a leash not to exceed ten (10) feet in length. When on the General Common Elements, all animals must be accompanied by the Co-owner or other responsible adult.
 - (f) No savage or dangerous animal shall be kept in the Condominium.

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- (g) Any Co-owner who causes any animal to be brought or kept upon or within the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability that 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.
- (h) Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner.
- (i) The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium.
- (j) The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium that it determines to be in violation of the restrictions imposed by this Section.
- (k) The Association shall have the right to adopt such additional reasonable rules and regulations with respect to animals as it may deem proper.
- (l) Stray animals and wild animals shall not be fed or housed by Coowners, nor shall Co-owners allow any condition to exist within their dwelling, on their Unit or on the Common Elements, limited or general, appurtenant to their Units, which may attract stray or wild animals.
- (m) In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation(s) in accordance with these Bylaws and in accordance with any duly adopted rules and regulations of the Association.
- Section 8. <u>Vehicles and Parking</u>. The following restrictions shall apply to vehicles:
- (a) Except as provided in Subsection (g) below, Co-owners must park all of their vehicles in the driveway or garage and parking areas on their Units.
- (b) Any vehicles parked on the General Common Elements must be moved not less than every 48 hours or they will be deemed abandoned and subject to removal by the Association at the expense of the vehicle's owner.
- (c) Any unlicensed or non-operative vehicle parked within the Condominium Premises for more that 48 hours will also be deemed abandoned and subject to removal at the expense of the owner.

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- (d) All vehicle access to Francis Road shall be over the Project roads, except Unit 31, which will have direct access to Francis Road.
- (e) No vehicle repair or non-emergency maintenance or similar repairs are allowed on the Common Elements or Units, except within the garages of the Units.
- (f) Washing or polishing of vehicles may only be undertaken in the garage or on the driveway appurtenant to the Co-owner's Unit.
- (g) No vehicles may be parked, stored or maintained on any lawn areas within the Condominium Premises, except vehicles, including house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, all-terrain vehicles, snowmobiles, snowmobile trailers and the like that are operating and in good working condition may be parked on the side or in the rear of a Co-Owner's Unit, provided that such vehicle is properly screened off from public view and remains unoccupied during storage. The vehicle can be no further than fifteen (15') feet from the rear of the house and not directly visible from the road.
- (h) Any damage to the Condominium Premises or Project caused by violation of these vehicle restrictions are the responsibility of the Co-owner who owns the vehicle or the Co-owner of the Unit which the operator/owner of the vehicle is visiting.
- (i) If the prior approval of the Association has been obtained, a Coowner may park a vehicle of the type listed in subsection (g) above, on the Condominium Premises for a period not to exceed 72 consecutive hours, not more than once per month, provided that the vehicle remain unoccupied while parked on the Condominium Premises.
- (j) All other uses of motorized vehicles (such as all-terrain vehicles, snowmobiles or mini-bikes) anywhere on the Condominium Premises, other than passenger cars, authorized maintenance vehicles and commercial vehicles as provided in this Section, is absolutely prohibited.
- (k) It will be the responsibility of the Co-owner to assure that his or her garage is available for parking of the Co-owner's vehicle. The fact that a garage is used for storage shall not entitle a Co-owner to park a vehicle on the General Common Elements or to appropriate unassigned parking spaces.
- Section 9. <u>Rules and Regulations</u>. Reasonable rules and regulations consistent with the Act, the Master Deed and these Bylaws, concerning the operation and 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 elected by the Developer) prior to the First Annual Meeting of the entire Association held as provided in these Bylaws. Copies of all such rules and regulations, and amendments thereto, shall be furnished to all Coowners and shall become effective thirty (30) days after mailing or delivery of such rules and

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regulations, and amendments thereto, to the designated voting representative of each Co-owner. Any such rule, regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Co-owners, except that the Co-owners may not revoke any rule, regulation or amendment prior to said First Annual Meeting of the entire Association.

Section 10. Right of Access of Association. The Association, or its duly authorized agents, shall have access to each Unit (but not any dwelling) and any Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Coowner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association, or its agents, shall also have access to each Unit and any Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit or dwelling. It shall be the responsibility of each Co-owner to provide the Association means of access to his or her Unit and any Common Elements appurtenant thereto during all periods of absence, and in the event of the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for any necessary damage to his or her Unit and/or any Common Elements appurtenant thereto. The Association shall also have a right of access to any Unit for the purpose of assuring compliance with the Condominium Documents. This provision shall not, however, entitle the Association to access a dwelling built upon a Unit, except with reasonable notice to the Unit Owner.

Section 11. <u>Landscaping</u>. No Co-owner shall perform any landscaping 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. Any landscaping installed by the Co-owner pursuant to this Section shall be maintained by the Co-owner and the Association shall have no responsibility for its maintenance.

Section 12. Reserved Rights of Developer.

(a) <u>Developer's Rights in Furtherance of Development and Sales.</u>

None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer (or its assigns) 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, and its successors and/or assigns, shall have the right to maintain a sales office, a business office, construction offices, model units, 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 Developer and/or its successors and/or assigns; and may continue to do so during the entire Development and Sales Period. Developer shall restore the areas so utilized to habitable status upon termination of use.

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(b) 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, or to become interested from time to time in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and/or landscape in a manner consistent with the maintenance of such high standards, then Developer, or any entity to which 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, notwithstanding that it may no longer own a Unit in the Condominium, 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.

NO WARRANTY ON EXISTING TREES AND VEGETATION. Section 13. THE DEVELOPER MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY NATIVE TREES OR VEGETATION WITHIN THE CONDOMINIUM PROJECT. ALSO, VEGETATION AND TREES NATIVE TO THE SITE ARE BEING DELIVERED TO THE CO-OWNERS IN AN "AS IS" AND "WHERE AS" CONDITION. THE DEVELOPER SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO ANY CO-OWNER, THE ASSOCIATION, OR ANY OF THEIR SUCCESSORS AND/OR ASSIGNS WITH RESPECT TO ANY NATIVE TREES OR NATIVE VEGETATION WITHIN THE CONDOMINIUM PROJECT THAT DIES OR SUFFERS DAMAGE DURING THE DEVELOPMENT AND SALES PERIOD. THE COST OF REMOVAL AND REPLACEMENT (IF DESIRABLE OR NECESSARY) SHALL BE: (A) THE RESPONSIBILITY OF THE CO-OWNER IF THE TREE OR VEGETATION IS WITHIN LIMITED COMMON ELEMENTS, OR (B) THE RESPONSIBILITY OF THE ASSOCIATION IF IT IS LOCATED ON A GENERAL COMMON ELEMENT. THE DEVELOPER SHALL NOT BE RESPONSIBLE FOR THE DEATH, DAMAGE TO OR THE DESTRUCTION OF ANY TREE, SHRUB OR PLANT GROWTH THAT IS NATIVE TO THE CONDOMINIUM PROJECT SITE DUE TO THE DEVELOPER'S ACTIVITIES RELATED TO THE CONSTRUCTION AND DEVELOPMENT OF THE CONDOMINIUM PROJECT. THE DEVELOPER MAKES NO WARRANTIES WITH RESPECT TO EXISTING TREES, SHRUBS AND PLANT GROWTH.

Section 14. Non-Disturbance of Wetlands. Some of the land incorporated in the Condominium Project as part of Units, Limited Common Elements, or General Common Elements may be a wetland which is protected by the Natural Resources and Environmental Protection Act, 1994 Public Act 451, as amended, local, state or federal law. Under the provisions of the 1994 Public Act No. 451, as amended, any disturbance of a wetland by depositing material in it, dredging or removing material from it, draining water or constructing improvement within a wetland may be undertaken ONLY after a permit has been obtained from the Department of Environmental Quality. Local wetlands permits may also be required. Co-owners should take note that the penalties under the Protection Act are substantial. In order to assure no inadvertent violations of the Act or other laws occur, no Co-Owner may disturb the wetlands with in the Condominium Project and which may be depicted on the

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Condominium Subdivision Plan without first obtaining: (1) written authorization from the Association, (2) any necessary municipal permits, including wetlands approvals, if any; and/or (3) any necessary state permits. The Association may assess fines and penalties as provided for in these Bylaws for violation of this Section. If a Co-Owner installs any landscaping or other improvements in a wetland as provided for under this Section, the Co-owner shall be responsible for its maintenance, repair and replacement as his or her sole cost and expense.

- Section 15. <u>Disposition Of Interest In Unit By Sale Or Lease</u>. No Co-owner may dispose of a Unit in the Condominium, or any interest therein, by a sale or lease without complying with the following terms or conditions:
 - Notice to Association: Co-owner to Provide Condominium (a) Documents to Purchaser or Tenant. A Co-owner intending to make a sale or lease of a Unit in the Condominium, or any interest therein, shall give written notice of such intention delivered to the Association at its registered office and shall furnish the name and address of the intended purchaser or lessee and such other information as the Association may reasonably require. Prior to the sale or lease of a Unit, the selling or leasing Co-owner shall provide a copy of the Condominium Master Deed (including Exhibits A and B thereto) and any amendments to the Master Deed, the Articles of Incorporation and any amendment thereto, and the rules and regulations, as amended, if any, to the proposed purchaser or lessee. In the event a Co-owner shall fail to notify the Association of the proposed sale or lease or in the event a Co-owner shall fail to provide the prospective purchaser or lessee with a copy of the Master Deed and other documents referred to above, such Co-owner shall be liable for all costs and expenses, including attorney fees, that may be incurred by the Association as a result thereof or by reason of any noncompliance of such purchaser or lessee with the terms, provisions and restrictions set forth in the Master Deed; provided, however, that this provision shall not be construed so as to relieve the purchaser or lessee of his obligations to comply with the provisions of the Condominium Documents.
 - (b) <u>Developer and Mortgagees Not Subject to Section</u>. The Developer shall not be subject to this Section regarding the sale or, except to the extent provided in Article VI, Section 2(b), the lease of any Unit in the Condominium which it owns, nor shall the holder of any mortgage which comes into possession of a Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage or deed in lieu of foreclosure, be subject to the provisions of this Section.
 - (c) <u>Charges.</u> The Association may charge a reasonable fee for any dues statement or status letter requested by a Co-Owner, prospective mortgagee, title company, or purchaser under these Bylaws. The purchaser of a Unit shall also be responsible for the payment of any Unit transfer fee, new account start up or similar charge customarily collected by the Association or management agent upon the sale of the Unit. These charges are intended to cover the administrative expenses incurred by the management agent and Association when a unit is transferred or refinanced.

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- Section 16. <u>Advertising</u>. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, during the Construction and Sales Period, and, subsequent thereto, only with prior written permission from the Developer during the Development and Sales Period, and the Association.
- Section 17. Tree Preservation. The Developer shall have the right to remove any trees necessary for the development and construction of the common elements and the Condominium Project. Otherwise, the Developer or the Association, as applicable, shall maintain the trees in the Common Areas pursuant to the Project site plan approved by the Township of Marion Planning Commission, and each Co-Owner shall maintain the trees located on his or her Unit pursuant to the individual Unit site plan approved by the Township of Marion Planning Commission and only trees approved for removal on that individual site plan may be removed. Except as provided for above, no trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by the Association. No such removal shall occur within a woodlands area which is regulated by the Township of Marion or other public agency without obtaining the proper permit from the Township of Marion or other public agency with jurisdiction over such matters prior to removal.
- Section 18. Open Space Preservation. The Developer shall maintain the open space in the Condominium Project pursuant to the Condominium Project site plan approved by the Township of Marion Planning Commission.

ARTICLE VII MORTGAGES

- Section 1. <u>Notice to Association</u>. Any Co-owner who mortgages his or her Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgagees of Units." The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.
- Section 2. <u>Insurance</u>. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage and vandalism and malicious mischief, and the amounts of such coverage.
- Section 3. <u>Notification of Meetings</u>. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

ARTICLE VIII VOTING

- Section 1. <u>Vote</u>. Except as limited in these Bylaws, each Co-owner shall be entitled to one (1) vote for each Condominium Unit owned.
- Eligibility to Vote. No Co-owner, other than the Developer, shall be Section 2. 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 The vote of each Co-owner may be cast only by the individual of Article IX hereof. representative designated by such Co-owner in the notice required in Section 3 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 and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units in the Project at some time or from time to time during such period. At and after the First Annual Meeting the Developer shall be entitled to one (1) vote for each Unit which it owns and for which it is paying Association maintenance expenses. If, however, the Developer elects to designate a director (or directors) pursuant to its rights under Article XI, Section 2(c)(i) or (ii) hereof, it shall not then be entitled to also vote for the non-developer directors.
- Section 3. <u>Designation of Voting Representative</u>. 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 thirty-five (35%) percent of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required 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. <u>Voting</u>. 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.

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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. <u>Majority</u>. A majority, except where otherwise provided herein, shall consist of more than fifty (50%) percent 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 of designated voting representatives present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

ARTICLE IX MEETINGS

- Section 1. <u>Place of Meeting</u>. 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.
- First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by Developer and may be called at any time after more than fifty (50%) percent of the Units that may be created in Copperfield Villas have been conveyed 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 nondeveloper Co-owners of seventy-five (75%) percent of all Units that may be created, 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 ten (10) days' written notice thereof shall be given to each Co-owner. The phrase "Units that may be created" as used in this Section and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted under the Condominium Documents to include in the Condominium.
- Section 3. <u>Annual Meetings</u>. Annual meetings of members of the Association shall be held on any business day during the second or third week of April each succeeding year after the year in which the First Annual Meeting is held, at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than eight (8) months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the 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.

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- Section 4. <u>Special Meetings</u>. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (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 date, time and place where it is to be held, upon each Co-owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each 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 a 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. <u>Adjournment</u>. 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 forty-eight (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 that 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 above for the giving of notices 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 that 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 that 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. <u>Consent of Absentees</u>, The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 10. <u>Minutes; Presumption of Notice</u>. 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 (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser, or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three (3) non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than fifty (50%) percent of the non-developer Co-owners petition the Board of Directors for an election to elect the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the 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. <u>Number and Qualification of Directors</u>. The Board of Directors shall initially be comprised of five (5) members and shall continue to be so comprised until enlarged to five members in accordance with the provisions of Section 2 hereof. Thereafter, the affairs of the Association shall be governed by a Board of five Directors, 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) <u>First Board of Directors</u>. 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. Immediately prior to the appointment of the first non-developer Co-owners to the Board, the Board shall be increased in size from three persons to five persons. Thereafter, 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 one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of twenty-five (25%) percent of the Units that may be created, one (1) of the five (5) directors shall be selected by non-developer Co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of fifty (50%) percent of the Units that may be created, two (2) of the three (3) directors shall be elected by non-developer Co-owners. When the required percentage of conveyances have been reached, the Developer shall notify the non-developer Co-owners and convene a meeting so that the Co-owners can elect the required director or directors, as the case may be. Upon certification by the Co-owners to the Developer of the director or directors so elected, the Developer shall then immediately appoint such director or directors 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) <u>Election of Directors at and After First Annual Meeting</u>.

- (1) Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of seventy-five (75%) percent of the Units that may be created, and before conveyance of ninety (90%) percent of such 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 (1) director as long as the Units that remain to be created and conveyed equal at least ten (10%) percent of all Units that may be created in the Project. Whenever the seventy-five (75%) percent 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 fifty-four (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 that

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are owned by the Developer and for which maintenance expenses are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i) below.

- (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 subsections (b) and (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 subsection (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 (1) director as provided in subsection (c)(1) above.
- (4) At the First Annual Meeting, three (3) directors shall be elected for a term of two (2) years and two (2) directors shall be elected for a term of one (1) year. At such meeting all nominees shall stand for election as one slate and the three (3) persons receiving the highest number of votes shall be elected for a term of two (2) years and the two (2) persons receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either two (2) or three (3) directors shall be elected depending upon the number of directors whose terms expire. After the First Annual Meeting, the term of office (except for two (2) of the directors elected at the First Annual Meeting) of each director shall be two (2) 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. <u>Powers and Duties</u>. 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.

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- 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 for the following:
 - (a) To manage and administer the affairs of and to maintain the Condominium Project and the 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, 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 seventy-five (75%) percent of all of the members of the Association.
 - (h) To make rules and regulations in accordance with Article VI, Section 9 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 that are not by law or the Condominium Documents required to be performed by the Board of Directors.
 - (j) To enforce the provisions of the Condominium Documents.
- Section 5. <u>Management Agent</u>. 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

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duties or powers that 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 three (3) years or which is not terminable by the Association upon ninety (90) days' written notice thereof to the other party, and no such contract shall violate the provisions of Section 55 of the Act.

Section 6. <u>Vacancies</u>. Vacancies in the Board of Directors that 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 it is permitted in the first instance to designate. Each person so elected shall be a director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-developer Co-owner elected directors that 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 (1) or more of the directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal thirty-five (35%) percent 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 section for removal of directors generally.

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

Section 9. <u>Regular Meetings</u>. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director personally, by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 10. <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each director given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

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Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) directors.

- Section 11. <u>Waiver of Notice</u>. 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 twenty-four (24) hours' prior written notice delivered to all directors not present. At any such adjourned meeting, any business that 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. <u>First Board of Directors</u>. 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 that may be exercised generally by the Board of Directors as provided in the Condominium Documents.
- Section 14. <u>Fidelity Bonds</u>. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums 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, an Assistant Secretary, and such other officers as in their judgment may be necessary. Any two (2) offices except that of President and Vice President may be held by one (1) person.
 - (a) <u>President</u>. 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

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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) <u>Vice President</u>. 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 so do 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) <u>Secretary</u>. 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) <u>Treasurer</u>. 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. <u>Election</u>. 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. <u>Removal</u>. 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. <u>Duties</u>. 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 AND RECORDS

- 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 ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.
- Section 2. <u>Fiscal Year</u>. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the 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. <u>Bank</u>. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.
- Section 4. <u>Co-owner Access to Books and Records; Procedures.</u> Each Co-owner has the right to review the books and records of the Association. The following procedures are to be followed regarding such requests.
 - (a) In order to review the books and records the requesting Co-owner must submit a request in writing to the Board of Directors, in care of the management agent (or if there is not management agent to the Secretary of the Association).
 - (i) The request must state which books and/or records the Coowner seeks to review.
 - (ii) The request must state whether the Co-owner will require copies of the records that are requested.

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- (iii) The request must have the name, address and telephone number of the requesting party.
- (b) Upon receipt of the request from a Co-owner to review the records, the management agent (or Secretary of the Association if there is no management agent) will advise the Board of Directors of the Association of the request. The management agent (or Secretary if there is no management agent) will then inform the Co-owner of a convenient time, place and date where the requested records may be reviewed. The Co-owner shall be advised of the time, place and date within five (5) working days of the receipt of the Co-owners' initial request. The Co-owner shall be advised at that time of the following:
 - (i) The Co-owner will be responsible for payment of the actual costs of all reproductions or copies of the requested documents. The Co-owner shall be informed of the per-page copying cost before copies are made.
 - (ii) The Co-owner shall be responsible for payment for time spent by management agent personnel at the rate set by the management contract, in applicable.
- (c) Each Co-owner may make only one (1) such request per calendar quarter.
- (d) These procedures shall also apply to requests for copies of books and records made by mortgagees of Units.

ARTICLE XV INDEMNIFICATION OF OFFICERS AND DIRECTORS; OFFICERS' AND DIRECTORS' INSURANCE

Section 1. <u>Indemnification of Officers and Directors</u>. No volunteer director or officer, as that term is defined in Act 162, Public Acts of 1982, as amended ("Act"), shall be personally liable to the Association or its members for monetary damages for breach of fiduciary duty as a director or officer, provided that the foregoing shall not eliminate the liability of a director or officer for any of the following: (i) breach of the director's or officer's duty of loyalty to the Association or its members; (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) a violation of Section 551(1) of the Act; (iv) a transaction from which the director or officer derived an improper personal benefit; or (v) an act or omission that is grossly negligent. If the act hereafter is amended to authorize the further elimination or limitation of the liability of directors or officers, then the liability of a director or officer of the Association, in addition to the limitation on personal liability contained herein, shall be limited to the fullest extent permitted by the amended Act. No amendment or repeal of this Article XV shall apply to or have any affect on the liability of any director or

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officer of the Association for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal.

As provided under MCL 450.2209, and 1996 Public Act 397, the Association will assume liability for all acts or omissions of a volunteer director, volunteer officer or other volunteer which occurred after the date of the filing of the Articles of Incorporation of the Association if all of the following conditions are met: (i) the volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority; (ii) the volunteer was acting in good faith, (iii) the volunteer's conduct did not amount to gross negligence or willful and wanton misconduct; (iv) the volunteer's conduct was not an intentional tort; and (v) the volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle for which tort liability may be imposed as provided in Section 3135 of the Insurance Code of 1956, 1956 Public Act 218, being MCL 500.3135.

Every director and officer of the Association (including the first Board of Directors and any other directors and/or officers of the Association appointed by the Developer) shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable attorney fees and amounts paid in settlement, incurred by or imposed upon him or her in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal, including actions by or in the right of the Association, 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 (10) days prior to payment of any indemnification that it has approved, the Association shall notify all Co-owners thereof.

Section 2. <u>Directors' and Officers' Insurance</u>. The Association shall/may provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a director or an officer of the Association may waive any liability insurance for such director's or officer's personal benefit, or other applicable statutory indemnification. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof or other applicable statutory indemnification.

ARTICLE XVI AMENDMENTS

- Section 1. <u>Proposal</u>. 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 one-third (1/3) or more of the Co-owners by instrument in writing signed by them.
- Section 2. <u>Meeting</u>. 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. <u>Voting</u>. 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 sixty-six and two-thirds (66 2/3%) percent 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 sixty-seven (67%) percent of the mortgagees shall be required, with each mortgagee to have one (1) vote for each first mortgage held.
- Section 4. <u>By Developer</u>. 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, or affect any approval of the municipality.
- 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. <u>Binding</u>. A copy of each amendment to these 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.
- Section 7. <u>Township Approval</u>. Any provision of the Condominium Documents affecting a right of the Township of Marion shall not be amended, modified or deleted without the prior written approval of the Township of Marion.

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. <u>Legal Action</u>. 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 a lien (if default in payment of assessment(s)) 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. <u>Recovery of Costs.</u> 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 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 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 onto any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.
- Section 4. <u>Assessment of Fines</u>. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations in accordance with Article XX of these Bylaws. No fine may be assessed unless rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-owners in the same manner as prescribed in Article IX, Section 5 of these Bylaws.
- Section 5. Non-waiver of Right. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition that 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.

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- Section 6. <u>Cumulative Rights, Remedies and Privileges</u>. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one (1) 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. <u>Enforcement of Provisions of Condominium Documents</u>. 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 non-compliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XX ASSESSMENT OF FINES

- Section 1. <u>General</u>. The violation by any Co-owner, occupant or guest of any of the provisions of the Condominium Documents, including any duly adopted rules and regulations, shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his 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. <u>Procedures</u>. Upon any such violation being alleged by the Board of Directors, the following procedures will be followed:
 - (a) <u>Notice</u>. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the 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 of Directors and offer evidence in defense of the alleged violation. The appearance before the Board of Directors shall be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than ten (10) days from the date of the notice.

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- (c) <u>Default</u>. Failure to respond to the notice of violation constitutes a default.
- (d) <u>Hearing and Decision</u>. Upon appearance by the Co-owner before the Board of Directors 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. <u>Amounts</u>. Upon violation of any of the provisions of the Condominium Documents, and after default of the offending Co-owner or upon the decision of the Board as recited above, the following fines shall be levied:
 - (a) First Violation. No fine shall be levied.
 - (b) <u>Second Violation</u>. Fifty (\$50.00) Dollar fine.
 - (c) Third Violation. One Hundred (\$100.00) Dollar fine.
 - (d) <u>Fourth Violation and Subsequent Violations</u>. One Hundred Fifty (\$150.00) Dollar fine.

Section 4. <u>Collection</u>. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents, including, without limitation, those described in Article II and Article XIX 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 and/or assigns, 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/or assigns, in the Master Deed or elsewhere (including, but

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not limited to, access easements, utility easements and all other easements created and reserved in such documents that shall not be terminable in any manner hereunder and that shall be governed only in accordance with the terms of their creation or reservation and not hereby).

ARTICLE XXII SEVERABILITY/CONSTRUCTION

Section 1. <u>Severability</u>. 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.

Section 2. Rules of Construction.

- (a) In the event of a conflict between the Act, the Master Deed, the Articles of Incorporation, Bylaws and Rules and Regulations, the Act shall control.
- (b) In the event of a conflict between the Articles of Incorporation, the Master Deed, the Bylaws, or Rules and Regulations, the Articles of Incorporation shall control.
- (c) In the event of a conflict between the Master Deed, the Bylaws or Rules and Regulations, the Master Deed shall control.
- (d) In the event of a conflict between the Bylaws and the Rules and Regulations, the Bylaws shall control.

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LIVINGSTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 339

EXHIBIT B TO THE MASTER DEED OF

THE CONDUNING SIERMYSIGN PLAN MUNEER WEST DE ASSIGNED IN CONSECUTIVE SECUTIVE WELLD A HUNDER HAS BEEN ASSIGNED TO THIS FROJECT, I RUST DE PROPERLY SIGNAN IN THE TILE ON THIS SHEET, AND THE SURVEYOR'S CERTIFICATE ON SHEET 2.

ATTENTION: COUNTY REGISTER OF DEEDS

COPPERFIELD VILLAS

MARION TOWNSHIP, LIVINGSTON COUNTY, MICHIGAN

DEVELOPER:

COPPERFIELD, L.L.C.
719 E. GRAND RIVER AVENUE
8RIGHTON, MI. 48116
(B10) 229-5722

CONDOMINIUM BOUNDARY

PART OF THE SOUTHWEST FRACTIONAL 1/4 AND THE SOUTHEAST FRACTIONAL 1/4 OF SECTION 1, T2N-R4E, MARION TOWNSHIP, UNRIGSTION COUNTY, AUDICIAN BURKO RESCRIBED AS FOLLOWS: BECHANING AT THE SOUTH 1/4 CORNER OF SAID SECTION 1; THENCE ALONG THE SOUTH LIVE OF SAID SECTION 1. AND THE CENTRALINE OF FRANCES ROAD, S. 86*1904" W., 128,26 FEET; THENCE S. 86*1904" W., 200,20 FEET; THENCE S. 275*32" W., 74,40 FEET; THENCE S. 86*1904" W., 200,20 FEET; THENCE S. 275*32" W., 74,40 FEET; THENCE S. 275*32" W., 128,50 FEET; THENCE S. 55*315" W., 20,7 FEET; THENCE S. 275*32" W., 128,50 FEET; THENCE S. 55*315" W., 20,7 FEET; THENCE S. 55*315" W., 20,7 FEET; THENCE S. 200,74*36" E., 413,43 FEET; THENCE S. 200,76 THE SOUTHEAUT REFERENCE OF TRANCIS OF 1-28 HORWAY, AUDIC AL ANCE TO THE SOUTHEAUT REFERENCE OF TRANCIS OF 1-28 HORWAY, AUDIC AL ANCE TO THE SOUTHEAUT REFERENCE OF THE SOUTHEAUT REFERENCE OF THE SOUTHEAUT ROAD AND SOUTH LIVE OF SAID SECTION 1. S. 85*25*5" W., 487,82 FEET; THENCE COMMUNICA AUDIC OF THE SUBJECT SOUTH AND SOUTH LIVE OF SAID SECTION 1. S. 85*25*5" W., 487,82 FEET TO THE POINT OF BECANANG AND CONTAMINES ROAD AND SOUTH LIVE OF SAID SECTION 1. S. 85*25*5" W., 487,82 FEET TO THE POINT OF BECANANG AND CONTAMINES ROAD AND SOUTH LIVE OF SAID SECTION 1. S. 86*COSTO TO THE ROATIS OF THE PUBLIC OVER THE EXISTING FRANCES ROAD AND ANY OTHER EASEMENTS OR THE PLANCES ROAD AND ANY OTHER EASEMENTS OR THE EXAMINES ROAD AND ANY OTHER EASEMENTS.

DRAWING INDEX

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COMER CHECT

SUMMY PLAN

SITE PLAN

UTILITY PLAN

UTILITY PLAN

UTILITY PLAN

UTILITY PLAN

NITH AREAS & PERIODER PLAN

NITH AREAS & PERIODER PLAN

NITH AREAS & PERIODER PLAN

PREPARED BY:

BOSS HOMERNA

ENGINEERS SURVEYORS - PLANNERS
LANDSCAPE ARCHITECTS

LANDSCAPE ARCHITECTS

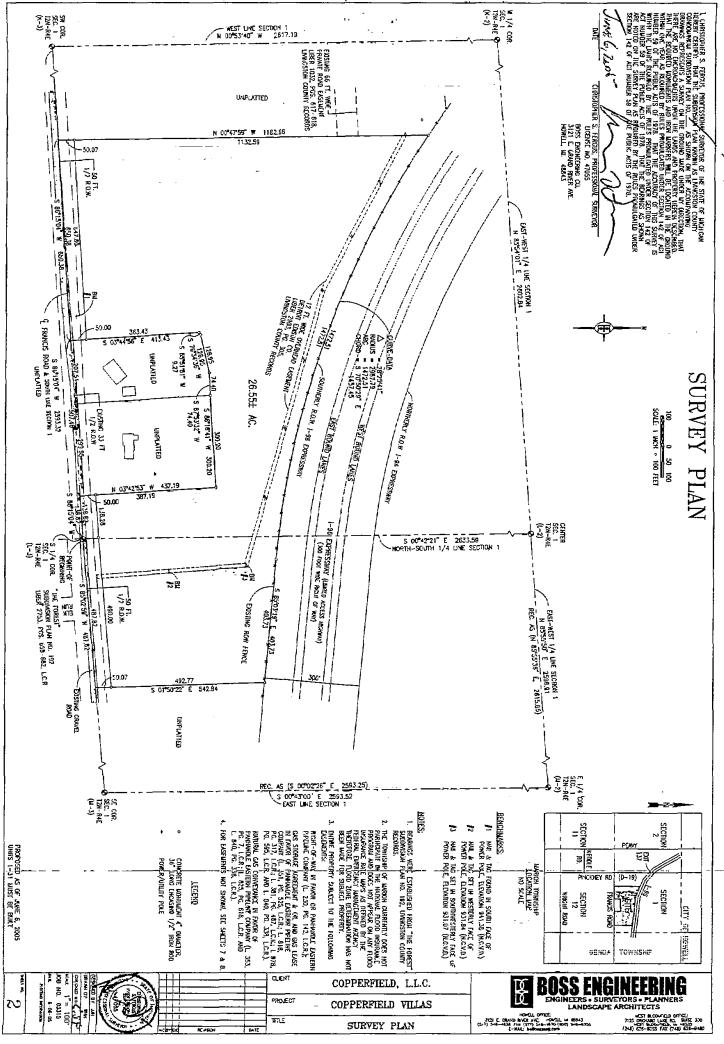
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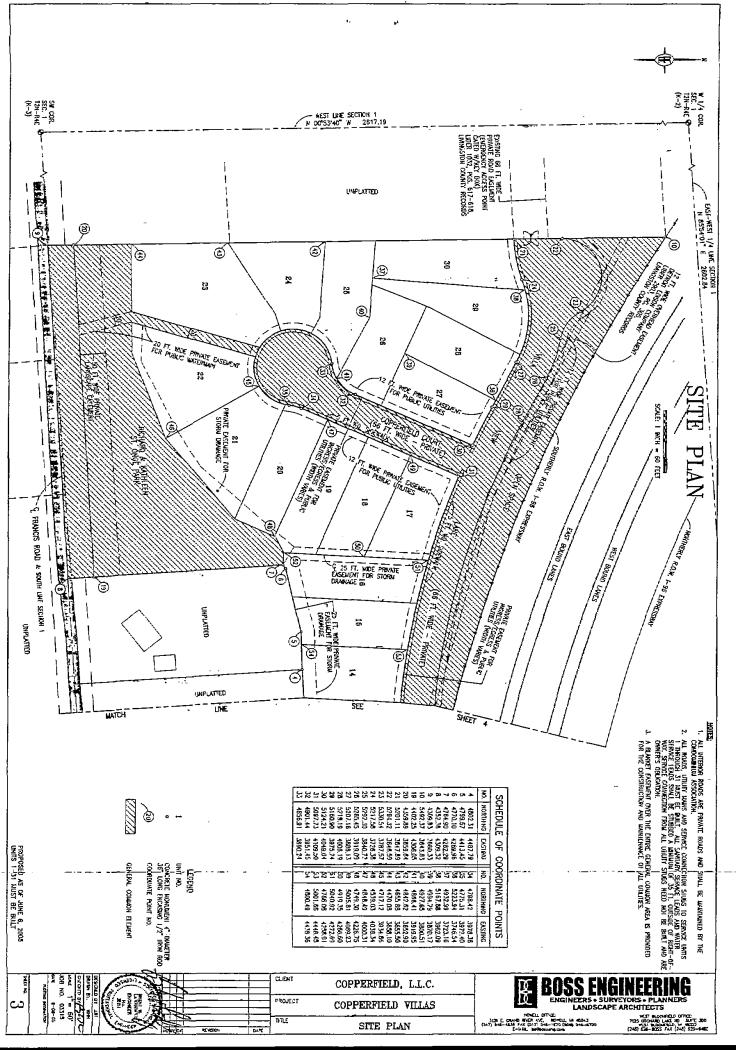
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PROPOSED AS OF JUNE 6, 2005 UNITS 1—31 KUST BE BUILT



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