

RECORDED

2005 JUN 20 A 11:02

LIVINGSTON COUNTY TREASURER'S CERTIFICATE  
I hereby certify that there are no TAX  
LIENS or TITLES held by the state or any  
individual against the within description,  
and all TAXES are same as paid for five  
years previous to the date of this instrument  
or appear on the records in this  
office except as stated.

6/20/05 *Dianne H. Hardy* # 10795  
Dianne H. Hardy, Treasurer  
Sec. 185 Act 268, 1893 as Amended  
Taxes not examined

HOMESTEAD DENIALS NOT EXAMINED

SALLY REYNOLDS  
REGISTER OF DEEDS  
LIVINGSTON COUNTY, MI  
48843

MASTER DEED  
Pinebrook Meadow

166/4

#340

THIS IS THE MASTER DEED OF Pinebrook Meadow (the "Master Deed"). This Master Deed has been signed and delivered on the 16 day of June, 2005, by Pinebrook Meadow Development, L.L.C., a Michigan limited liability company, the address of which is 403 E. Grand River, Suite B, Brighton, MI 48116 ("Developer").

Developer is recording this Master Deed with the Livingston County Register of Deeds to establish as a Condominium a parcel of real property that is located in Marion Township (the "Township"), Livingston County, Michigan, and that is more particularly described as:

Part of the fractional 1/4 of Section 3, T2N-R4E, Marion Township, Livingston County, Michigan, described as follows: Commencing at the Northeast corner of said Section; thence along the East line of said Section and the West line of "Foxcroft", a subdivision of Section 2, T2N-R4E Marion Township, as recorded in Liber 23 of Plats, pages 24-27, Livingston County Records, S 2°00'13" E, 695.35 feet to the Point of Beginning of the Parcel to be described; thence continuing along said line S 02°00'13" E, 601.75 feet; thence along the South line of the North part of the Northeast fractional 1/4 of Section 3 as monumented, S 89°20'24" W, 866.93 feet (recorded as Due West, 859 feet); thence N 32°40'24" E (recorded as N 33°30' E), 615.00 feet; thence N 56°48'05" W (recorded as N 56°30'W), 248.00 feet to the centerline of Norton Road (M-155), thence along said centerline N 32°40'24" E, 354.30 feet (recorded as N 33°30' E, 355.6 feet); thence S 57°17'51" E, 629.95 feet (recorded as S 58°30' E, 630.1 feet) to the Point of Beginning, containing 12.26 acres more or less, subject to the rights of the Public over existing Norton Road, and together with and subject to that certain Grant of Easement for Storm Sewer recorded at Liber     , Page      of Livingston County Plats.

4716 189

The aforesaid land (the "Land") is: (a) subject to (i) any easements, restrictions, reservations, exceptions, or conditions of record, to any governmental limitations, and to the rights of the public in respect of any portion of the land that has been taken, used, or granted for streets, roads, highways, and (ii) the reservation by Developer of all oil, gas, or mineral rights in respect of the Land; (b) together with any improvements located on the Land and any appurtenances to the Land (the Land and all of the matters that are described above are collectively referred to in this master Deed as the "Condominium Project"); and by record this Master Deed Developer declares that:

10-03-200-005

1. The Condominium Project.

(a) The Condominium Project is established as a Condominium project according to the terms of the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended (the "Act"). The Condominium Project will be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, and in any other manner used according to the terms of the Act and the covenants, conditions, restrictions, uses, limitations, and obligations that are described in this Master Deed, all of which will run with the land and will be a burden and a benefit to Developer and to any other persons acquiring or owning an interest in the Condominium Project or portion thereof and their respective successors and assigns.

(b) The Condominium Project will be known as Pinebrook Meadow, Livingston County Subdivision Plan No. 340.

2. Definitions.

(a) Whenever used in this Master Deed:

(i) "Association" means The Pinebrook Meadow Association, a Michigan nonprofit corporation. Each Owner will be a member of the Association.

(ii) "Bylaws" means the Bylaws that are attached to this Master Deed as Exhibit A.

(iii) "Common Elements" means General Common Elements and Limited Common Elements. Common Elements are more particularly described in Paragraph 3, below.

(iv) "Condominium" means the Condominium Project.

(v) "Condominium Documents" means this Master Deed (including without limitation attached Exhibit A and attached Exhibit B, each of which are a part of this Master Deed), the Articles of Incorporation of the Association, and any other instruments that regulate the use and operation of the Condominium, as all or any of the Condominium Documents may be amended from time to time and at any time.

(vi) "Condominium Subdivision Plan" means "Livingston County Subdivision Plan, Exhibit B to the Master Deed of Pinebrook Meadow", which is attached to this Master Deed as Exhibit B. The Condominium Subdivision Plan was prepared by Advantage Civil Engineering.

(vii) "Development and Sales Period" means the period of time beginning as of the date that this Master Deed is recorded with the Livingston County Register of Deeds and continuing as long as Developer continues to hold a Unit for sale

(viii) "Developer" means Pinebrook Meadow Development, L.L.C., and its successors and assigns; but "Developer" does not mean any Successor Developer (as this term is defined under Section 135 of the Act).

(ix) "Owner" means any Person owning one or more Units.

(xi) "Person" means any natural person corporation, limited partnership, limited liability company, general partnership, trust, or other entity that exists under the laws of the State of Michigan.

(xi) "Unit" means each unit in the Condominium. Each Unit is described in the Condominium Subdivision Plan, which includes without limitation the number of each Unit and the boundaries, dimensions, and each Unit. Each Unit consists of the area contained within the boundaries of that Unit. The boundaries of each Unit are delineated by the heavy outlines in the Condominium Subdivision Plan. "Unit" also has the same meaning as "Condominium Unit" under the Act.

(b) When any term that is described in subparagraph (a), above, appears in any of the Condominium Documents or in any deeds, mortgages, easements, or other instruments that transfer interest in and to the Condominium (including any Unit) or that regulate the use and operation of the Condominium, that term will have the same meaning in those other instruments as in this Master Deed.

### 3. Common Elements

(a) (i) The General Common Elements of the Condominium are:

(A) Any of the land that is not a Unit or that is not a Limited Common Element (as this term is defined in subparagraph (b), below), including without limitation the private road within the Condominium commonly known as Pinebrook Meadow Drive

(B) The main portions of any electricity transmission system that are installed within the Condominium and that are necessary to provide electricity to all of the Units, but not (i) any portion of that system between any improvement on any Unit and the main portions of that electricity transmission system or (ii) any other electricity transmission facilities or devices.

(C) The main portions of any telecommunication system that are installed within the Condominium and that are necessary to provide telecommunications services (including without limitation telephone or security services) to all of the Units, but not (i) any portion of the system between any improvement on any Unit and the main portions of that telecommunications system or (ii) any other telecommunications facilities or systems.

(D) The main portions of any natural gas distribution system that are installed within the Condominium and that are necessary to provide gas to all of the Units, but

not (i) any portion of that system between any improvement on any Unit and the main portions of that natural gas distribution system or (ii) any other natural gas distribution facilities or systems.

(E) The main portions of any water distribution system that are installed within the Condominium and that are necessary to provide water to all of the Units in the Condominium, but not (i) any portion of that system between any improvement on any Unit (including without limitation any lateral connections or leads from any main) and the main portions of that water distribution system or (ii) any other water distribution facilities or devices, but specifically including as a General Common Element that certain easement area for storm sewer drainage emanating from the Detention Pond located within the Condominium and continuing approximately due west across adjacent property to Norton Road.

(F) The main portions of any sanitary sewerage distribution system that are installed within the Condominium and that are necessary to provide sanitary sewerage distribution to all of the Units in the Condominium, but not (i) any portion of that system between any improvement on any Unit (including without limitation any lateral connections or leads from any main) and the main portion of that water distribution system or (ii) any other sanitary sewerage distribution facilities or devices.

(G) The main portions of any storm sewer distribution system that are installed within the Condominium and that are necessary to provide for storm water runoff and distribution within the Condominium, including without limitation the Detention Pond reflected on Exhibit B attached hereto, but not (i) any portion of the system between any improvement on any Unit (including without limitation any lateral connections or leads from any main) and the main portions of the storm sewer distribution system or (ii) any other storm sewer distribution facilities or systems.

(H) Any lighting facilities installed within the Condominium for the common use of the Condominium.

(I) Any sidewalks installed within the Condominium, at Developer's discretion, for the common use of the Condominium.

(J) All portions of the Greenbelt Preservation Area reflected on the Condominium Subdivision Plan that are located within the Condominium but not within the boundaries of a Unit.

(K) Any other elements of the Condominium that are not designated as Common Elements and which are not located within a Unit and which are intended for common use by all of the Owners or that are necessary for the existence, upkeep, or safety of the Condominium.

(ii) General Common Elements are appurtenant to each Unit in proportion to the percentage of value assigned to each Unit under Paragraph 4(b), below. Each Owner will have undivided and inseparable rights in and to General Common Elements and may use General

Common Elements in common with other Owners, subject to the terms and conditions of the Condominium Documents.

(b) There are not any Limited Common Elements in the Condominium. If any limited Common Elements are created within the Condominium, the Condominium Subdivision Plan will be amended to describe those Limited Common Elements. Limited Common Elements in the Condominium will be subject to the exclusive use and enjoyment of the Owner of the Unit to which a particular Limited Common Element is appurtenant. Limited Common Elements may be assigned and reassigned according to the terms of Section 39 of the Act, except to the extent that there assignment of any particular Limited Common Element is not permitted under this Master Deed.

(c) The Common Elements may not be used by any Owner or by any other Person in any manner that is not consistent with the purposes of the Condominium (as these purposes are described under the Bylaws) or that will interfere with or impair the rights of any Owner using a Unit or using the Common Elements.

(d) Unless otherwise provided in the Condominium Documents, the Association will maintain, repair, or replace General Common Elements and all of the costs to maintain, repair, or replace General Common Elements will be paid by the Association.

(e) If all or any of the utility system described above as General Common Elements are owned by a public authority or by the company that is providing the particular utility service or by Developer, those systems will be General Common Elements only to the extent of the interest of each Owner in those systems; and Developer does not make any warranty or representation with respect to the nature or extent of that interest. The extent of the responsibility of Developer regarding the installation of utility systems is to install those utilities within reasonable proximity to (but not within) each Unit, as approximately depicted in the Condominium Subdivision Plan. Each Owner must at the sole cost and expense of that Owner install any other equipment or facilities that are required in order that any particular utility service will be available from any utility system installed by Developer to the Unit owned by that Owner or to any improvements on that Unit.

#### 4. Unit Description and Percentage of Value.

(a) Each Unit is described in the Condominium Subdivision Plan. Each Owner will have the exclusive right to occupy the Unit owned by that Owner. All structures and improvements now or later located upon a Unit will be entirely owned by the Owner of that Unit and will not be General Common Elements or Limited Common Elements, unless otherwise provided under this Master Deed. Developer does not intend to and is not obligated to install any structures or other improvements (including without limitation any Limited Common Elements) within any Units.

(b) The percentage of value assigned to each Unit determines the proportionate share of General Common Elements that are appurtenant to that Unit and the proportionate share of proceeds and the expenses of the administration of the Condominium that will be assessed to that

Unit and the value of the vote that will be cast by the Owner of that Unit at meetings of the Association. Developer has determined that for the purpose of assigning percentages of value to each Unit material differences do not exist between each Unit and each Unit has the same percentage of value. The sum of the percentages of value of all the Units is 100%.

5. Use of Each Unit; Maintenance of Each Unit.

(a) A Unit may not be used by any Owner or by any other Person in any manner that is not consistent with the purposes of the Condominium (as these purposes are described under the Bylaws) or that will interfere with or impair the rights of any Owner using any other Unit or the Common Elements. Dwellings (including without limitation overhangs, porches, patios, and any other appurtenances to a dwelling), structures, or any other improvements constructed upon any Unit may be constructed or maintained within the setbacks that are established in respect of each Unit under Paragraph 8(f) of the Bylaws. These setbacks are depicted in the Condominium Subdivision Plan, but if the terms of the Bylaws are not consistent with the Condominium Subdivision Plan, the terms of the Bylaws will prevail. During the Development and Sales Period, the appearance of each Unit and the appearance of any improvements in respect to each Unit are subject to the approval of Developer (or the approval of any assignee or successor of this right of Developer), as more particularly described in the Bylaws.

(b) (i) Each owner will at the sole cost and expense of that Owner maintain, decorate, repair or replace (according to the terms of the Condominium Documents) the Unit owned by that Owner, any appurtenances to that Unit (including without limitation any Limited Common Elements that are not required under this Master Deed to be maintained, decorated, repaired, or replaced by the Association), and any dwelling or other improvements upon or to that Unit (including without limitation, lawn and any other landscaping materials installed on that Unit).

(ii) To insure that the exterior of all of the Units (including without limitation any landscaping installed on the Units) will be uniformly maintained, the Association may, at its option (but without obligation), elect to enter into any agreements that it deems appropriate for the exterior maintenance of all of the Units, including without limitations agreements for lawn mowing, snow removal, tree trimming, or exterior painting. In that event, the costs, fees, and expenses incurred by the Association will be payable by each Owner on a reasonably uniform basis and will be collected by the Association according to the terms of this Master Deed. The initial budget of the Association, established by the Developer, may include an amount that is estimated by the Developer to cover the amount that will be payable by the Association for these services and Developer may prepare reasonable rules and regulations regarding these services. The responsibility and cost for the exterior maintenance of a Unit, to the extent that the Association elects not to maintain the same as provided above, shall be borne by the Owner of each such Unit. Regardless of any of the other terms of the Master Deed, in no event is Developer or the Association obligated to maintain, repair, or replace any appurtenances to any Unit (including without limitation any Limited Common Elements), any dwelling or any other improvements upon or to any Unit (including without limitation the lawn and any other landscaping materials installed on any Unit).

6. Relocation of Unit Boundaries and Consolidation of Units.

(a) (i) During the Development and Sales Period, Developer may at any time and from time to time amend this Master Deed to relocate any boundaries between adjoining Units that are owned by Developer or to consolidate under single ownership two or more Units that are located adjacent to one another and that are each owned by Developer.

(ii) Every owner and every mortgagee of any Unit and every other Person now or at any time and from time to time having any interest in and to any of the Condominium are each deemed to have irrevocably and unanimously and unconditionally consented to any amendments of this Master Deed under subparagraph (i), above; and all of these Persons are deemed to have irrevocably appointed Developer as their agent and attorney to sign and deliver any of these amendments to this Master Deed.

(b) Owners of adjoining Units may request that the Association relocate the boundary between those Units to a location that is specified in that request; and in this event the President of the Association (after receiving the written approval of the Association) will cause an amendment to this Master Deed to be prepared that will relocate the boundary of the Units to the location that is specified in the request by the Owners. The amendment will also convey between these Owners those particular portions of each Unit that must be conveyed in order that after that amendment is recorded, each Owner will own all of the Unit owned by that owner, as that Unit has been modified. Owners requesting the relocation of the boundary of any Units will pay all of the costs, fees, or expenses to determine the location of the relocated boundary between the Units and to cause to be prepared and recorded an amendment to this Master Deed. The relocation of any boundaries under this subparagraph (b) is subject to the approval of any Persons that are first mortgagees of the Units being modified; and during the Development and Sales Period, the relocation of any boundaries under this subparagraph (b) is subject to the prior written approval of Developer, which approval Developer may withhold in its sole discretion.

(c) Any amendment of this Master Deed under this Paragraph 6 will be in writing and will be effective as of the date upon which that amendment is recorded with the Livingston County Register of Deeds. The relocation of any boundaries or the consolidation of Units under this Paragraph 6 is subject to the terms of this Master Deed and to the requirements of any applicable governmental authorities, including, without limitation, the approval of the Township.

7. [Intentionally Omitted.]

8. Convertible Areas.

(a) (i) "Convertible Area" means all of the Condominium.

(ii) Regardless of any of the other terms of this Master Deed but pursuant to the terms of this Paragraph 8, subject to Township approval, Developer may at any time and from time to time convert any portion of the Condominium to a Unit or portion of a Unit, or to a Limited Common Element or to a General Common Element.

(iii) If Developer elects to convert any portion of the Condominium:

(A) Developer may designate all or any portions of the Convertible Area as Condominium Units;

(B) Developer may complete any improvements in respect of the Convertible Area that are not unreasonably inconsistent with the purposes for which the Condominium has been established by Developer;

(C) Developer may create Common Elements within any Convertible Area; and Developer may designate as Limited Common Elements any of these Common Elements and Developer may subsequently assign these Limited Common Elements;

(e) Developer must convert any portion of the Condominium not later than the last day of the sixth year from and after the date of this Master Deed.

(b) (i) Any conversion of the Condominium will be effective as of the date that an amendment to this Master Deed is recorded with the Livingston County Register of Deeds which contains all of the essential elements of the conversion of the Condominium, as the case may be. Any amendment to this Master Deed to convert the Condominium will be prepared by Developer, will contain terms and conditions required by law, and will contain any other terms and conditions that are determined by Developer in its sole discretion, including without limitation any provisions that are required to define or redefine any Common Elements in order that the Condominium (and every Unit) will have proper ingress and egress and will be furnished all of the utility services that are described in this Master Deed.

(ii) Upon concluding any conversion of the Condominium, Developer will prepare a Consolidating Master Deed and Developer will record the Consolidating Master Deed with the Livingston County Register of Deeds. The Consolidating Master Deed will supersede in their entirety the previously recorded Master Deed and any and all amendments to that Master Deed.

(iii) Every Owner and every mortgagee of any Unit and every other Person now or at any time and from time to time having any interest in and to any of the Condominium are each deemed to have irrevocably and unanimously and unconditionally consented to any of the amendments of this Master Deed that are described above; and all of these Persons are deemed to have irrevocably appointed Developer as their agent and attorney to sign and deliver any of these amendments to this Master Deed.

9. Wetland Areas. Certain portions of the Condominium may be wetlands that are protected by federal, state and local law, including without limitation the provisions of the Natural Resources and Environmental Protection Act, Public Act No. 451 of 1994. Under the Natural Resources and Environmental Protection Act, a wetland may not be dredged or filled, material may not be removed from a wetland (including without limitation trees), and a wetland may not be drained or otherwise disturbed in any manner without first obtaining a permit therefor from the



Michigan Department of Environmental Quality (or its administrative successor). The Natural Resources and Environmental Protection Act describes substantial penalties for violations of the provisions of the Natural Resources and Environmental Protection Act; and to insure that inadvertent violations of the Natural Resources and Environmental Protection Act do not occur, an Owner may not disturb any wetlands in the Condominium (including without limitation clearing trees) without first obtaining (a) written authorization from Developer and the Community Association and (b) any necessary local governmental permits and (c) any necessary permits from the State of Michigan. Notwithstanding anything contained herein to the contrary, any wetlands contained within any Unit shall not be disturbed.

10. Tree Preservation. No trees measuring three (3") inches or more in diameter at ground level may be removed or trimmed without the prior written approval of the Developer (during the Development and Sales Period) or the Association. Each Owner who plans to cut down any trees three (3") inches or more in diameter or trim any such trees in a manner as to reduce the natural screening provided by such trees, must notify the Developer or Association, as the case may be, by telephone or letter at least 10 days prior to any cutting to arrange an inspection of trees prior to tree cutting. The Developer or Association, as the case may be, may withhold its consent and approval for the requested cutting or trimming in its sole discretion. In the event of any cutting or trimming of trees in violation of this Section 10, the Owner shall be required to replace improperly cut trees with healthy native trees having an aggregate surface area in plain view at ground level equal to the aggregate surface area in plain view of all trees which were improperly removed. Non-compliance with this Section 10 shall result in replacement of trees by the Developer or Association, as the case may be, at the expense of the Owner. Each Owner must maintain and preserve all of the trees on the Unit owned by that Owner, including without limitation "welling" trees, if necessary. As soon as reasonable possible, each Owner will remove from the Unit owned by that Owner any dead or seriously diseased trees located upon that Unit.

11. Easements and Preservation Area.

(a) If any portion of any structure that is located upon a Unit encroaches onto a Common Element due to shifting, settling, moving, survey errors, or construction deviations or due to a change in ground elevations, reciprocal easements are deemed to exist to permit that encroachment and to permit the encroaching structure to be rebuilt in the same location, if that structure is destroyed.

(b) Developer reserves for itself and for the Association:

(i) An easement over and across the Condominium for the purpose of permitting Developer (during the Development and Sales Period) or the Association, as the case may be, to install, extend, enlarge, operate, maintain, repair, and replace utilities in the General Common Elements; but during the Development and Sales Period, the Association may not install, operate, maintain, repair, or replace any utilities in the General Common Elements without the prior written approval of Developer, which approval Developer may withhold in its sole discretion; and

(ii) An Easement over and across the Condominium for the purpose of permitting Developer (during the Development and Sales Period) or the Association to maintain,

repair and replace any Unit and any improvements on any Unit, if any Unit and any improvements on any Unit are not maintained, repaired, or replaced by the Owner of that Unit according to the terms of the Condominium Documents.

(iii) A Greenbelt Preservation Area over and across the Condominium as reflected on the Condominium Subdivision Plan, which area, whether or not located within a Unit, may not be built upon or otherwise disturbed in any manner without first obtaining the written permission of the Developer (during the Development and Sales Period) or the Association and local governmental authorities, except that an Owner of a Unit shall be required to mow the lawn, without the removal or alteration of any tree or vegetation, in the Greenbelt Preservation Area and to otherwise maintain in perpetuity the Greenbelt Preservation Area to the extent encroaching upon the Owner's Unit.

(iv) An Easement for Storm Sewer over and across property adjacent to the Condominium, as reflected on the Condominium Subdivision Plan, for the purpose of drainage of storm water runoff issuing or emanating from any portion of the Condominium.

(c) (i) The roads providing access to and within the Condominium are part of a private road system that is owned by and will be maintained by Developer in accordance with the provisions of the Township zoning ordinance pertaining to private roads. Each Owner of a Unit within the Condominium shall not prohibit, restrict, limit or in any manner interfere with normal ingress and egress and use of such private roads by any of the other Unit 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 need to use such roads. Developer may dedicate to any applicable public authority an easement or a right-of-way over any of the roads, as may be required by the local public authority and as is acceptable to Developer in its sole discretion, or Developer may convey the road to the Association or to any other association established by Developer for the purpose of owning the road and operating and maintaining these roads. During the Development and Sales Period, Developer may at any time and from time to time grant easements for the benefit of itself and its successors and assigns and for the benefit of the owners of the properties that collectively comprise the Condominium to use all of the roads for the purpose of ingress and egress between different portions of the Condominium. Each Unit within the Condominium shall derive its access to and from Norton Road solely via Pinebrook Meadow Court. Developer, its successors and assigns, the Association and all future co-owners hereby acknowledge and agree that in the event that any of the private roads within the Condominium are not adequately maintained and repaired, the Township, after prior written notice delivered to the Developer or Association (as the case may be) and thirty (30) days opportunity to cure same, shall be permitted to cause the roads to be brought up to established Livingston County Road Commission standards for public roads and the Township, through its designated agents, shall be permitted limited access as necessary within the road right-of-way within the Condominium for the purpose of effecting same, in which event the Developer or the Association and co-owners (as the case may be) shall be responsible to reimburse the Township for the costs incurred relating to the maintenance and repair of such roads, together with an administrative fee in an amount equal to twenty five percent (25%) of the total costs incurred by the Township. Subject to the foregoing, no public funds of the Township shall otherwise be used to build, repair or maintain the private roads within the Condominium. There shall exist and the Developer does hereby dedicate and convey to

the public an easement for the purpose of access by emergency, public and other governmental vehicles and for whatever public utility services are necessary over, under and across all roads located within the Condominium depicted on the site plan currently on file with the Township.

(ii) Certain of the utility systems furnishing utility services to the Condominium may be owned and maintained by Developer, but Developer may transfer any of these utilities to governmental agencies, public utility companies, or private entities and in this event Developer may grant easements to any of these entities to maintain and replace these utilities. During the Development and Sales Period, Developer may at any time and from time to time grant easements for the benefit of itself and its successors and assigns and for the benefit of the owners of the properties that collectively comprise the Condominium to use any of these utilities.

(iii) During the Development and Sales Period, Developer (and after the Development and Sales Period, the Association) may at any time and from time to time grant easements over, under, and across the Condominium for the benefit of itself and its successors and assigns and for the benefit of the owners of the properties that collectively compromise the Condominium to use, tap, tie into, extend, or enlarge any of the utility systems located in the Condominium (if any), including without limitation water, gas, storm and sanitary sewer mains and electric and telephone systems.

(iv) Developer (during the Development and Sales Period) or the Association may grant any other easements, over, under, or across those portions of the Condominium that are reasonably necessary to permit Developer or the Association or any public authority or private utility, as the case may be, to install, operate, maintain, repair, or replace any portion of the Condominium that Developer or the Association or the public authority or private utility is required or permitted to install, operate, maintain, repair, or replace according to the terms of the Condominium documents or law; but during the Development and Sales Period, the Association may not grant any easements under this subparagraph (c) without the prior written approval of Developer, which approval Developer may withhold in its sole discretion.

(v) Any action under this subparagraph (c) by Developer or by the Association will be evidenced by an appropriate instrument that will be recorded in Livingston County Records. Every Owner and every mortgagee of any Unit and every other Person now or at any time having any interest in and to the Condominium is each deemed to have irrevocably and unanimously consented to any action by Developer and to the execution and to the delivery by Developer of any instruments to evidence any action by Developer.

(d) During the Development and Sales Period, Developer may grant any other easements over, under, or across the Condominium that are reasonably required to permit the development of the Condominium (including without limitation easements for storm water drainage or detention) or the maintenance and operation of the Condominium, including without limitation (i) any easement required by the Township for the construction, extension, installation, maintenance and repair of water and sewer service for the Condominium and tying same into any then existing facilities, any (ii) easements that are necessary to permit Developer or the Association to perform under the Condominium Documents or to enforce the terms of the Condominium Documents. In furtherance of the foregoing, there shall exist and the Developer does hereby dedicate and convey to

the Township an easement over, under and across all roads located within the Condominium depicted on the site plan currently on file with the Township in favor of the Township, and any governmental body to which the Township's rights hereunder may be subsequently assigned, for the construction, installation, operations, maintenance, replacement, repair, extension, or to connect into, (a) public sewer mains and all related appurtenances for waste water disposal service, and (b) public water supply mains, leads and related appurtenances.

(e) Developer (during the Development and Sales Period) or the Association may grant easements, licenses, or any other rights of entry or use or may enter into any contracts or agreements (including without limitation multi-unit agreements and agreements to share installation costs or periodic subscriber service fees) as may be necessary or convenient to provide telecommunications, videotext, broad band cable, satellite dish, earth antenna, or similar services (collectively "Telecommunications") to the Condominium; but (i) regardless of any of the other terms of this Master Deed, in no event may Developer or the Association enter into any contract or agreement that will violate any federal, state, or local laws or ordinances and (ii) during the Development and Sales Period, the Association may not grant any easements or enter into any agreements under this subparagraph (e) without the prior written approval of Developer, which approval Developer may withhold in its sole discretion. Any and all payments to the Association under any of these agreements will be paid to the Association and will be the property of the Association.

12. Amendment of this Master Deed and Termination of the Condominium.

(a) If all of the Units are owned by Developer, Developer may unilaterally amend this Master Deed or terminate the Condominium.

(b) If any of the Units are not owned by Developer, this Master Deed (including the Exhibits attached to this Master Deed) may only be amended with the consent of 66.67% of the value of all of the votes of all of the Owners, subject to approval of the mortgagees of Units as required by Section 90a of the Act; but

(i) The dimensions of any Unit may not be modified in any material way without the consent of the Owner and each mortgagee of that Unit and the nature and extent of the Limited Common Elements appurtenant to any Unit and the responsibility for the maintenance, repair, or replacement of those Limited Common Elements not be modified in any material way without the written consent of the Owner and each mortgagee of that Unit; and

(ii) During the Development and Sales Period and during the one year period following the last day of the Development and Sales Period, Developer may amend this Master Deed (including the Exhibits attached to this Master Deed) without the consent of any Owner or any mortgagee of any Unit or any other Person having any interest in and to the Condominium for the purpose of correcting survey or other errors in this Master Deed or for any other purpose that does not materially affect the rights of any Owners or mortgagees of any Units or that is otherwise permitted under this Master Deed or the Condominium Act;

(iii) The percentage of value assigned to any Unit and the corresponding value of the vote of the Owner of that Unit and the corresponding proportion of expenses assessed against the Unit owned by that Owner may not be amended or modified without the written consent of that Owner and the mortgagee of the Unit owned by that Owner;

(iv) Easements under the Condominium Documents may not be materially modified or any obligations in respect of any easements under the Condominium Documents may not be materially varied without the consent of each Owner benefited by the easement or obligation;

(v) This Master Deed may be amended by Developer as specifically permitted in this Master Deed and in the Condominium Documents; and

(vi) Regardless of any of the other terms of this Master Deed, during the Development Sales Period, of this Master Deed may not be amended without the written consent of the Developer.

(c) If any of the Units are not owned by Developer, the Condominium may be terminated only with the consent of Developer and the consent of 85% of the value of the votes of all of the Owners.

(d) Any amendment to this Master Deed will be effective as of the date that a written instrument describing the amendment to this Master Deed is recorded with the Livingston County Register of Deeds which contains all of the essential elements of the amendment and which otherwise contains all of the terms and conditions required by law, provided that any such amendment shall comply with the Township ordinances and shall not materially alter any easements granted to the Township in accordance with the terms of this Master Deed.

(e) Any other provisions of this Master Deed to the contrary, no amendment to this Master Deed or the Bylaws attached hereto shall be effective which would adversely affect the rights of the Township as they relate to the Condominium without the Township's prior approval of such amendment.

This Master Deed has been signed by Developer as of the 10th day of June, 2005.

In the presence of:

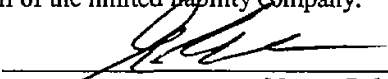
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DEVELOPER:  
PINEBROOK MEADOW DEVELOPMENT, L.L.C.,  
a Michigan limited liability company

By: James Lawrence  
JAMES LAWRENCE  
MANAGING MEMBER

State of Michigan )  
 )ss  
County of Livingston )

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of June, 2005, by James Lawrence, the managing member a Michigan corporation, a Michigan corporation, a Member of Pinebrook Meadow Development, L.L.C., a Michigan limited liability company, on behalf of the limited liability company.

  
\_\_\_\_\_  
Notary Public  
acting in Livingston County, Michigan  
My commission expires:

Drafted by and  
when recorded return to:

Walter Z. Graves, Esq.  
39533 Woodward Avenue ✓  
Suite 170  
Bloomfield Hills, MI 48034

**GABRIELLA L. GARLOCK**  
**NOTARY PUBLIC**  
**LIVINGSTON CO., MI**  
**COMM EXP. AUG 30, 2007**

EXHIBIT ABYLAWS OF PINEBROOK MEADOW

These are the Bylaws of Pinebrook Meadow. Pinebrook Meadow is a Condominium project that is located in Marion Township, Livingston County, Michigan. Pinebrook Meadow will be administered by The Pinebrook Meadow Association, a Michigan nonprofit corporation. These Bylaws are required under Section 3(8) of the Act and are also the bylaws of The Pinebrook Meadow Association that are required under the Michigan Nonprofit Corporation Act. Capitalized terms that appear in these Bylaws and that are not defined in these Bylaws will have the same meanings that are attributed to those terms in the Master Deed of Pinebrook Meadow.

1. Association of Owners. The Association will administer the Condominium according to the terms of the Condominium Documents and the laws of the State of Michigan, including (without limitation) the Act. Each Owner will be a member of the Association and no other person will be a member of the Association. The interest of an Owner in the funds and assets of the Association cannot be assigned, pledged, or transferred, other than as an appurtenance to the Unit owned by that Owner. The Association will maintain current copies of the Master Deed, all amendments to the Master Deed, and any other Condominium Documents. These copies will be available upon request to Owners, to prospective purchasers of Units, to mortgagees of Units, and to prospective mortgagees of Units. Every Owner and every Person using or entering upon or acquiring any interest in all or any of the Condominium is subject to the terms and conditions of these Bylaws and all of the other Condominium Documents.

2. Assessments.

(a) All of the costs, fees, or expenses incurred or payable by the Association to manage, administer, or operate the Condominium according to the terms and conditions of the Condominium Documents and the Act will be paid to the Association by the Owners. Unless otherwise provided in these Bylaws or the Master Deed, the foregoing costs, fees, and expenses will be allocated among and paid by the Owners. Unless otherwise provided in these Bylaws or the Master Deed, the foregoing costs, fees, and expenses will be allocated among and paid by the Owners according to the percentage of value assigned to each Unit under Paragraph 4(b) of the Master Deed.

(b) (i) The Association will prepare and approve an annual budget for each fiscal year of the Association. This budget will estimate all of the expenses to manage, administer, and operate the Condominium during that fiscal year. To determine this budget, all of the costs, fees, and expenses incurred or payable by the Association to manage, administer, or operate the Condominium (including, without limitation, the Common Elements Condominium (including, without limitation, the Common Elements, as well as any easements located off-site which may serve or benefit any portion of the Condominium) according to the terms and conditions of the Condominium Documents and the Act are expenditures in respect of the administration of the Condominium and all of the sums received by the Association (including

without limitation any amounts received by the Association as proceeds of or pursuant to a policy of insurance maintained by the Association) are receipts in respect of the administration of the Condominium, within the meaning of Section 54(4) of the Act. The budget may also include a reasonable allowance for contingencies and reserves and the budget will include a reserve for major repairs and for replacement of Common Elements. The amount of the reserve for major repairs and for replacement of Common Elements will equal 10% of the then current annual budget of the Association, on a noncumulative basis. Notwithstanding the foregoing, the minimum amount required under this subparagraph may prove to be inadequate for the Condominium. The Association should carefully analyze the Condominium to determine if a greater amount should be reserved or if additional reserve funds should be established for other purposes.

(ii) After the budget has been adopted by the Association, the Association will deliver to each Owner a copy of that budget. The total amount of that budget will be the total amount of the assessment against the Condominium for that fiscal year. The total of the amount of each assessment by the Association will be allocated between all of the Units according to the percentage of value assigned to each Unit under Paragraph 4(b) of the Master Deed (without increase or decrease in respect of any Limited Common Elements that are appurtenant to any particular Unit). The amount of each assessment that is allocated to each Unit will be levied against that Unit and will be paid to the Association by the Owner of that Unit in periodic installments that are determined by the Association. Each Owner is personally liable (jointly and severally if any Unit is owned by more than one Person) for the payment of any and all assessments levied against the Unit owned by that Owner; except that if an Owner sells the Unit owned by that Owner under a land contract, that Owner is not liable to pay any assessments levied against that Unit from and after the date of that land contract. The obligation of each Owner to pay assessments commences as of the acceptance by that Owner of a fee simple interest or a land contract vendee's interest in and to a Unit. The failure of the Association to deliver a copy of any budget to each Owner will not affect or in any way diminish the liability of any Owner to pay any existing or future assessments against the Unit owned by that Owner of the right of the Association to enforce any of its rights or remedies against that Owner. Upon the closing of the sale and purchase of any Unit that occurs after January 1, 2006, the seller of the Unit will pay to the Association \$1,000.00. These payments to the Association will be used by the Association to establish a reserve for the replacement of Common Elements or for the payment of any other extraordinary expenses that are incurred by the Association.

(iii) If at any time and from time to time the Association determines in its sole discretion (A) that the amount of any annual assessment is or may not be sufficient to pay all of the costs to administer the Condominium or (B) that the proceeds of any insurance maintained by the Association are not sufficient to pay for the cost of repairing or replacing any Common Element or (C) to enlarge or to expand the Common Elements and if the cost of enlarging or expanding the Common Elements is less than or equal to \$10,000 for the entire Condominium in any fiscal year or (D) that an emergency exists, the Association may increase the amount of the then assessment or the Association may levy additional assessments, as the Association deems necessary; and in this event the Association may increase the amount of any assessment or levy additional assessments without the consent of any Owner. The rights of the



Association under this subparagraph (iii) are solely for the benefit of the Owners and are not enforceable by any creditors of the Association or by the Owners.

(iii) At any time and from time to time the Association may levy special assessments. Special assessments may be levied by the Association (A) to permit the Association to enlarge or to expand the Common Elements, if the cost of enlarging or expanding the Common Elements exceeds \$10,000 for the entire Condominium in any fiscal year, (B) to permit the Association to purchase any Unit at a sale to foreclose any lien of the Association against that Unit, or (C) for any other purpose determined by the Association. A special assessment under this subparagraph (iv) must be approved by the affirmative vote of at least 66.67% of the total value of all of the votes of the Owners at a meeting of the Association that has been duly called and convened. The right of the Association to levy a special assessment under this subparagraph (iv) is solely for the benefit of the Owners and is not enforceable by any creditors of the Association or by any Owners.

(c) (i) If any assessment against a Unit is not paid to the Association on or before the 10<sup>th</sup> day after the date when the payment of that assessment is due, the Owner of that Unit will be in default. If any Owner is in default with respect to the payment to the Association of any assessment that has been levied against the Unit owned by that Owner, then and in addition to any other remedies available to the Association at law or in equity (including without limitation an action at law for damages), the Association may declare all unpaid installments of that assessment immediately due and payable. The Association may also discontinue furnishing utilities or other services to that Owner or to the Unit owned by that Owner, upon seven days prior written notice to that Owner. Any Owner in default under these Bylaws may not vote at any meetings of the Association and may not use any of the Common Elements; provided, however, that an Owner will not be denied ingress or egress to and from the Unit owned by that Owner.

(ii) (A) Pursuant to Section 108 of the Act, the Association will have a lien against each Unit to secure the payment by the owner of that Unit of each assessment that is levied against that Unit. This lien will be deemed to have been imposed against each Unit as of the first day of the fiscal year in respect of which each assessment is levied. Each Owner and every other Person at any time and from time to time having any interest in and to the Condominium is deemed to have granted to the Association the unqualified right to elect to foreclose this lien in the same manner as the foreclosure of a mortgage under the laws of the State of Michigan pertaining to the foreclosure of mortgages by judicial action or by advertisement, as the case may be; and each defaulting Owner is hereby deemed to have authorized and empowered the Association to sell the Unit owned by the Owner and to receive, hold, and distribute any proceeds of that sale according to applicable law. By acquiring title to a Unit, each owner acknowledges the terms and conditions of this subparagraph.

(B) Regardless of the terms of subparagraph (A), the Association may not begin to foreclose any lien against any Unit (whether by judicial action or by advertisement) until after the expiration of the 10 day period beginning as of the later of the dates which the Association (1) delivers a Notice of Lien (as this term is defined in subparagraph (C), below) to the Owner of that Unit by first class mail, postage prepaid, addressed to the last

known address of that Owner and (2) records that Notice of Lien with the Livingston County Register of Deeds.

(C) "Notice of Lien" means a written notice prepared by an authorized representative of the Association and stating (1) the number of the Unit in respect of which the notice has been prepared, (2) the name of the Owner of that Unit, (3) the amount due and payable to the Association by that Owner as of the date of the notice (exclusive of interest, costs, attorney fees, and future assessments), and (4) any other information that the Association deems necessary.

(iii) Any Owner who has failed to pay any assessment on or before the 10<sup>th</sup> day after the date when that assessment is due must also pay the Association a \$50.00 late charge. Any and all costs, fees (including without limitation reasonable attorney's fees), expenses, and other amounts incurred or paid by the Association to enforce its rights under these Bylaws (including without limitation its rights under Paragraph 23, below, or to protect its lien under subparagraph (ii)(A), above) in respect of any defaulting Owner, will be due and payable to the Association by that Owner no later than 10 days after written request therefor is delivered by the Association to that Owner. Pursuant to Section 108 of the Act, the Association will have a lien against each Unit to secure to the Association the payment of any and all of these costs, fees, and expenses. Interest will accrue in respect of the amount of any unpaid assessment or other payments at a rate of seven per cent per annum, from the date upon which the assessment or other payment was due to the date that the assessment is paid in full to the Association; and pursuant to Paragraph 23, below, the Association may also assess fines for late payment or non-payment of assessments. Payments to the Association in respect of delinquent assessments will be allocated first, to any costs to collect that assessment or to enforce the rights of the Association under these Bylaws including without limitation reasonable attorneys' fees; second, to any late charges, interest, or fines; and third, to the delinquent assessments, in the order of their due dates.

(d) Developer will be a member of the Association but during the Development and Sales Period Developer will not be required to pay any assessments that are levied against any Units owned by Developer (including without limitation any assessments to permit the Association to purchase any Unit from Developer or to finance any litigation or other claims against Developer), except that Developer will pay to the Association a proportionate share of all of the current expenses actually incurred by the Association to administer the Condominium. The amount of these expenses that is payable by Developer will be the same percentage as the total percentage of value in respect of the Units then owned by Developer. During the Development and Sales Period, Developer will not pay to the Association any amount that is assessed in respect of any deferred maintenance, replacement (or other) reserves, or capital improvements, and Developer will not pay any special assessments.

(e) Every Owner must pay the assessments levied against the Unit owned by that Owner, even if that Owner has waived the right to use the General Common Elements or has abandoned the Unit owned by that Owner.

(f) Before any Unit (or the interest of any Owner in and to any Unit) may be conveyed or transferred or assigned in any manner (including any involuntary conveyance, transfer, or assignment or any conveyance, transfer, or assignment upon the death of the Owner of any Unit, but not including any conveyance, transfer, or assignment for estate planning purposes), the Owner of the Unit will deliver to the Association a written notice describing the conveyance, transfer, or assignment and identifying the Person who will be the new Owner of the Unit. When the Association receives this written notice, the Association will deliver to Owner a statement by the Association of the amount of any unpaid assessments then levied against that Unit. This statement will be binding upon the Association for the period of time that is described in that statement. If this statement discloses that any assessments against that Unit are not paid and if that unpaid amount is paid to the Association on or before the date for the payment of that amount that is stated in the statement, the lien of the Association in respect of that assessment will be extinguished. If any Owner of a Unit does not request this statement at least five days before the date upon which that Owner will convey, transfer, or assign, the interest of that Owner in and to the Unit, then, any assessments levied against that Unit that are not paid as of the date upon which that conveyance, transfer, or assignment occurs will be enforceable against the new Owner in and to the Unit, to the extent permitted under the Act. The written notice describing any conveyance, transfer, or assignment must be accompanied by a \$750.00 payment to the Association. This payment will be used by the Association to pay the cost of administering the Condominium, including the expenses incurred by the Association to prepare and to deliver the statement that is described in this subparagraph (f). The Association may at any time and from time increase amount of the payment that is described under this subparagraph (f).

(g) Regardless of any of the other terms of the Condominium Documents, the foreclosure of any first mortgage of any Unit (or the conveyance of that Unit pursuant to a deed in lieu of the foreclosure of that mortgage), will be deemed to have extinguished the lien of the Association in respect of any assessments or charges against that Unit as of the date of the foreclosure sale or conveyance in lieu of foreclosure; but any Person acquiring that Unit will be liable to pay to the Association the amount of any unpaid assessments or charges in respect of that Unit if the amount of those unpaid assessments or charges are allocated to all of the Units.

(h) The Association will be deemed to be in possession of any tangible personal property of the Condominium that is owned or possessed in common by all of the Owners. Any personal property taxes in respect of this tangible personal property will be assessed against the Association and will be an expense of the administration of the Condominium. Property taxes and special assessments will be levied by any public taxing authority according to the provisions of Section 131 of the Act.

(i) Any construction lien under Act No. 497 of the Michigan Public Acts of 1980, as amended, is subject to the terms and conditions of Section 132 of the Act.

3. Disputes, Claims, or Grievances. Any disputes, claims, or grievances arising out of or relating to the interpretation of the application of the Condominium Documents or arising out of disputes among or between Owners or between any Owner and the Association may be submitted by the parties to arbitration in compliance with the provisions of the Michigan

Condominium Act. In such event, the parties to the dispute shall accept the arbitrator's decision as final and binding, upon the election and written consent of the parties to the disputes, claims, or grievances and upon written notice to the Association. The commercial arbitration rules of the American Arbitration Association are applicable to any such arbitration. In the absence of the election and written consent of the parties to submit to arbitration, neither an Owner nor the Association is prohibited from petitioning a court of competent jurisdiction to resolve any dispute, claim, or grievance. The election by the parties to submit any dispute, claim, or grievance to arbitration prohibits the parties from petitioning the courts regarding that dispute, claim, or grievance.

4. Insurance.

(a) The Association will obtain and maintain in full force and effect:

(i) Liability insurance in a minimum amount determined by Developer in its sole discretion (during the Development and Sales Period and then by the Association), but in no event less than \$2,000,000 per occurrence;

(ii) Officers and directors liability insurance and workers compensation insurance, if applicable;

(iii) Insurance against fire and other perils, to the extent appropriate, described by a standard extended coverage endorsement in an amount equal to the current insurable replacement value of the Common Elements (including without limitation all of the Common Elements that are appurtenant to any particular Unit), as this amount is determined and as this insurance is deemed appropriate and applicable by Developer in its sole discretion (during the Development and Sale Period and then by the Association); and

(iv) Any other insurance that the Association deems desirable or necessary.

(b) At any time and from time to time the Association may elect to discontinue any of the insurance that is described in the Condominium Documents, based upon the particular nature of the then Common Elements.

(c) All of the insurance obtained by the Association will be obtained by the Association for the benefit of Developer, the Association, all of the owners, and any mortgagees, as their interests may appear. Each policy of insurance will include a provision that appropriate certificates of insurance or mortgagee endorsements may be issued to mortgagees of Units. All of the premiums payable by the Association to obtain insurance under these Bylaws (and the amount of any deductible under any of the insurance that is obtained under the Bylaws) are expenses of administering the Condominium.

(d) Any proceeds payable under any of the insurance policies obtained by the Association will be paid to the Association and will be held by the Association in a separate account. These proceeds will be paid to the Association or to Developer or to any Owners and

their mortgagees, as their interest may appear; but any proceeds paid to the Association in respect of any damage or destruction to any Common Elements will be first used by the Association to pay for the repair or replacement of these Common Elements, pursuant to Paragraph 5, below.

(e) Each Owner and every other Person at any time and from time to time having any interest in and to the Condominium is deemed to have appointed the Association as the true and lawful attorney-in-fact of that Owner or Person, as the case may be, to act for and on behalf of that Owner or Person in any manner that is necessary or desirable to obtain and to maintain in full force and effect any of the foregoing insurance or to settle any and all matters pertaining to any insurance obtained and maintained hereunder by the Association, including without limitation settling any claims under any insurance policy and signing any release of liability.

(f) (i) Each Owner will at the sole cost and expense of that Owner obtain and maintain in full force and effect insurance against loss or damage to structures and all personal property located on the Unit owned by that Owner or otherwise owned or under the control of that Owner and located anywhere within the Condominium (including without limitation any Limited Common Elements appurtenant to that Unit). Each Owner will also obtain and maintain in full force and effect personal liability insurance with a minimum of \$1,000,000 limit per occurrence.

(ii) Upon the request of the Association, each Owner will deliver to the Association evidence satisfactory to the Association that the foregoing insurance is in full force and effect. If any Owner fails to maintain the foregoing insurance in full force and effect, the Association may obtain that insurance on behalf of that Owner. In this event the amount of any premiums paid by the Association will be paid to the Association not later than 10 days after written request therefor is delivered to that Owner. The amount of any premiums paid by the Association will be a lien against the Unit owned by that Owner, pursuant to the provisions of Paragraph 2(d)(ii), above.

(iii) Regardless of any of the other terms of these Bylaws, in no event is the Association required to obtain any of the insurance described under this subparagraph (f).

(g) Each of the property and liability insurance policies obtained by the Association and by each Owner will include a waiver by the insurer of all rights of subrogation against the Association and each Owner and Developer, as the case may be, in respect of all claims that arise by reason of any payment under that policy or by reason of any act or omission of the Association or any Owner and Developer, as the case may be.

(h) Each Owner will indemnify and hold each other Owner and the Association and Developer harmless from and against any and all damages, costs, or fees (including without limitation reasonable attorney's fees) that each other Owner or the Association or Developer pays or incurs in respect of any claim arising out of any occurrence on or about the Unit owned by that Owner, but Owner will not be required to indemnify or hold any other Owner or the Association from any damages, costs, or fees that arise due to any acts or

omissions by the other Owner or the Association, as the case may be. If required by Developer (during the Development and Sales Period) or the Association, each Owner will obtain and maintain in full force and effect contractual liability insurance in respect of this indemnity; but, this requirement does not mean that any insurer has any right to be subrogated to any claim by Developer or the Association or any other Owner.

5. Reconstruction and Repair, Eminent Domain.

(a) (i) The Association will repair and replace any of the Common Elements that are damaged or destroyed by casualty or by any other cause according to the terms of the Condominium Documents.

(ii) If any Unit or any dwelling or other improvement in respect of any Unit is damaged or destroyed, the Owner of that Unit will at the sole cost and expense of that Owner immediately repair or replace the dwelling or other improvement, as the case may be, to the same condition that existed prior to the damage or destruction and otherwise according to the terms of the Condominium Documents. If any dwelling or other improvement on any Unit is completely destroyed, the Owner of that Unit will immediately demolish that dwelling or improvement and remove from the Unit any and all debris and restore the landscaping on the Unit in order that the Unit will be maintained in an attractive condition until a new dwelling is constructed on that Unit.

(b) (i) Regardless of the terms of the Act, if all or any portion of any Unit is taken by eminent domain or deed or other conveyance in lieu of eminent domain, the award in respect of that Unit will be paid to the Owner of that Unit and any mortgagee of that Unit as their interests may appear.

(ii) If all or any portion of the General Common Elements are taken by eminent domain or deed or other conveyance in lieu of eminent domain, the award in respect of the General Common Elements will be paid to the Owners (and their respective mortgagees) in proportion to their respective interests in the General Common Elements. In this event the Owners will determine whether or not to rebuild, repair, or replace the portion of the General Common Elements thereby taken.

(iii) If the Condominium continues after any taking, the remaining portion of the Condominium will be resurveyed. The Master Deed will be amended to incorporate any modifications of the Condominium and if any Units have been taken, the percentage of value of the remaining Units will be adjusted in order that the total percentage of value of all of the Units is 100%. This amendment may be signed by an officer of the Association, duly authorized by the board of directors of the Association.

(iv) If the Association is notified that all or any portion of the Condominium or any Unit or the Common Elements or is subject to any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association will promptly notify each institutional holder of a first mortgage of any Unit.

(v) The terms of Section 133 of the Act will determine the rights and remedies of any parties in the event of any taking described in this subparagraph (b), but if the terms of Section 133 of the Act are not consistent with the terms of this subparagraph (b), the terms of this subparagraph (b) will control.

(c) If any Unit is mortgaged to the Federal Home Loan Mortgage Corporation ("FHLMC") or to the Federal National Mortgage Association ("FNMA") and if FHLMC or FNMA, as the case may be, delivers written notice thereof to the Association, the Association will deliver to FHLMC or FNMA, as the case may be (at any address specified in the foregoing notice), written notice of any loss or taking as hereinabove described, if the amount of the loss or the taking exceeds \$10,000 and if the amount of the mortgage exceeds \$1,000.

(d) Regardless of any of the other terms of the Condominium Documents, the distribution to any Owner of insurance proceeds or of any award in the event of any taking will be subject to the terms of any mortgage of the Unit owned by that Owner.

#### 6. Leasing and Rental.

(a) Right to Lease. An Owner may lease its Unit for the same purposes set forth in Section 7 below; 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 mortgagee in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least six months unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer, or its assigns, may lease any number of Units in the Condominium in its discretion and shall not be subject to the foregoing, or the leasing procedures set forth in subsection (b) below, when leasing to individuals that hold a binding purchase agreement for a Unit in the Condominium and are waiting to close and move into the Unit.

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

(1) An Owner, including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease or otherwise agreeing to grant possession of a Unit to potential lessees or occupants of the Unit and at the same time, shall supply the Association with a copy of the exact lease for its review for its compliance with the Condominium Documents. The Owner or Developer shall also provide the Association with a copy of the executed lease. If no lease is to be used, then the Owner or Developer shall supply the Association with the name and address of the lessees or occupants, along with the rental amount and due dates of any rental or compensation payable to an Owner or Developer, the due dates of that rental and compensation, and the term of the proposed arrangement.

(2) Tenants or 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 Owner by certified mail advising of the alleged violation by the tenant.

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

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

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

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

(b) Initiate proceedings pursuant to subsection (3) (iii) above.

7. Requirements Regarding Use of the Condominium.

(a) The Association and each Owner, as the case may be, will at all time use and maintain the Condominium (including without limitation each Unit and the Common Elements) as a beautiful, first class, residential Condominium project as the case may be, according to the terms of the Condominium Documents. The Common Elements may only be used for purposes that are consistent with the terms of the Condominium Documents. This



means (without limitation) that the Common Elements may not be used for storage of any materials and that the Common Elements may not be obstructed.

(b) Units may only be used as single family residences, which means that from time to time a Unit may also be temporarily occupied by a reasonable number of guests (which may include all of the members of another family) who do not pay any consideration to the Owner of that Unit in respect of occupying that Unit as guests. In no event may any Unit be used as a permanent residence for more than one family. Units may not be used to conduct any business, trade, or profession, except that (i) any Owner may maintain a professional library in a Unit, (ii) any Owner may maintain personal records or conduct personal business in a Unit, and (iii) any Owner may participate in business or professional telephone calls in a Unit.

(c) Installing any landscaping, plants, planters, or other decorations on any Common Element (including any Limited Common Element that is appurtenant to a particular Unit) is not permitted without the prior written approval of Developer.

(d) Every vehicle including without limitation trailers, trucks, pick-up trucks, boats, boat trailers, aircraft, commercial vehicles, campers, recreational vehicles, passenger vans, and abandoned, inoperable, and seldom used passenger cars and mini-van, that is located upon a Unit must be parked within a garage. The only vehicles that may be parked on a driveway are frequently used passenger vehicles. Garage doors will be closed, except during any entry into or exit from the garage. Off-road and all-terrain vehicles (including without limitation motorcycles designed primarily for off-road use), snowmobiles, and any other vehicles designed primarily for off-road use may not be used, maintained or operated in the Condominium. Parking on any roads in the Condominium is not permitted without the prior written consent of Developer, which Developer may withhold in its sole discretion.

(e) Fixtures, furnishings, equipment, and any other property may not be stored outside of any Dwelling or Improvement.

(f) Each Owner will at the sole cost and expense of that Owner maintain the Unit owned by that Owner (including without limitation any Dwelling, any Improvements, and any lawn, garden, or landscaping on that Unit) in excellent and attractive and neat and clean condition and in compliance with the terms and conditions of the Condominium Documents. This is an obligation of each Owner regardless of whether a Dwelling or any Improvement exists upon the Unit owned by that Owner.

(g) After landscaping has been installed upon a Unit, the Owner of that Unit will maintain that landscaping in good and sightly condition, consistent with the approved landscaping plan of that Unit.

(h) The obligation of each Owner as to the preservation and maintenance of trees on such Owner's Unit shall be as prescribed in Section 10 of the Master Deed of the Condominium.

(i) Animals and fowl may not be kept in the Condominium, other than household pets which are confined to the Unit owned or occupied by the owner of that pet (and which would not be considered "exotic" household pets, as determined by Developer). Any pets creating a nuisance will be restrained and may be removed from the Condominium upon the direction of the Association.

(j) Trash, leaves, or any other debris may not be burned within the Condominium.

(k) Any activity that is conducted upon any Unit or the Condominium that is noxious or offensive or that is a nuisance or that may embarrass, discomfort, or annoy any other Persons occupying Units is prohibited and any device or thing or activity that is in any manner noxious, noisy, dangerous, unsightly, or unpleasant or that might diminish or destroy the reasonable enjoyment of the Condominium is prohibited including without limitation any firearms, fireworks, air rifles, pellet guns, BB guns, bows and arrows, spear guns, slingshots, or other dangerous weapons.

(l) At any time and from time to time Developer may elect that all of the mailboxes in the Condominium will be clustered at a common location; and in this event all of the mailboxes in the Condominium will be installed according to plans and specifications determined by Developer and at the common location that is determined by Developer. The cost of installing these mailboxes will be paid by each Owner and the Association may levy an assessment against each Unit to pay for the cost of installing these mailboxes.

(m) At any time and from time to time the Association may establish reasonable rules regarding the use of the Condominium that are consistent with the Condominium Documents and with the Act. Copies of all of these rules (and any amendments to these rules) will be furnished to all of the Owners.

#### 8. Architectural Design Requirements.

(a) (i) Unless otherwise specifically herein permitted, the only structure that may be constructed and maintained upon a Unit is a single family dwelling that complies with the terms and of the Condominium Documents (a "Dwelling"). A Dwelling must include an attached garage. The architectural style of every Dwelling will be determined by Developer in its sole discretion. Every Dwelling will otherwise be designed, developed, and constructed to be dignified and to be harmonious and complimentary with every other Dwelling; and the Condominium will be developed as a refined exclusive residential community of the highest architectural, construction, and aesthetic standards.

(ii) Any other building, structure, or improvement (any of these an "Improvement") may only be constructed or installed or maintained upon a Unit with the prior written consent of Developer, which Developer may withhold in its sole discretion. Any Improvement that is permitted by Developer will be designed, developed, and constructed to be dignified and to be harmonious and complimentary with every Dwelling and with every other improvement in order that the Condominium will be developed as a refined and exclusive

residential community of the highest architectural, construction, and aesthetic standards. Temporary buildings or structures may not be constructed or erected or installed or maintained upon any Unit and mobile homes, trailers, campers, tents, shacks, tool sheds, barns, tree houses, or any other similar structures may not be located or installed or maintained upon any Unit, whether temporarily or permanently.

(b) At any time and from time to time Developer may prepare and distribute architectural and detail guidelines regarding the design, development, and construction of Dwellings and Improvements. Every Dwelling and Improvement must be constructed, installed, and maintained according to the terms and conditions of the Final Approval for that Dwelling or Improvement, pursuant to the terms and of Paragraph 9(a), below.

(c) The maximum height of any Dwelling is 45 feet or such maximum height as permitted by the Township ordinance, whichever is lower. Developer will in its sole discretion establish the method to determine the height of any Dwelling or Improvement.

(d) The minimum livable floor area of any Dwelling is 1,500 square feet. The maximum livable floor area of any Dwelling is 3,000 square feet, except that (i) if an Owner owns two contiguous Units that will be the location of a single Dwelling, then the minimum living floor area of that Dwelling is 2,500 feet and that maximum livable floor area of that Dwelling is 3,500 square feet and (ii) if an Owner owns any one or more contiguous Units that will be the location of a single Dwelling and if the total number of acres of those Units is equal to or more than two acres, then the minimum livable floor area of that Dwelling is 2,500 feet and that maximum livable floor area of that Dwelling is 3,500 square feet. The number of square feet of livable floor area in a Dwelling will not include the number of square feet contained in any garages, patios, decks, open porches, entrance porches, terraces, basements, lower levels, or any other similar areas (as determined by Developer), whether or not any of the foregoing areas are attached to a Dwelling. The number of square feet of livable floor area in a Dwelling will include the number of square feet contained in an enclosed porch that is attached to that Dwelling, if the roof of that porch is an integral part of the roof line of that Dwelling.

(e) The minimum width of any Dwelling (including any garage that is attached to that Dwelling) is 35 feet. The maximum width of any Dwelling (including any garage that is attached to that Dwelling) is determined by the side yard requirements set forth below.

(f) (i) The location and dimensions of every Dwelling and every improvement within a Unit must comply with the front, rear, and side setback requirements of any applicable zoning ordinance; but regardless of the requirements of any applicable zoning ordinance, a Dwelling (including without limitation any overhangs, porches, patios, decks, or any other portion of any Dwelling) or an improvement may not be constructed or installed or maintained in any of the setbacks that are described and depicted in respect of each Unit in the Condominium Subdivision Plan.

(ii) Developer will in its sole discretion determine the side, rear, and front boundary lines of each Unit and the side, rear, and front of any Dwelling constructed on

any Unit; but to the extent deemed appropriate by Developer in its sole discretion, any requirements or restrictions pertaining to the front of any Unit will be deemed to apply to the rear or to the side of any Unit, in order that any unsightly or inappropriate conditions of any Unit will not be visible from any other Unit or from any road.

(g) Without the prior written approval of Developer, a Dwelling or an Improvement may not be constructed upon any Unit if the proposed location of that Dwelling or Improvement will unreasonably obstruct the view from any other Dwelling.

(h) The minimum pitch of the roof over any Dwelling or Improvement is six feet vertical for every 12 feet horizontal; but flat roofs may be installed over the "Florida rooms" or porches or patios and with the prior written approval of Developer a flat roof may be installed over particular portions of multiple level dwellings. Green, red, white, silver, gray, or any other off-white or similar color (as determined by Developer in its sole discretion) roofs are prohibited.

(i) Each garage must contain sufficient space for two cars. The driveway located upon each Unit must be paved with asphalt, concrete, or with brick pavers and must be completed prior to the occupancy of any Dwelling on that Unit.

(j) The exterior of every Dwelling and of every Improvement must be primarily wood or stone or brick and the color of the exterior of every Dwelling (which color may not be changed without the approval of Developer) is subject to the approval of Developer, which approval Developer may withhold in its sole discretion. A portion of the exterior of any Dwelling or Improvement may be vinyl siding, subject to Developer's prior written approval, not to be unreasonably withheld.

(k) Any of the components of any air conditioning or similar systems (including without limitation any compressors) that are installed outside of any Dwelling must be screened in order that those components will not be visible from any other Units or from any road. Developer will determine at any time and from time to time whether any particular screening is sufficient. Air conditioning or any other heating or cooling or ventilating units may not be installed within any window or attached to the wall of any Dwelling or Improvement.

(l) Dog kennels or runs or any other enclosed animal shelters must be an integral part of a Dwelling and may not be constructed or maintained upon a Unit without the prior written approval of Developer, which Developer may withhold in its sole discretion. Any dog kennel or any other animal care facilities must at all times be maintained in a clean and sanitary condition.

(m) Above-ground swimming pools are prohibited. In-ground swimming pools and outdoor, above-ground Jacuzzis, hot tubs, or any other similar facilities may not be constructed or maintained upon a Unit without the prior written approval of Developer, which Developer may withhold in its sole discretion.

(n) Fences, walls, or hedges may not be constructed or maintained upon a Unit without the prior written approval of the Developer, which Developer may withhold in its

sole discretion. The location of any fence, wall, or hedge must be satisfactory to Developer in its sole discretion. Chain link fences are prohibited.

(o) Outside radio or television aerials or antennae and satellite dishes or other reception or transmission may be constructed or maintained upon a Unit in a location that has been approved by Developer and that will not be visible from any other Unit or from any road; but Developer will not establish any rules regarding the use or location of any satellite dishes, if those rules are prohibited by applicable law or regulation.

(p) A basketball hoop and backboard unit may not be constructed or maintained upon a Unit without the prior written approval of Developer, which Developer may withhold in its sole discretion.

(q) Mailboxes and street address designations may not be installed upon any Unit without the prior written approval of Developer. At any time and from time to time Developer may elect that all of the mailboxes in the Condominium will be clustered at a common location; and in this event all of the mailboxes in the Condominium will be installed according to the plans and specifications determined by Developer and at a common location that is determined by Developer. The cost of installing these mailboxes will be paid by each Owner and the Association may levy an assessment against each Unit to pay for the cost of installing any of these mailboxes.

(r) Lawn ornaments, sculptures, statues, and signs may not be installed or maintained upon any Unit (including without limitation any signs stating that any Unit is for rent or for sale or any signs identifying any architect builder, contract, landscaper, or landscape architect) without the prior written approval of Developer, which Developer may withhold in its sole discretion.

(s) Bug lights, "bug zappers", or any other bug elimination or repellent devices may not be installed or maintained upon any Unit; but with the prior written approval of Developer (which Developer may withhold in its sole discretion) these devices may be installed and maintained upon a Unit for a temporary period of time if there is a demonstrated need for that device for a special occasion.

(t) Ramps, inclines, or other similar structures to facilitate skate-boarding, roller skating, rollerblading, or similar activities (as determined by Developer in its sole discretion) may not be installed or maintained upon any Unit.

#### 9. Approvals of Dwellings or Improvements.

(a) In order that every Dwelling and every Improvement will be designed and constructed and the Condominium will be developed in a manner that is consistent with the highest standards of a beautiful serene, private, residential community, any Dwelling or any Improvement, as the case may be, may not be constructed or installed or maintained unless Developer has granted "Final Approval" in respect of that Dwelling or Improvement. To obtain Final Approval:

(i) The Owner of the Unit upon which the Dwelling or Improvement is proposed to be constructed or installed must first obtain "Concept Approval". To obtain Concept Approval, that Owner (or an authorized representative of that Owner) must submit to Developer (A) a topographic survey of the Unit, prepared by a registered engineer or surveyor and depicting existing grades and the location of all trees having a diameter at ground level of three inches or more, (B) a conceptual site plan, depicting the location of any proposed Dwelling or Improvement, (C) a conceptual floor plan, (d) conceptual front and rear elevation drawings of the proposed Dwelling or Improvement, and (E) a description of all of the colors and types of exterior materials in respect of the Dwelling or Improvement. Concept Approval will be deemed to have been granted when Developer has approved in writing all of these submissions.

(ii) If an Owner has obtained Concept Approval, that Owner must then obtain "Preliminary Approval". To obtain Preliminary Approval, that Owner (or an authorized representative of that Owner) must submit to Developer (A) a detailed site plan of the Unit, superimposed over the topographic survey described under subparagraph (i), above, depicting proposed grades (including without limitation detailed proposed final grades for landscaping), (B) a dimensioned floor plan, (C) detailed drawings of every elevation, (D) actual samples of shingles and stain or pain materials and colors, (E) a conceptual landscape plan, if applicable, and (F) an exterior lighting plan. The location of any proposed Dwelling or Improvement must be staked on the Unit. Preliminary Approval will be deemed to have been granted when Developer has approved in writing all of the foregoing submissions and the location of the Dwelling and all of the proposed Improvements, as the case may be.

(iii) If an Owner has obtained Preliminary Approval, the Owner must then obtain "Final Approval". To obtain Final Approval, that Owner (or an authorized representative of that Owner) must submit to Developer (A) all prints, plans, and other matters that have been submitted or are required to be submitted to obtain a building permit for the Dwelling or Improvement from the appropriate governmental authority, (B) a dimensional site plan depicting all setbacks and all existing and all proposed elevations and all trees located on the Unit and having a diameter at ground level of three inches or more (and an identification of any trees that the Owner of that Unit intends to remove from that Unit), (C) complete building plans for the Dwelling or Improvement, (D) a final landscape plan for the Unit, (E) a final exterior lighting plan that will (without limitation) be designed (i) in order that any exterior lighting will not directly shine into any other Dwellings and (ii) to include a timing system that will activate exterior lighting at dusk and deactivate exterior lighting at dawn (which activation system will include both a photo-sensitive activator and a clock activator), (F) a construction schedule, specifying completion dates for foundations, rough-in, the entire Dwelling or Improvement, and the installation of landscaping, as applicable, (G) a list of exterior materials and colors (including paint and stain colors), including actual samples if not already submitted, (H) the deposit described under Paragraph 10(f)(iii), below, if required by Developer, and (I) any other materials or information required by Developer. Final Approval will be deemed to have been granted when Developer has approved in writing all of the foregoing submissions.

(iv) To obtain Final Approval of any Dwelling, the Owner of that Dwelling must also submit to Developer a landscaping plan for the Unit upon which that

Dwelling is to be constructed and Developer must grant Final Approval of that landscaping plan. This plan must include installation of an underground sprinkler system and the installation of any vegetation that is required to screen the view of any air conditioning systems from any roads or other Dwellings. The reasonable value of any landscaping for any Unit must not be less than \$5,000. Developer will have the right to determine the reasonable value of the landscaping. Developer may require that each Owner deposit \$5,000 into escrow with Developer, which deposit will be released to that owner from time to time to pay for the costs to install landscaping according to the specifications of the approved landscaping plan. To the extent that this deposit earns interest, that interest will be paid to that Owner upon completion of the landscaping pursuant to the approved landscaping plan; provide however, that Developer is not required to maintain any deposit in an interest bearing account.

(v) Each instrument or document submitted to Developer must be accompanied by three copies of that instrument or document. After Final Approval has been granted, two or these copies will be returned to the Owner of the Unit in respect of which these instruments or documents were submitted and any remaining copies will be retained by and be the property of Developer. Any approval hereunder by Developer will not be effective unless that approval is in writing.

(b) Regardless of any of the other terms of the Condominium Documents, any Dwelling or Improvement (or any alteration, modification, or variance of any Dwelling or Improvement) that is not in strict compliance with the terms of these Bylaws may not be constructed or maintained upon any Unit unless the particular condition of that Dwelling or Improvement that does not comply with the terms of these Bylaws was identified to Developer in the submissions required under subparagraph (a), in writing. Every Dwelling or Improvement and every alteration, modification, or variance of any Improvement must be constructed and installed in strict compliance with the Final Approval for that Dwelling or Improvement or for any alteration, modification, or variance of any Dwelling or Improvement.

(c) A Dwelling or an Improvement may not be altered or modified or varied in any manner (including without limitation the materials and colors that will be used in respect of the construction and installation of that Improvement) from the terms of the Final Approval for that Dwelling or Improvement; and Final Approval must be obtain from Developer to alter or modify or vary any Dwelling or Improvement (even if that alteration or modification or variance is required for reasons beyond the control of the Owner of that Dwelling or Improvement); but if a proposed alteration or modification or variance of any Dwelling or Improvement is immaterial (as determined by Developer), Final Approval is not required in respect of that alteration, modification, or variance. Any Owner requesting Final Approval to alter, modify or vary any Improvement will first submit to Developer any information required to Developer (including without limitation material and color samples) to permit Developer to determine whether that alternation, modification, or variance is material or immaterial.

(d) The plans and specifications submitted hereunder to Developer to obtain Concept Approval must be accompanied by a \$500.00 payment to Developer. This payment will be retained by Developer in respect of any costs or fees incurred by Developer to review any

plans or specifications submitted under this Paragraph 9 by that Owner. This payment is not refundable.

10. Construction Requirements.

(a) Construction of any dwelling or other improvement must be started not later than one month after the commencement date for the construction thereof that is specified in the construction schedule submitted to and approved by Developer under Paragraph 9, above. All construction will be diligently and continuously prosecuted to completion, subject to delays caused by strikes, fires, national emergencies, or natural calamities. The exterior of all Dwellings and other Improvements must be completed not later than 18 months after the date upon which the construction thereof is started. Construction may not be started if all of the permits, approvals, and Owner and other governmental consents that are required in respect of that construction have not been obtained by and are not in full force and effect.

(b) Unless required to prevent any loss of life or any personal injury or any substantial property damage, construction may not occur in the Condominium between 6:00 p.m. and 8:00 a.m. on any day. "Construction" means construction inside or outside of any Dwelling or Improvement but does not mean general repair work performed solely by an Owner.

(c) All landscaping must be completed as soon as weather permits but in any event no later than 90 days after the exterior of any Dwelling has been (or with due diligence should have been) substantially completed.

(d) During the construction of a Dwelling upon a Unit, a sign may be erected on that Unit to identify the number or street address of that Unit and the name of the builder of that Dwelling; provided, however, that this sign may not be erected without the prior written approval of Developer, which approval will include without limitation approval by Developer of the size, location, color, and content of this sign and which approval Developer may withhold in its sole discretion. Developer may also require that Developer will be identified on this sign.

(e) During the construction of a Dwelling upon a Unit, Developer may in its sole discretion permit the contractor constructing that Dwelling to locate a temporary shelter on that Unit. This shelter may not be used for overnight occupancy and this shelter must be immediately removed from the Unit upon the completion of the Dwelling. The size and location of this shelter will be subject to the prior written approval of Developer, which approval Developer may withhold in its sole discretion.

(f) (i) The construction of any Dwelling or Improvement on any Unit may not begin unless the Owner of that Unit has delivered to Developer an agreement between Developer and that Owner and the general contractor or builder of that Dwelling or Improvement that is in form and substance acceptable to Developer and that provides without limitation that (A) a dumpster will be maintained on that Unit during the construction of that Dwelling or Improvement, (B) any and all trash, garbage, debris, or other disposable items will be deposited into that dumpster, (C) the Unit will at all time be maintained in a clean and sightly condition, (D) the dumpster will be removed from the Unit (together with any and all trash, garbage, debris,



and other disposable items) and the Unit will be restored to a clean and sightly condition upon completion of construction, and (E) to the extent possible, dirt, mud, and other debris will not be permitted to accumulate upon any road that is contiguous to the Unit and any road that is contiguous to the Unit will be cleaned and swept at intervals specified by Developer and upon completion of construction. If required by Developer, the location of this dumpster will be depicted on the final site plan to be approved by Developer under Paragraph 9, above. Each dumpster will be located in the least obtrusive location possible.

(ii) Every contractor or builder performing any work in the Condominium must comply with the terms and conditions of subparagraph (i), above, regardless of whether the agreement described under subparagraph (i) has been signed and delivered as therein provided.

(iii) (A) To secure the performance of the obligations under subparagraph (i), above, Developer may at any time require that any Owner constructing any Dwelling or Improvement (or that any contractor or builder constructing that Dwelling or Improvement) deposit \$1,000.00 with Developer (and by beginning construction of a Dwelling, each Owner is deemed to have unconditionally guaranteed to Developer the payment of all of the costs, fees, or expenses that are incurred by Developer if that Owner does not comply with the requirements of subparagraph (f), above). Developer is not required to maintain this deposit in a separate account and Developer is not required to pay any interest in respect of this deposit.

(B) If any Owner or general contractor or builder fails to observe or to perform any of the obligations described under subparagraph (i), above, Developer may enter upon the Unit and perform the obligation. This right of Developer permits Developer (without limitation) to install or relocate a dumpster, to dispose of trash or debris or to sweep or to clean a road. In this event, the Owner of that Unit will pay to Developer all of the costs thereby incurred by Developer, not later than 10 days after written request therefor is delivered to that Owner. If these costs are not paid to Developer within this period, Developer may (in addition to any other rights and remedies hereunder of Developer) deduct the amount of these costs from the deposit paid to Developer under subparagraph (A), above. Developer will use reasonable efforts to provide prior notice to the Owner of the Unit before exercising its right under this subparagraph (B), if the exercise of these rights will require Developer to incur costs greater than \$250, but in no event is Developer required to deliver this notice. If any costs, fees, or expenses incurred hereunder by Developer to clean or to sweep any road if the dirt, mud, or debris on the road could be attributable to construction on more than one Unit, Developer may allocate those costs among those Units.

(g) At any time and from time to time Developer may prepare and distribute guidelines regarding the design and construction of Improvements and at any time and from time to time Developer may establish and enforce any rules and regulations (in addition to the terms and conditions of the Condominium Documents) pertaining to construction within the Condominium (including without limitation repair or maintenance of a Dwelling or an Improvement) or any "construction guidelines" which Developer determines in its sole discretion are appropriate to main the Condominium in a manner that is consistent with the highest

standards of a beautiful, serene, private, residential community (as described in the Condominium Documents).

11. Reserved Rights of Developer.

(a) (i) Regardless of any of the other terms of the Condominium Documents, Developer may at any time and from time to time in its sole discretion waive or modify any of the restrictions or requirements under the Condominium Documents. The right of Developer to waive any restrictions or requirements under the Condominium Documents means without limitation that Developer may waive any particular submissions that are otherwise required to obtain Developer Approval. To determine whether to approve or to disapprove any particular plans or specifications, Developer will have the broadest discretion to determine whether any particular Improvement is consistent with the aesthetic beauty and desirability of the Condominium and the terms of the Condominium Documents; and to insure that all Improvements are designed, constructed, maintained, repaired, and replaced in a manner that is consistent with the highest standards of a beautiful, residential community (as described in the Condominium Documents) and to maintain architectural harmony within and the value of the Condominium, Developer may in its sole discretion approve or disapprove plans and specifications or waive any particular restriction or requirement, solely for aesthetic considerations or to relieve any Owner from undue hardship or expense.

(ii) Regardless of the terms of subparagraph (i), above, if Developer assigns to any other party (including the Association) the rights of Developer under the Condominium Documents, that assignee (or any committee or other Person to which these rights may be delegated by that assignee) may not waive any of the restrictions or requirements under the Condominium Documents unless the waiver (1) is reasonable and (2) will not create undue hardship on any other Unit owners and (3) is necessary to insure that the Condominium will be developed and maintained in a manner that is consistent with the highest standards of a beautiful, first class residential community (as described in the Condominium Documents).

(b) Any waiver under the Condominium Documents by Developer must be set forth in a written instrument identifying the specific restriction or requirement of the Condominium Documents waived by Developer and the specific condition in respect of which the restriction or requirement is waived. This writing must also include (without limitation) an identification of the Unit in respect of which the waiver will be delivered and the name Owner of that Unit. Any waiver by Developer will only be effective to the extent set forth in this written instrument and will not be a waiver of the same restriction or requirement in respect of any other matter (including without limitation the same matter if that matter occurs against in the future) or for the benefit of any other Owner. In no event is Developer obligated to waive any requirement or restriction under the Condominium Documents.

(c) Any approval by Developer of any Improvement is not a representation or warranty by Developer that that Improvement is properly designed or conforms with the ordinances or other requirements of Marion Township or Livingston County or any other governmental authority. Each Owner is solely responsible to determine whether any Improvement to be constructed by that Owner complies with the requirements of applicable law

and to obtain any and all governmental permits, consents, and approvals required to construct or to install any Improvement.

(d) Developer is not liable to any Person in any manner in respect of any approval or disapproval of any plans or specifications or any Improvement or in respect of any waiver or nonwaiver or any requirements or restrictions under the Condominium Documents. In no event is any Person (including without limitation any Owner) permitted to contest judicially any approval or disapproval or waiver or nonwaiver by Developer in respect of any matter, if under the Condominium Documents Developer has reserved the right to approve or to waive that matter.

(e) Regardless of any of the other terms of the Condominium Documents, the restrictions and requirements of the Condominium Documents are not applicable to any of the activities of Developer pertaining to the development of the Condominium, including without limitation the installation of any signs; and during the Development and Sales Period, Developer (and its employees and agents) may use the Condominium as Developer deems necessary to develop the Condominium and to market or to sell or to lease the Units.

(f) Any and all of the rights and powers of Developer that have been granted or reserved by law or in these Bylaws or any of the other Condominium Documents to Developer (including without limitation any right or power to approve or to disapprove any act, use, or proposed action or any other matter or thing) may be assigned by Developer to any Person, including (without limitation) to the Association. Any assignment by Developer must be evidenced by a written instrument that must also be signed by the assignee to evidence the assumption by that assignee of the rights hereunder of Developer. Notwithstanding the foregoing, as of the expiration of the Development and Sales Period, any and all of the rights hereunder of Developer that have not been theretofore assigned by Developer will be deemed to have been assigned to and assumed by the Association; provided, however, that in no event will Developer be deemed to have thereby assigned or in any other manner relinquished any real property rights granted or reserved to Developer or its successors and assigns in the Master Deed or in any of the other Condominium Documents, including without limitation any access easements, utility easements, or any other easements created or reserved in the Master Deed or any of the other Condominium Documents (any of which may only be terminated by a written instrument signed by Developer and recorded with the Livingston County Register of Deeds).

(g) ANY APPROVAL, WAIVER, OR OTHER ACTION HEREUNDER BY DEVELOPER WILL NOT BE EFFECTIVE UNLESS THAT APPROVAL, WAIVER, OR OTHER ACTION IS IN WRITING AND IS SIGNED BY DEVELOPER. OWNERS (AND ANY OTHER PERSONS) MAY NOT RELY UPON ANY APPROVAL, WAIVER, OR OTHER ACTION HEREUNDER IF THAT APPROVAL, WAIVER, OR OTHER ACTION IS GRANTED OR TAKEN BY ANY PERSON (INCLUDING WITHOUT LIMITATION ANY EMPLOYEES OR REPRESENTATIVES OF DEVELOPER) OTHER THAN DEVELOPER. AGENTS, EMPLOYEES, CONSULTANTS, ATTORNEYS, AND OTHER REPRESENTATIVES AND ADVISERS OF DEVELOPER ARE NOT LIABLE WITH RESPECT TO ANY APPROVALS, WAIVERS, OR OTHER ACTIONS UNDER THE CONDOMINIUM DOCUMENTS.

12. Voting.

(a) At any meeting of the Association, each Owner may cast one vote in respect of each Unit owned by that Owner. Except as provided under Paragraph 13(d) of these Bylaws, Developer is the only person entitled to vote at meetings of the Association prior to the first annual meeting. At and after the first annual meeting, if Developer may cast one vote in respect of each Unit owned by Developer; except that if Developer designates any directors pursuant to Paragraph 13(d) of these Bylaws, Developer may not cast any votes to elect any other directors.

(b) Immediately after acquiring a Unit, the Owner of that Unit will deliver to the Association a written notice identifying that Unit and stating the name and address of the Owner of that Unit. If that Unit is owned by more than one Person, this notice must state the name and address of each Person owning the Unit and must also identify the one Person that is authorized by all of the Persons owning that Unit to cast the one vote in respect of that Unit. All notices delivered by the Association will be delivered to that one Person on behalf of all of the Persons owning that Unit. This notice must be signed by each Person owning that Unit. At any time and from time to time all of the Persons owning any particular Unit may deliver to the Association a written notice signed by all of those Persons and designating any other Person to cast the one vote in respect of that Unit.

(c) An Owner (other than Developer) may not vote at any meeting of the Association unless that Owner has delivered to the Association the notice described under subparagraph (b), above. Each vote in respect of each Unit must be cast by the Owner of that Unit or by the duly designated representative of the Persons owning that Unit. A vote may be cast in person or by proxy or in writing. Any votes that are cast in writing must be signed by the Owner or the duly designated representative casting that vote. Proxies and written votes must be delivered to the secretary of the Association not later than the scheduled time of any meeting of the Association. Cumulative voting is prohibited.

13. Meetings of the Association.

(a) (i) The first annual meeting of the Association may only be convened by Developer. Developer may convene the first annual meeting at any time after more than 50% of all of the Units have been conveyed to Persons other than Developer and all of those Owners have qualified as members of the Association; but the first annual meeting must be convened not later than 120 days after Developer has conveyed legal or equitable title to non-developer Owners of 75% of all of the Units that may be created in the Condominium or 54 months after the date upon which Developer first conveyed to a non-Developer Owner legal or equitable title to any Unit, whichever first occurs. At any time prior to the first annual meeting, Developer may call meetings of the Association for informative or other appropriate purposes; but in no event will any of these meetings be the first annual meeting. At least 10 days prior to the date of the

first annual meeting, the Association will deliver written notice to each Owner stating the date, time, and location of that meeting.

(ii) Not later than the earlier of (A) one year after Developer has conveyed to any other Person legal or equitable title to any Unit and (B) 120 days after Developer has conveyed to any other Persons at least one-third of all of the Units that may be created in the Condominium, Developer will establish an Advisory Committee consisting of at least three Owners other than Developer. This committee may be established and operated by Developer in any manner that Developer determines. The only purpose of the Advisory Committee is to facilitate communication between the Association and the non-Developer Owners and to aid in the transition of control of the Association from Developer to non-Developer Owners. The Advisory Committee will automatically terminate when non-Developer Owners have sufficient votes to elect a majority of the board of directors of the Association. At any time and from time to time Developer may in its sole discretion remove any member of the Advisory Committee and replace that member with any other Owner designated by Developer.

(b) After the first annual meeting of the Association, annual meetings of the Association will be held on the second Tuesday of each September; provided, however, that the second annual meeting will not be held any sooner than eight months from and after the date of the first annual meeting. The date, time, and location of each annual meeting after the first annual meeting will be determined by the Association and at least 10 days prior to written notice thereof will be delivered to each Owner. At each annual meeting of the Association, the Owners will elect by ballot a Board of Directors of the Association and the Owners may also conduct any other business at these meetings, to the extent permitted by the rules of procedure governing that meeting.

(c) If directed by a resolution of the board of directors of the Association or by a petition signed by at least one-third of all of the Owners and presented to the secretary of the Association, the president of the Association will call a special meeting of the Association to conduct any business specified in that resolution or petition. Notice of any special meeting will state the specific business to be conducted at that meeting and the only business that may be conducted at that meeting is the business stated in this notice.

(d) The secretary of the Association will deliver to each Owner a notice of each annual or special meeting of the Association (and during the Development and Sales Period the secretary of the Association will also deliver to Developer a copy of this notice). This notice will state the purpose of the meeting and the time of the meeting. Meetings of the Association will be held at the principal office of the Association or at any other location that is convenient to all of the Owners and that is specified in this notice. This notice must be delivered to each Owner not less than 10 days and not more than 60 days prior to the meeting described in that notice. If the notice is addressed to each Owner at the address of that Owner that has been identified to the Association pursuant to Paragraph 12(b), above, and if that notice is deposited with the United States Postal Service, with postage prepaid, for delivery by first class mail, that notice will be deemed to have been properly delivered to the recipient of that notice. This notice may be waived by any Owner, if that Owner delivers a written waiver of that notice to the secretary of the Association.

(e) A meeting of the Association may not be conducted if a quorum is not present at that meeting. Unless otherwise provided in the Condominium Documents, a quorum is present at any meeting of the Association if at that particular meeting at least 35% of the percentage value of all of the votes that could be cast at a meeting of the Association at which all of the Owners permitted to vote were present in person, may be cast at that particular meeting (either by Owners or designated representatives present in person or by proxy or by written vote). If a quorum is not present at any particular meeting, the Owners that are present in person at that meeting will adjourn that meeting and may reschedule that meeting to any time that is at least 48 hours later than the adjourned meeting. Unless otherwise provided in the Condominium Documents, any matter in respect of which the votes of the Owners are cast will be determined by a majority of the votes that are cast, whether votes are cast in person or by proxy or by written vote. A majority of votes is more than 50% of the total percentage of value of all of the votes cast at any meeting of the Association that has been duly called and convened.

(f) The order of the business to be conducted at meetings of the Association will be: First, to determine whether a quorum is present; Second, to determine that every Owner has received notice of the meeting or has duly waived notice of the meeting; Third, to read the minutes of the preceding meeting; Fourth, to receive reports by officers; Fifth, to receive reports by committees; Sixth, to appoint inspectors of election (at annual meetings and at special meetings called to elect directors); Seventh, to elect directors (at annual meetings and at special meetings called to elect directors); Eighth, to attend to any unfinished business; and Ninth, to attend to any new business. Meetings of the Association will be conducted by the most senior officer of the Association who is present at that meeting. The order of seniority of the officers is president, vice president, secretary, treasurer. Meetings of the Association will otherwise be conducted according to any general recognized manual of parliamentary procedures, to the extent that those procedures are not in conflict with the Condominium Documents or the laws of the State of Michigan.

(g) Minutes of each meeting of the Association will be prepared by the secretary of the Association and will be signed by the president or the secretary; and when signed will be presumed truthfully to evidence the matters set forth in those minutes. A recitation in the minutes of any meeting that notice of that meeting was properly delivered to each Owner is prima facie evidence that notice of that meeting was properly delivered to each Owner.

(h) Any action that may be taken at a meeting of the Association may be taken by written ballot of the Owners, without a meeting of the Association. In this event, ballots will be delivered to each Owner in the same manner that notices are required to be delivered under subparagraph (d), above. These ballots will state (i) the specific action in respect of which the ballot has been delivered, (ii) the number of ballots that must be returned in order that a quorum will have been constituted in respect of that action, (iii) the total value of votes that are required to approve that action, and (iv) the date by which the ballot must be returned to the secretary of the Association to be a valid ballot. The ballot will be in a form that will permit each Owner to approve or to disapprove the action specified in that ballot. Any action in respect of which written ballots are delivered to Owners will be deemed to have been approved if a sufficient number of valid ballots are delivered to the secretary of the Association to constitute a quorum

and if the value of the votes cast pursuant to those ballots which have been marked to indicate that the action described in the ballots has been approved, exceeds the value of votes that is required to approve that action.

14. Board of Directors of the Association.

(a) The board of directors of the Association has all of the powers and duties necessary to administer the Association and the Condominium and may do any and all other acts and things that are not prohibited by the Condominium Documents or that are not required by the Condominium Documents to be done by the Owners. Any action required by the Condominium Documents to be done by the Association will be performed by action of the board of directors, unless specifically required to be done by or with approval of the Owners. In addition to the foregoing powers and duties, the board of directors has the power and authority and the duty:

(i) To manage and administer the affairs of and to maintain the Condominium according to the terms and conditions of the Condominium Documents and the Act.

(ii) To levy assessments against Units and to collect assessments from Owners and to use the proceeds thereof for the purposes of the Association.

(iii) To obtain and maintain insurance and to collect and to disburse any insurance proceeds, including without limitation for the purpose of rebuilding any improvements to the Condominium.

(iv) To contract for and to employ persons, firms, corporations, or other agents to assist the board of directors to manage, operate, maintain, and administer the Condominium.

(v) To acquire, maintain, improve, operate, manage, sell, convey, assign, mortgage, or lease any real or personal property (including without limitation any Unit owned by the Association or any easements, rights-of-way, and licenses).

(vi) To borrow money, to issue evidence of indebtedness, and to secure any indebtedness by mortgage, pledge, or other lien on property owned by the Association; provided, however, that this action must also be approved by the affirmative vote of 75% of the value of all of the votes that may be cast by all of the Owners.

(vii) To establish rules and regulations pursuant to these Bylaws.

(viii) To establish any committees that the board of directors deems necessary, convenience, or desirable to implement the administration of the Condominium and to delegate to these committees any functions or responsibilities that are not required to be performed by the board of directors to appoint Owners to these committees.

(ix) To enforce the terms and conditions of the Condominium Documents.

(b) On behalf of the Association the board of directors may employ a professional manager (which may be Developer or any Person related to or otherwise affiliated with Developer) to perform any duties and services that the board of directors may authorize, including without limitation any of the duties and services to be performed by the board of directors (but not any of the duties of the board of directors that by law or by the terms and conditions of the Condominium Documents must be performed by the board of directors). This manager may be paid a reasonable fee that will be determined by the board of directors. The board of directors is not permitted to enter into any contract with a professional manager (or into any contract with Developer), if the maximum term of that contract is greater than three years or if that contract may not be terminated by the association upon 90 days prior written notice or if that contract requires the payment of a termination fee or if that contract violates any of the provisions of Section 55 of the Act.

(c) (i) Subject to the terms and conditions of subparagraph (d), below, the board of directors of the Association will be elected by the Owners at annual meetings of the Association. The board of directors will consist of five directors. Each director on the Board of Directors (other than any directors elected or appointed by Developer) must be an Owner or an officer, partner, member, or trustee of an Owner. Directors will not be compensated. The term of each director will be two years, other than the one year term of the two directors elected at the first annual meeting as described under subparagraph (ii), below; provided, however, that each director will remain in office until the successor to that director has been elected.

(ii) (A) At the first annual meeting of the Association, one director will be elected to a one year term and two directors will be elected to a two year term. At this meeting all of the nominees to be directors will be identified to the Owners on a single ballot. The two nominees receiving the highest number of votes will be elected to two year terms and the nominee receiving the next highest number of votes will be elected to a one year term.

(B) At each subsequent annual meeting of the Association, a number of directors will be elected that is equal to the number of directors whose terms have then expired. At these meetings all of the nominees to be directors will be identified to the Owners on a single ballot and the nominees who receive the highest number of votes will be elected, up to the number of nominees that is equal to the number of directors whose terms have then expired.

(d) Subparagraph (c), above, to the contrary notwithstanding:

(i) The first board of directors will consist of three directors, each of whom will be appointed by Developer. The term of any director that is appointed by Developer will expire at any time designated by Developer in its sole discretion (or at any earlier time if that director must be removed from the board of directors to permit the election of directors by non-Developer Owners, as herein provided). Any action by this board of directors (or by any other board of directors consisting of a majority of directors that have been appointed by Developer)



will be binding upon the Association if that action is within the scope of the powers and duties under the Condominium Documents of the board of directors.

(ii) Not later than 120 days after Developer conveys to non-Developer Owners legal or equitable title to at least 25% of all of the Units that may be created in the Condominium, Developer will conduct a special meeting of the Association. The only business that may be conducted at this special meeting is to permit the non-Developer Owners to elect one director (and not less than 25% of the total number of directors that then comprise the board of directors of the Association). This director (or directors) will replace the same number of directors who had one of the three directors theretofore appointed by Developer. Developer will identify the director that will be replaced by this new director. This special meeting will not be the first annual meeting of the Association.

(iii) Not later than 120 days after Developer conveys to non-Developer Owners legal or equitable title to at least 75% of all of the Units that may be created in the Condominium, Developer will conduct a special meeting of the Association. The only business that may be conducted at this special meeting is to permit the non-Developer Owners to elect all directors to the Board of Directions; provided, however, that Developer may appoint one director if Developer then owns at least 10% of all of the Units that may be created in the Condominium. This special meeting will not be the first annual meeting of the Association, unless this meeting is specifically designed by Developer as the first annual meeting of the Association.

(iv) (A) As of the expiration of 54 months after Developer first conveys to a non-Developer Owner legal or equitable title to any Unit (and regardless of the number of Units that have then been conveyed by Developer), Developer will conduct a special meeting of the Association. The only business that may be conducted at this special meeting is to permit the non-Developer Owners to elect the board of directors the number of directors that is equal to the product of the then number of directors and the percentage of all of the Units that have been conveyed to non-Developer Owners and to permit Developer to elect to the board of directors the number of directors that is equal to the product of the then number of directors and the percentage of all of the Units than owned by Developer and in respect of which Developer pays assessments to the Association. This election may increase (but may not decrease) the minimum number of directors that would otherwise have been elected to the board of directors by non-Developer Owners. The terms and conditions of this subparagraph do not require that the number of directors will be increased. This special meeting will not be the first annual meeting of the Association, unless this meeting is specifically designed by Developer as the first annual meeting of the Association.

(B) If the number of directors that may be elected by non-Developer Owners under subparagraph (A), above, is not a whole number and if the fractional amount of that number is equal to or greater than one-half, that number will be rounded up to the next whole number and this next whole number will be the number of directors that may be elected by non-Developer Owners. In this event the number of directors that may be elected by Developer will be the then number of directors less this whole number; provided, however, that in no event will the terms and conditions of this subparagraph (B), eliminate the right of the Developer to designate one director under subparagraph (iv), above.

(e) The first meeting of any board of directors as to which any new director has been elected will be held not later than ten days after the election of that new director. This meeting will be held at a place that will be determined by the directors at the meeting at which any new directors were elected. Notice of this meeting is not required to be delivered to any newly elected directors if a majority of the entire board of directors was present at the meeting where any new directors were elected.

(f) Regular meetings of the board of directors will be held at times and locations to be determined from time to time by a majority of the directors, but the board of directors must conduct at least two regular meetings during each fiscal year of the Association.

(g) Special meetings of the board of directors may be called upon request of the president or upon the written request of any two directors.

(h) The secretary of the Association will deliver to each director a notice of each regular or special meeting of the board of directors. This notice will state the purpose of the meeting and the time of the meeting. Meetings of the board of directors will be held at the principal office of the Association or at any other location that is convenient to all of the directors and that is specified in this notice. If the notice is addressed to each director at the address of that director that has been identified to the Association pursuant to Paragraph 12(b), above, and if that notice is deposited with the United State Postal Service, with postage prepaid, for delivery by first class mail, that notice will be deemed to have been properly delivered to the recipient of that notice. Prior to or at any meeting of the board of directors, any director may waive notice of that meeting in writing. Any director attending a meeting of the board of directors will be deemed to have waived notice of that meeting. If all of the directors are present at any meeting of the board of directors, no notice of that meeting is required.

(i) A meeting of the board of directors may not be conducted if a quorum is not present at that meeting. A quorum is present at any meeting of the board of directors if at that particular meeting at least a majority of the number of directors is present in person at that meeting. If a quorum is not present at any particular meeting, the directors that are present in person at that meeting will adjourn that meeting and may reschedule that meeting to any time that is at least 24 hours later than the adjourned meeting.

(j) At any regular or special meeting of the Association that has been duly called and convened (including without limitation delivery of property notice of the action propose to be taken at that meeting), any one or more of the directors may be removed (with or without cause) by a majority of the value of the votes of the Owners; provided, however, that the Owners may not elect to remove a director from the board of directors unless that director has had the opportunity to speak at that meeting.

(k) If any director resigns from the board of directors, that director will be replaced by a director who will be elected by the majority vote of the remaining directors (even if the number of remaining directors does not constitute a quorum). The term of that new director will be the unexpired portion of the term of the director replaced by that new director.

Notwithstanding the foregoing, Developer will have the sole and exclusive authority to appoint a new director to replace any director who was appointed to the board of directors by Developer and the non-Developer Owners will elect a director to replace any director who resigns and who was elected to the Board of Directors by the non-Developer Owners pursuant to subparagraph (d), above.

15. Officers.

(a) The officers of the Association will be elected annually by the board of directors. The term of each officer will be one year; provided, however, that each officer will remain in office until the successor to that officer has been elected. The principal officers of the Association are:

(i) The president, who will be the chief executive officer of the Association. One of the directors will be elected by the board of directors to be the president of the Association. The president will preside at all of the meetings of the Association and of the board of directors of the Association. The president will have all of the general powers and duties which are typically vested in the office of the president of a nonprofit association of co-owners, including without limitation the discretionary power to appoint committees of Owners to assist the president with the administration of the Association.

(ii) The vice president, who will perform all of the duties which are typically vested in the vice president of a nonprofit association of co-owners and who will also perform any other duties that are from time to time and at any time imposed upon the vice president by the board of directors. If the president is absent or is otherwise not able to perform the duties of the president, the vice president will also perform those duties. If both the president and the vice president are absent or are otherwise unable to perform their respective duties, the board of directors will appoint a member of the board of directors to perform those duties on an interim basis.

(iii) The secretary, who will maintain minutes of all of the meetings of the board of directors and of all of the meetings of the Association. If the Association has a seal, the secretary will keep that seal. The secretary will also maintain any other books and papers that the board of directors may require and will also perform any other duties which are typically vested in the secretary of a nonprofit association of co-owners.

(iv) The treasurer, who will be responsible for the funds and any securities of the Association. The treasurer will maintain full and accurate records of all the expenditures and receipts of the Association. The treasurer will be responsible to deposit all of the monies and valuable possessions of the Association in the name of and to the credit of the Association, with banks and savings associations that are from time to time designated by the board of directors.

(b) The board of directors may also appoint an assistant treasurer, an assistant secretary, and any other officers deemed necessary by the board of directors. Any person other than the president or the vice president may be elected to hold two offices. The officers of the

Association will also have any other duties, powers, and responsibilities that are from time to time and at any time authorized by the board of directors.

(c) Anything herein contained in the contrary notwithstanding, upon the affirmative vote by a majority of the board of director, the term of any office may be terminated, with or without cause; provided, however, that the board of directors may not vote to terminate the term of any officer at any particular meeting unless notice thereof was included in the notice of that meeting; and provided further, that before any vote to terminate the term of any officer, the board of directors must permit that officer to appear before and be heard by the board of directors. The board of directors may elect a successor to that office at that same meeting or at any regular meeting of the board of directors or at any special meeting of the board of directors, called for that purpose.

16. Finance.

(a) The Association will maintain detailed records describing all of the expenditures and receipts of the Association to administer the Condominium. These records will specify the maintenance and repair expenses in respect of the Common Elements and will also specify any other expenses incurred by or on behalf of the Association. These records (and any other records maintained by the Association) may be inspected by any Owners or by any mortgagee of any Unit during reasonable business hours.

(b) At least once each year the Association will prepare and will distribute to each Owner a financial statement of the Association. The Association will determine the content of this statement. At least once each year the financial records of the Association will be audited by qualified, independent auditors. These auditors are not required to be certified public accountants and this audit is not required to be a certified audit. If the first mortgagee of any Unit is an institutional lender, then upon the written request of that lender the Association will deliver a copy of the financial statement of the Association to that lender not later than 90 days after the expiration of the fiscal year of the Association. All of the costs incurred hereunder by the Association are expenses to administer the Condominium.

(c) The fiscal year of the Association will be an annual period that will begin on a date determined by the Association and that is subject to change by the Association. The initial fiscal year of the Association is the calendar year.

(d) All of the funds of the Association will be deposited into a bank or savings association determined by the board of directors of the Association. The funds of the Association may only withdrawn by officers, employees, or agents of the Association who are permitted to withdraw funds of the Association by resolution of the board of directors. The funds of the Association may be invested from time to time in accounts or deposit certificates of banks or savings associations which are insured by the Federal Deposit Insurance Corporation or by the Federal Savings and Loan Insurance Corporation, respectively. The funds of the Association may also be invested in interest bearing obligations of the United States of America.

(e) The board of directors may require that any officer or other employee of the Association who is responsible for funds of the Association will obtain and maintain an adequate fidelity bond. The premium for this bond will be paid by the Association and will be an expense in respect of the administration of the Condominium.

17. Indemnification of Officers and Directors.

Except to the extent prohibited by law, the Association will indemnify and hold each director and officer of the Association harmless from and against all expenses and liabilities (including without limitation reasonable attorney's fees) incurred by or imposed against any director or officer in respect of any threatened, pending, or completed (including without limitation completion by settlement) action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, if that person is a party to or is involved in any of the foregoing by reason of the present or former status of that person as a director or officer of the Association (and regardless of whether that person is a director or an officer of the Association at the time that any of the foregoing expenses are incurred by or imposed against that person); provided, however, that in no event will the Association indemnify any person or hold any person harmless from and against any willful or wanton misconduct or gross negligence by that person; and provided further, that any indemnification hereunder is subject to approval by the board of directors (not including any director seeking indemnification under this Paragraph 17, which director may not vote in respect of that indemnification). The Association may not make any payment under this Paragraph 17 unless the Association has delivered to every Owner written notice of that payment at least 10 days prior to the date of that payment. This indemnification is in addition to and is not exclusive of any other rights of any officer or director.

18. Seal.

The Association is not required to have a seal.

19. Mortgages.

(a) If any Owner mortgages the Unit owned by that Owner, that Owner will notify the Association of the name and address of that mortgagee. The names and addresses of all of the mortgagees will be maintained by the Association.

(b) Upon receiving written request therefor from any first mortgagee of any Unit, the Association will deliver to that mortgagee (i) a notice describing any assessments in respect of that Unit that are not paid and (ii) a notice of any meetings of the Association (and that mortgagee may designate a representative to attend that meeting).

(c) That Association will deliver to the holder of any first mortgage of any Unit written notice (i) of any default under the Condominium Documents by the Owner of that Unit if that default is not cured within 60 days after notice thereof was delivered to that Owner, and (ii) of the name of each insurance company from which the Association has obtained a policy of insurance pursuant to Paragraph 4, above, and the amounts of these insurance policies.

20. Amendment.

(a) Unless otherwise provided in these Bylaws, amendments to these Bylaws may only be proposed (i) by the Association, upon the vote of a majority of the members of the Board of Directors, of (ii) by one-third or more in number of all of the Owners, pursuant to a written instrument signed by those Owners. If an amendment to these Bylaws is proposed as herein provided, a meeting of the Association will be scheduled to consider that proposed amendment.

(b) These Bylaws may only be amended:

(i) By the affirmative vote of not less than two-thirds of the value of all of the votes of all of the Owners, at any regular meeting of the Association or at any special meeting of the Association that has been scheduled for the purpose of amending these Bylaws, and, to the extent required, by the approval of mortgagees of Units as provided in Section 90a of the Act;

(ii) By Developer, during the Development and Sales Period, without the approval or consent of any other Person, if that amendment does not materially change the right of any Owner or mortgagee of any Unit.

(c) Any Amendment to these Bylaws shall be subject to compliance with the Township ordinances and shall not materially alter the easements granted to the Township in accordance with the terms of the Master Deed or these Bylaws. Any such amendment shall be effective as of the date that a written instrument describing the amendment to these Bylaws is recorded with the Livingston County Register of Deed which contains all of the essential elements of the amendment and which otherwise contains all of the terms and conditions required by law. A copy of any amendment to these Bylaws will be delivered to each Owner; provided, however, that any particular amendment to these Bylaws pursuant to the terms and conditions of these Bylaws is binding upon every Owner and every other Person having an interest in and to the Condominium, regardless of whether any particular Owner or Person has actually received a copy of the amendment.

(d) During the Development and Sales Period, these Bylaws may not be amended without prior written approval by Developer.

21. Compliance with the Act and the Condominium Documents.

(a) The Association and every Owner and every other Person having any interest in and to the Condominium are each subject to and will comply with all of the terms and conditions of the Act. If the terms and conditions of the Condominium Documents are not

consistent with the terms and conditions of the Act, the terms and conditions of the Act will control.

(b) Any Person that acquires any interest whatsoever in and to the Condominium (including by leasing any Unit) or that occupies any Unit or enters upon any portion of the Condominium is thereby deemed to have accepted and ratified all of the terms and conditions of the Condominium Documents.

22. Remedies.

(a) If any Owner violates the terms and conditions of the Condominium Documents, that Owner is in default. Upon any default by an Owner:

(i) The Association may commence an action to recover damages or for injunctive relief or to foreclose any lien of the Association, pursuant to the terms and conditions of the Condominium Documents.

(ii) The Association or its authorized agents or designees may enter upon any Unit or any Common Element (where reasonably necessary) to remove and to abate any condition thereon or thereof that violates the terms and conditions of the Condominium Documents, including without limitation removing trash, debris, structures, fixtures, furnishings, or other items that in the sole discretion of the Association detract from the beauty of the Condominium or creates a dangerous or hazardous condition or are not safe or sanitary or are a nuisance; and in this event the Owner of that Unit will pay to the Association all of the costs, fees, and expenses thereby incurred by the Association, not later than 10 days after written request therefore by the Association. Any action hereunder by the Association (including without limitation any entry upon a Unit) will not be a trespass or waste and the Association will not be liable to any Owner by exercising the right under this subparagraph (ii) of the Association.

(iii) The Association may levy fines, as more particularly described under Paragraph 23, below.

(b) If the Association prevails against an Owner in respect of any action brought by the Association against that Owner, that Owner will pay to the Association the costs, fees (including reasonably attorney's fees), and expenses incurred by the Association in respect of that action. This amount will be paid to the Association not later than 30 days after written request therefor is delivered to the Owner. The payment of this amount will be secured by a lien against the Unit owned by that Owner, pursuant to the terms and conditions of Paragraph 2(c) (ii), above. If any Owner fails to pay any fine levied against that Owner, the Association will have the rights and remedies described under this Paragraph.

(c) Any Owner may commence an action against the Association and its officers and directors to compel the Association and its officers and directors to enforce the terms and conditions of the Condominium Documents. Any Owner may commence an action against any other Owner for injunctive relief or for damages or for any combination thereof, if

that other Owner has violated the terms and conditions of the Condominium Documents or of the Act.

(d) All of the rights and remedies hereunder of the Association and of each Owner are cumulative and are in addition to any other rights and remedies of the Association or any Owner at law or in equity. The exercise by the Association or by any Owner of any one or more rights or remedies will not constitute an election of remedies by the Association or by that Owner and will not preclude the Association or that Owner from simultaneously or later exercising any other rights or remedies. The failure of the Association or of any Owner to enforce any right, provision, covenant, or condition under any of the Condominium Documents is not a waiver by the Association or by any Owner, as the case may be, to enforce that same right, provision, covenant, or condition in the future.

(e) Regardless of any of the other terms of these Bylaws, if at any time and from time to time during the Development and Sales Period, any Owner is in default under the Condominium Documents or the Association fails or refuses to perform or to enforce any of the terms and conditions of the Condominium Documents (including without limitation any of the terms and conditions hereof pertaining to the operation, maintenance, repair, or replacement of the Condominium or any Unit or landscaping) in a manner that is consistent with the highest standards of a beautiful, serene, private, first class, residential community (as herein provided), then Developer may elect to enforce the terms of the Condominium Documents or to perform the obligations or to exercise the rights and remedies under these Bylaws of the Association, as the case may be. In this event, all of the costs, fees, and expenses incurred by Developer will be paid to Developer by the Association not later than 10 days after written request therefor is delivered to the Association. (These costs, fees, and expenses will be an expense of the Association in respect of the administration of the Condominium.) The right of Developer to enforce the Condominium Documents includes without limitation the right of Developer to exercise any of the rights and remedies under this Paragraph of the Association. Regardless of any of the other terms of these Bylaws, Developer is not obligated to enforce any of the terms of the Condominium Documents.

23. Fines.

(a) Upon any violation of the terms and conditions of the Condominium Documents, the Association may levy a \$25.00 fine for the first violation, a \$50.00 fine for the second violation, a \$100.00 fine for the third violation, and a \$200.00 fine for the fourth violation, and a \$500.00 fine for the fifth and each subsequent violation. Each Owner is responsible to pay any fines in respect of violations of the terms and conditions of the Condominium Documents by that Owner or by any members of the family of that Owner or by any guests or tenants or any other Persons admitted to or invited upon the Condominium by that Owner.

(b) (i) If the Association intends to collect a fine in respect of a particular violation of the terms and conditions of the Condominium Documents, the Association will deliver to the Owner that is responsible to pay that fine a written notice of that particular violation. This notice will include a factual description thereof that is reasonably sufficient in order that the Owner will have notice of the violation. This notice will be sent by first class mail,



postage prepaid, or will be personally delivered to that Owner at the address of that Owner that has been filed with the Association pursuant to Paragraph 12(b), above.

(ii) Every Owner receiving a notice under subparagraph (i), above, will have an opportunity to appear before the Association at the next scheduled meeting of the Association, but in no event will that Owner be required to appear before the Association upon less than ten days prior notice.

(iii) Upon hearing any Owner appearing before the Association, the Association will (by majority vote of the board of directors) determine whether a violation has occurred. The decision of the board of directors is final. Any Owner that fails to appear before the Association upon any date specified in any notice thereof will be deemed to have acknowledged that the events described in the notice of the violation of the terms and conditions of the Condominium Documents did occur.

(iv) Any fines hereunder will be due and payable to the Association together with the next payment to the Association of any general assessment. The payment of any fine hereunder will be secured by a lien against the Unit owned by that Owner, pursuant to the terms and conditions of Paragraph 2(c)(ii), above. If any Owner fails to pay any fine levied against that Owner, the Association will have the rights and remedies described under Paragraph 22, above.

24. Limitation of Liability.

In no event is Developer (or any assignee of Developer) or any members, agents, employees or consultants thereof or any member of the board of directors of the Association or any committees established by the board of directors (including without limitation any committee established for architectural review) liable to any Person whatsoever in respect of any act or omission under the Condominium Documents, including without limitation any liability in respect of any approval or disapproval of any plans, specifications, or other submissions under these Bylaws, whether any alleged liability is based on negligence, tort, express or implied contract, breach of fiduciary duty, or otherwise.

25. Unenforceable Provisions.

If any of the terms, provisions or covenants of the Condominium Documents are determined by a court to be partially or wholly invalid or unenforceable for any reason whatsoever, that determination will not affect, alter, modify, or impair in any manner whatsoever any of the other terms, provisions, or covenants of the Condominium Documents or the remaining portion of any term, provision, or covenant that is determined to be partially invalid or unenforceable.

LIVINGSTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 340  
 EXHIBIT "B" TO THE MASTER DEED OF

# PINEBROOK MEADOW

## A SITE CONDOMINIUM

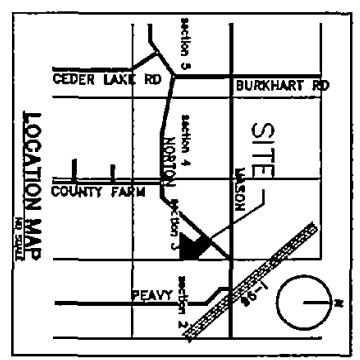
SECTION 3 T2N-R4E, MARION TWP.  
 LIVINGSTON COUNTY, MICHIGAN

### DESCRIPTIONS

Part of the NE fractional 1/4 of section 3, T2N-R4E, Marion Township, Livingston County, Michigan, described as follows: Commencing at the Northeast corner of said Section; thence along the East line of said Section and the West line of "Pinebrook", a subdivision of Section 2, T2N-R4E Marion Township, as recorded in Liber 23 of Pitsch, pages 24-27, Livingston County Records, S 2° 00' 13" E, 685.35 feet to the Point of Beginning of the Parcel to be described; thence continuing along said line S 02° 00' 13" E, 601.75 feet; thence along the South line of the North part of the Northwest fractional 1/4 of Section 3 as monumented, S 89° 20' 24" W, 866.93 feet (recorded as Due West, 859 feet); thence N 32° 40' 24" E (recorded as N 33° 30' E), 815.00 feet; thence N 56° 48' 05" W (recorded as N 55° 30' W), 354.50 feet (recorded as N 53° 30' E, 355.6 feet); thence S 57° 17' 51" E, 829.95 feet (recorded as S 58° 30' E, 830.1 feet) to the Point of Beginning, containing 12.26 acre more or less, subject to the rights of the Public over adjoining Norton Road.

Private 20 feet wide storm sewer easement located in the Northeast quarter of Section 3, Town 2 North, Range 4 East, Marion Township, Livingston County, Michigan. Said parcel more particularly described as: Commencing at the Northwest corner of said Section 3, T2N-R4E, Marion Twp.; thence South 02° 00' 13" East, 685.35 feet to the Northwest corner of "Pinebrook Meadows", a Livingston County Site Condominium; thence South 02° 00' 13" East, 601.75 feet on the East line of said condominium; thence South 89° 20' 24" West, 866.93 feet on the South line of said condominium; thence North 32° 40' 24" East, 79.00 feet on the West line of said Condominium to the POINT OF BEGINNING; thence North 56° 48' 05" West, 195.00 feet; thence South 32° 40' 24" West, 64.53 feet; thence North 57° 18' 36" West, 20.00 feet; thence North 32° 40' 24" East, 84.51 feet on the Eastern right of way of "Norton Road" (66' wide, public); thence South 56° 48' 05" East, 215.00 feet; thence South 32° 40' 24" West, 20.00 feet to the POINT OF BEGINNING, said easement contains 0.13 acre more or less, being subject to easements and restrictions of record, if any.

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



### DRAWING INDEX

NO.	TITLE
1.	COVER SHEET
2.	SURVEY PLAN
3.	SITE PLAN
4.	UTILITY PLAN

**DEVELOPER**  
 PINEBROOK MEADOW DEVELOPMENT L.L.C.  
 403 EAST GRAND RIVER  
 SUITE B  
 BRIGHTON, MI 48118

### CIVIL ENGINEERS

ADVANTAGE CIVIL ENGINEERING, INC.  
 110 E. GRAND RIVER  
 HOWELL, MI, 48843

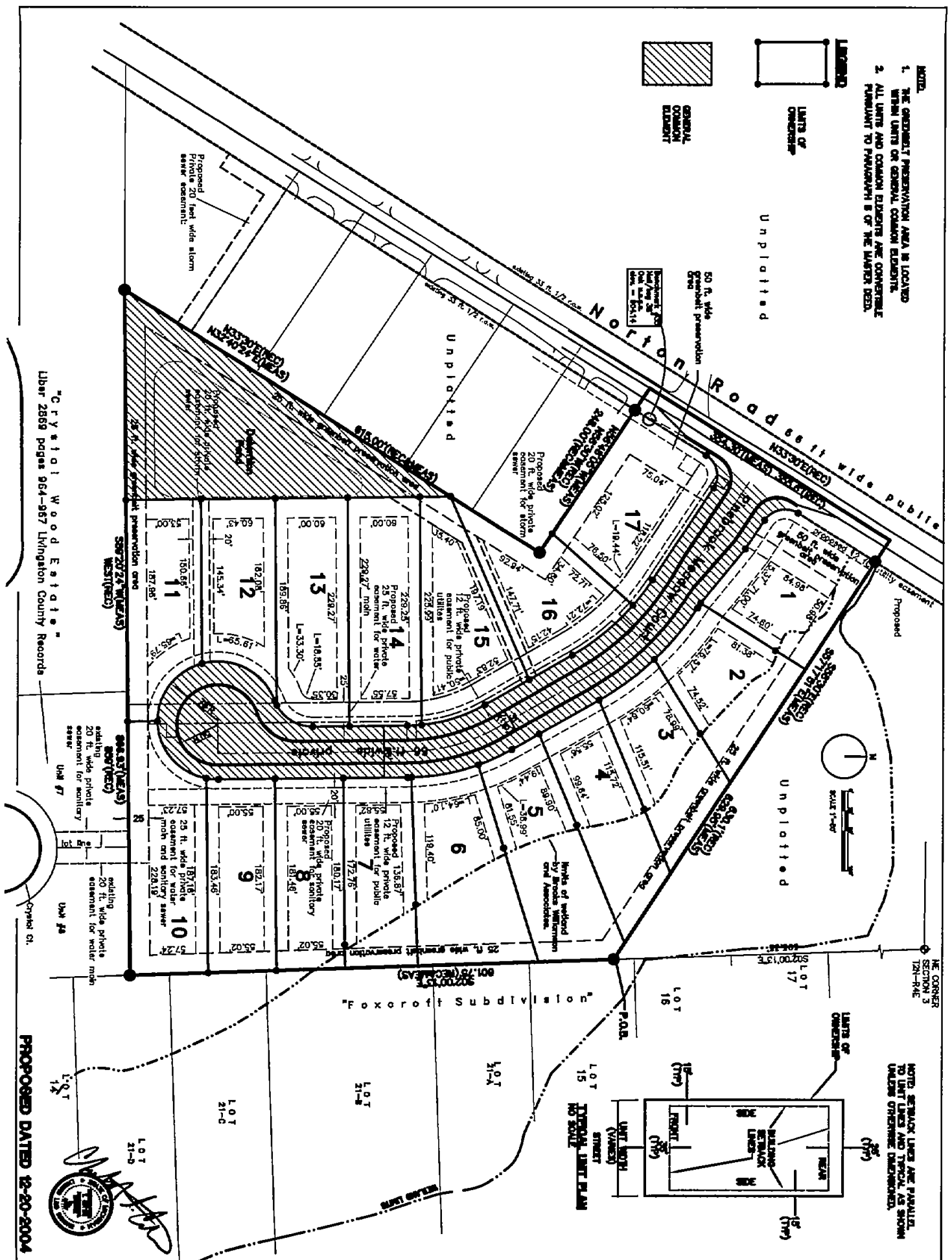
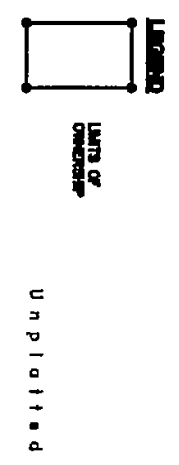


PROPOSED DATED 12-20-2004

<b>ADVANTAGE CIVIL ENGINEERING</b>	<b>PINEBROOK MEADOW</b> <b>COVER SHEET</b>	PINEBROOK MEADOW DEVELOPMENT L.L.C. 403 E. GRAND RIVER SUITE B BRIGHTON, MI 48118
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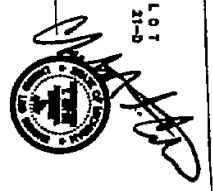


- NOTES:**
1. THE GENERALLY PRESERVATION AREA IS LOCATED WITHIN UNITS OR GENERAL COMMON ELEMENTS.
  2. ALL UNITS AND COMMON ELEMENTS ARE CONVERTIBLE PURSUANT TO PARAGRAPH 8 OF THE MASTER DEED.



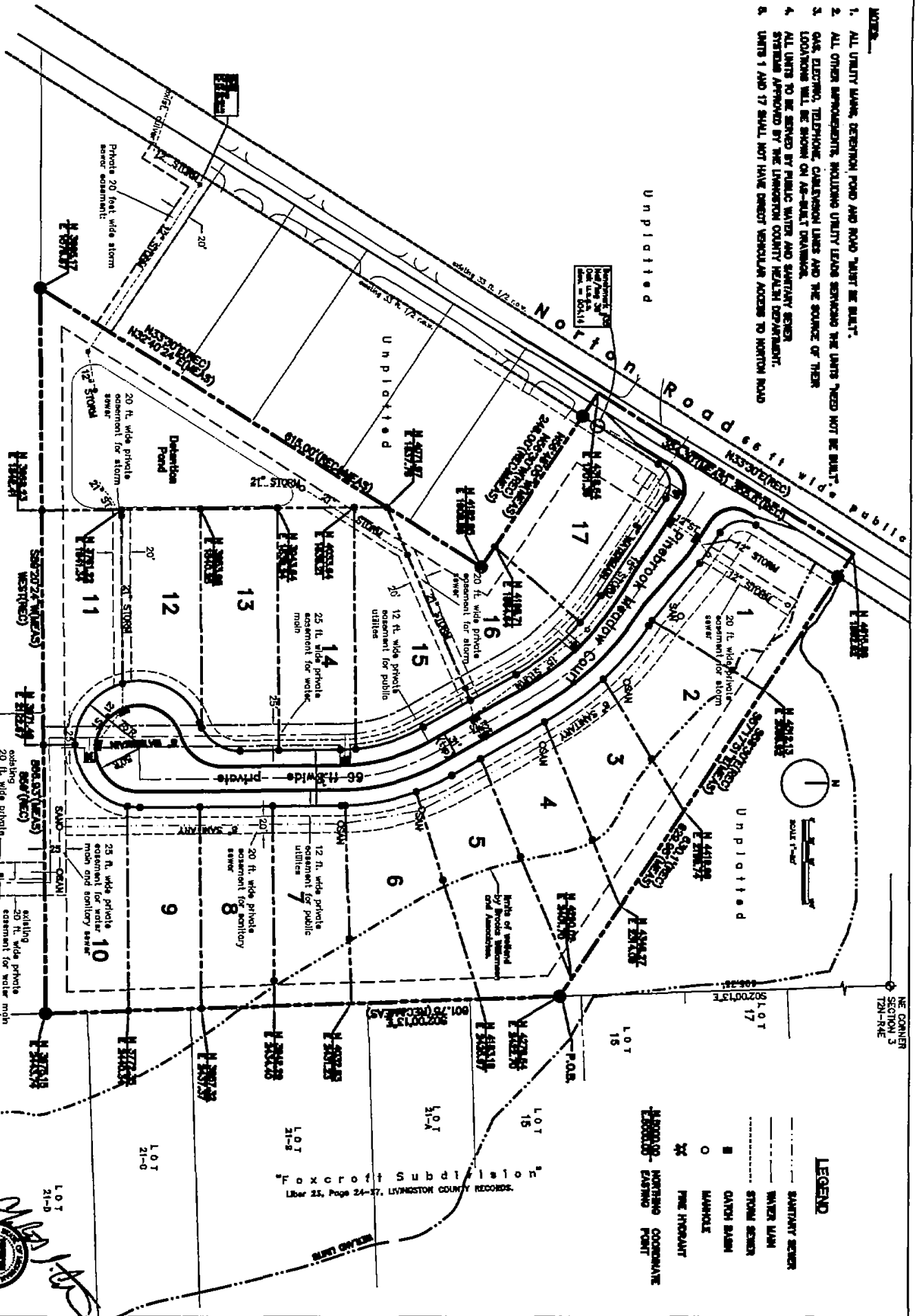
"City of Wood Estates"  
 Liber 2869 pages 964-967 Livingston County Records

PROPOSED DATED 12-20-2004

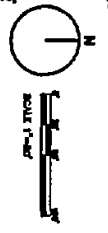


<p><b>3</b></p>	<p>DATE: 12-20-04</p> <p>SCALE: AS SHOWN</p> <p>PROJECT: PINEBROOK MEADOW</p> <p>CLIENT: PINEBROOK MEADOW DEVELOPMENT LLC</p> <p>ADDRESS: 403 E. GRAND RIVER</p> <p>CITY: BRISTOL, VA 24108</p>	<p><b>ADVANTAGE CIVIL ENGINEERING</b></p> <p><b>PINEBROOK MEADOW</b></p> <p><b>SITE PLAN</b></p>	<p>DATE: 12-20-04</p> <p>SCALE: AS SHOWN</p> <p>PROJECT: PINEBROOK MEADOW</p> <p>CLIENT: PINEBROOK MEADOW DEVELOPMENT LLC</p> <p>ADDRESS: 403 E. GRAND RIVER</p> <p>CITY: BRISTOL, VA 24108</p>
	<p>NOTES: SETBACK LINES ARE PARALLEL TO LOT LINES AND PERIODS AS SHOWN UNLESS OTHERWISE INDICATED.</p>		

- NOTES**
1. ALL UTILITY LINES, DETENTION POND AND ROAD SHALL BE BUILT.
  2. ALL OTHER IMPROVEMENTS, INCLUDING UTILITY LEADS SERVING THE UNITS NEED NOT BE BUILT.
  3. GAS, ELECTRIC, TELEPHONE, CABLEVISION LINES AND THE SOURCE OF THEIR LOCATIONS WILL BE SHOWN ON AS-BUILT DRAWINGS.
  4. ALL UNITS TO BE SERVED BY PUBLIC WATER AND SANITARY SEWER SYSTEMS APPROVED BY THE LIVINGSTON COUNTY HEALTH DEPARTMENT.
  5. UNITS 1 AND 17 SHALL NOT HAVE DIRECT VEHICULAR ACCESS TO HORTON ROAD.



Unplatted



**LEGEND**

--- (dashed line)	SANITARY SEWER
--- (dashed line)	WATER MAIN
--- (dashed line)	STORM SEWER
--- (dashed line)	CATCH BASIN
○ (circle)	MANHOLE
✕ (cross)	PIPE PROSANT
--- (dashed line)	PROPERTY COORDINATE
--- (dashed line)	EXISTING EASING POINT

Foxcroft Subdivision  
 Liber 25, Page 24-27, LIVINGSTON COUNTY RECORDS.

"Crystal Wood Estates"  
 Liber 2809 pages 964-987 Livingston County Records

PROPOSED DATED 12-20-2004

**ADVANTAGE CIVIL ENGINEERING**

**PINEBROOK MEADOW**  
 UTILITY/COORDINATE PLAN

**PINEBROOK MEADOW DEVELOPMENT L.L.C.**  
 406 E. GRAND RIVER  
 SUITE 200  
 BRIGHTON, MI 48109

DATE	DESCRIPTION

**4**