

# PARTRIDGE CREEK

HOMEOWNERS ASSOCIATION

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## **COMMUNITY BYLAWS**

UPDATED 2/4/2021

PARTRIDGE CREEK SUBDIVISION HOMEOWNERS ASSOCIATION  
AMENDED AND RESTATED BY-LAWS

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ARTICLE I  
NAME AND LOCATION

The name of this organization shall be Partridge Creek Subdivision Homeowners Association (hereinafter referred to as the "Association"). The Association is incorporated in the State of Michigan as a non-profit corporation and organized on a membership basis pursuant to the Michigan Nonprofit Corporation Act, Act 162 of the Public Act of 1982, (hereinafter referred to as the "Act").

ARTICLE II  
ADOPTION OF OTHER DOCUMENTS

SECTION 1. DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS; STORM DRAINAGE MAINTENANCE AGREEMENT. The Declaration of Covenants, Conditions and Restrictions dated May 14, 1996 and recorded on May 31, 1996 in Liber 3268, Pages 33 through 46, inclusive, the First Amendment to Declaration of Covenants, Conditions and Restrictions dated February 24, 1997 and recorded on July 10, 1997 in Liber 3457, Pages 849 through 851, inclusive, the First Amendment to Declaration of Covenants, Conditions and Restrictions dated February 24, 1997 and recorded on July 22, 1997 in Liber 3464, Pages 421 through 423, inclusive, and the Second Amendment to Declaration of Covenants, Conditions and Restrictions dated October 2, 1998 and recorded on October 19, 1998 in Liber 3787, Pages 351 through 352, inclusive, Washtenaw County Records, State of Michigan, and as may be further amended and re-stated from time to time as therein provided (the "Declaration"), and the Storm Drainage Maintenance Agreement also recorded in the Washtenaw County Records, as may be amended from time to time as therein provided (the "Maintenance Agreement"), for Partridge Creek Subdivision, Ypsilanti Township, Michigan, are hereby incorporated by reference and adopted in their entirety as part of the Amended and Restated By-Laws of Partridge Creek Subdivision Homeowners Association (hereinafter referred to as the "Association").

SECTION 2. ARTICLES OF INCORPORATION. The Articles of Incorporation of this Association filed with the Michigan Department of Consumer and Industry Services on January 7, 1997 (as may be amended from time to time, the "Articles of Incorporation"), are hereby incorporated by reference and adopted in their entirety as part of the Amended and Restated By-Laws of this Association.

SECTION 3. DEFINITION OF TERMS. Capitalized terms used in these By-Laws and not otherwise defined herein, shall have the meanings ascribed to such terms in the Declaration and the Maintenance Agreement, as the context dictates.

SECTION 4. CONFLICT OF TERMS AND PROVISIONS. In the event there exists any conflict the terms and provisions contained within the Declaration, the Maintenance Agreement, the Articles of Incorporation or these Amended and Restated By-Laws, the terms and provisions of the following documents, in their stated order of priority, shall control: (i) the Declaration; (ii) the Maintenance Agreement; (iii) the Articles of Incorporation of this Association; and (iv) the By-Laws of this Association.

### ARTICLE III REGISTERED OFFICE

SECTION 1. REGISTERED OFFICE. The registered office of the Association shall be at such location as the Board of Directors of the Association may determine from time to time.

### ARTICLE IV MEMBERS

SECTION 1. MEMBERSHIP. Every Owner of a Lot of record ("Owner") shall be a Member of the Association ("Member"). All membership rights and obligations shall be appurtenant to and may not be separated from ownership of any Lot. Where the Lot Owner is more than one (1) person or entity, said multiple owners shall be collectively one (1) Member, even though all of said co-owners shall be jointly and severally liable for the assessments levied against the Lot collectively owned by said co-owners, pursuant to Article II of the Declaration

The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership, and such membership shall continue until such time as the Owner's ownership terminates, at which time his/her membership shall automatically cease.

Proof of membership (such as a grant deed), if called for by the Association or its managing agent, must be provided to the Secretary of the Association (or other designated agent/representative) prior to any rights of membership being exercised.

SECTION 2. PLACE OF MEETING. Meetings of the Members of the Association shall be held in Washtenaw County, Michigan, or at a suitable place convenient to the Members as may be designated by the Board of Directors. Meetings of the Members of the Association shall be conducted in accordance with generally accepted rules of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation, these By-Laws or the laws of the State of Michigan.

SECTION 3. ANNUAL MEETING OF MEMBERS. The annual meeting of the Members of the Association (the "Annual Meeting") shall be held in the Month of May, on a day not a legal holiday, at 7:00p.m., local time, or at such other date and time as shall be determined from time to time by the Board of Directors of the Association, unless the action to be taken at the Annual Meeting is taken by written consent, as provided in Section 8 below. At said meeting, the Members shall elect Directors and shall transact such other business as may be properly brought before the meeting. If the Annual Meeting is not held on the date designated therefore, the Board of Directors shall cause the meeting to be held as soon thereafter as convenient.

SECTION 4. NOTICE OF MEETING OF MEMBERS. Except as otherwise provided in the Act, notice either written and/or posted on the website of the time, place and purposes of a meeting of Members shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting, to each Member of record entitled to vote at the meeting. When a meeting is adjourned to another time or place, it is not necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken and at the adjourned meeting only such business is transacted as might have been transacted at the original meeting. However, if after the adjournment, the Board of Directors fixes a new record date for the adjourned meeting, a notice of adjourned meeting shall be given to each Member. If a Member attends a meeting of the Members, that Member waives any objection to (1) lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to the holding of the meeting

or transacting business at the meeting; and, (2) consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when presented.

**SECTION 5. SPECIAL MEETING OF MEMBERS.** The Board of Directors of the Association, or the Members representing a majority of the total number of outstanding votes of all Members of the Association may call a special meeting of the Members of the Association. The method by which such meeting may be called is as follows: Upon receipt of a specification in writing and/or by electronic notification setting forth the date and objects of such proposed special meeting, signed by the Board of Directors or by a 10 percent minimum number of the Members of the Association, as set forth in Article IV, Section 6 of these Bylaws. The Secretary of the Association shall prepare, sign and mail and/or electronic notification the notice requisite to such meeting.

**SECTION 6. QUORUM OF MEMBERS.**

(a) With respect to the meeting of Members held for the purpose of electing the Directors of the Association, the quorum for holding such meeting shall be the Members present in person or in proxy, and there shall be no requirement that a minimum number of Members be present.

(b) With respect to the quorum for holding all other meetings of the Members, the quorum shall be established based on the total number of Lots contained within Partridge Creek No. 1 and any and all other subdivisions platted by Developer and added to the land which is subject to the Declaration (collectively, the "Partridge Creek Community").

Accordingly, the presence, in person or by proxy, of Members representing the following percentage of the total number of outstanding votes of all Members, shall constitute a quorum for holding all other meetings of Members:

<u>Total Lots within the Partridge Creek Community</u>	<u>Percentage of Total Votes</u>
Greater than Two Hundred (200) but less than Three Hundred (300)	Ten (10%) Percent

Once a quorum is established, the Members present in person or by proxy at such meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. Whether or not a quorum is present, the meeting may be adjourned by a vote of the Members present.

**SECTION 7. VOTE OF MEMBERS.**

Members of the Association who are in good standing shall have the following voting rights:

(a) **MEMBERS.** Each Member is entitled to one (1) vote on each matter submitted to a vote for each Lot owned by such Member, unless otherwise provided in the Articles of Incorporation. When more than one (1) person or entity holds an interest in any Lot or other portion of the Property (multiple ownership), all such persons shall constitute one (1) Member, but in no event shall there be more than one (1) vote cast with respect to any such Lot. When more than one (1) person or entity holds an interest in such Lot, the vote for the Lot shall be exercised as the multiple Owners may, among themselves, agree, and they shall notify the Association in writing of the person entitled to exercise such vote. In the event any multiple Owners fail to provide such notice to the Association within thirty (30) days prior to the date set for a meeting, the Owner whose name first appears on record title shall be deemed to be the Member authorized to vote on behalf of all the multiple Owners and any

vote cast in person or by proxy by said Owner, or the failure of said Owner to vote, shall be binding upon all such multiple Owners.

(b) VOTING GENERALLY. A Member may cast a vote orally, electronically or in writing. When an action is to be taken by vote of the Members, the action shall be authorized by a majority of the votes cast, unless the Articles of Incorporation or the Act require a greater plurality. Any Member may authorize any other Owner of another Lot to attend any meeting on his or her behalf and give such individual a written proxy to vote on any matter submitted to a vote.

(c) PROXIES. In lieu of personally appearing at an Association meeting to cast his or her vote, a Member may vote by signed proxy or Board authorized E-Proxy, however, that proxy will only be counted at the meeting if it was presented to the Secretary, or designated agent, of the Association by another Member prior to the meeting.

(d) ABSENTEE BALLOTS. Votes may be cast in person or by absentee ballot. Membership votes cast by absentee ballot are valid for the purpose of establishing a quorum. Absentee ballots are subject to the following:

- (1) The absentee ballot shall set forth each proposed action.
- (2) The absentee ballot shall provide an opportunity to vote for or against each proposed action.
- (3) The absentee ballot is valid for only one specified election or meeting of the members and expires automatically after the completion of the election or meeting.
- (4) The absentee ballot specifies the time and date by which the ballot must be delivered to the Association's legal counsel in order to be counted, which shall be at least seven days after the date that delivery of the un-voted absentee ballot to the member.
- (5) The absentee ballot does not authorize another person to cast votes on behalf of the member.

SECTION 8. CONSENT OF MEMBERS IN LIEU OF MEETING. Any action required or permitted by the Act to be taken at an annual or special meeting of Members may be taken without a meeting, without prior notice and without a vote, if all of the Members entitled to vote thereon consent thereto in writing. Any action required or permitted by the Act to be taken at any other meeting of Members may be taken without a meeting, without prior notice and without a vote, if consents in writing, setting forth the action so taken, are signed by the Members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all Members entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to Members who have not consented in writing.

SECTION 9. EVIDENCE OF OWNERSHIP. No Owner may vote, in person or by proxy, at any meeting of the Association until he or she has presented evidence of Lot ownership to the Association and is in good standing. To be in good standing, a Member must be current with his or her annual and special assessment obligations and not be in violation of these Amended Bylaws, the Restated Declaration, or the rules and regulations.

SECTION 10. SPECIAL MEETING FOR PURPOSE OF ESTABLISHING SPECIAL ASSESSMENTS: QUORUM REQUIREMENTS. Special assessments shall not be levied unless first approved by sixty (60%) percent of the Members, cast in person or by proxy at a meeting of the Association Members duly called for such a purpose. Written and/or electronic notice of such meeting shall be sent by

the Board of Directors to all Members at least thirty (30) days in advance of the meeting, which notice shall set forth the purpose of the meeting.

The quorum required for the first meeting called for the purpose of voting on a special assessment shall be least ninety (90%) percent of all of the then authorized votes present, by person or by proxy. If the required quorum is not present at the first meeting called for the purpose of considering the special assessment, another meeting may be called for said purpose, which notice thereof to be given as provided for in this Section 10, and the required quorum at any such subsequent meeting shall be reduced to sixty (60%) percent of all of the then authorized votes present, provided that such second meeting is held within sixty days from the date of the first meeting.

No special meeting shall be required for the levy or increase of annual assessments which shall be levied by the Board of Directors in accordance with Article II, Subsection A of the Declaration.

## ARTICLE V COMMITTEES

### SECTION 1. ARCHITECTURAL CONTROL COMMITTEE/REVIEW COMMITTEE.

(a) Creation. The Board of Directors may appoint an Architectural Control Committee which shall also serve as the Review Committee, with the powers granted or delegated and as specified in the Declaration. In the absence of an Architectural Control Committee, the Board of Directors shall act as set forth in Article V, subsection (c).

(b) Composition. The Architectural Control Committee shall consist of no less than three (3) Members and no more than five (5) Members, all to be appointed annually by the Board of Directors. The members of the Board of Directors may also serve on an Architectural Control Committee. Each member of an Architectural Control Committee shall be a Member of the Association who owns a Lot within the subdivision governed by such Architectural Control Committee, and shall serve a term of one year and until his or her successor has been elected and has accepted such election. In the event that a Member shall die, resign from an Architectural Control Committee, or no longer be a Member of the Association, the Board of Directors shall fill the vacancy so created by majority vote. Members of an Architectural Control Committee shall serve without compensation.

(c) Duties/Powers. The Architectural Control Committee may, subject to the approval of the Board of Directors and in accordance with these Bylaws and the Declaration, as amended, adopt guidelines, procedures and rules for (i) interpretation and enforcement of the Declaration, (ii) the performance of its duties and the conduct of its meetings, (iii) the submission for approval and approval process for any matter subject to approval of the Architectural Control Committee and/or (iv) any other matter regarding the maintenance, use, regulation or restrictions of each Lot and the Common Areas of the subdivision (collectively "Rules and Regulations"). Such Rules and Regulations shall be made available to all Members upon request. Changes to Rules and Regulations and any updates, adopted by the Board of Directors will be published to the members by the Board of Directors. In the event any dispute regarding the maintenance, regulation or restrictions relating to the Lots in the subdivision in accordance with the Declaration or enforcement of the Declaration, the decision of the Architectural Control Committee shall be binding on the Association and the Members (including any Member subject to a specific decision of the Architectural Control Committee), subject to the right of any affected Member(s) to appeal such decision in writing to the Board of Directors within thirty (30) days of any decision by the Architectural Control Committee. Such writing shall include any supporting documents relating to

such appeal. In addition, the affected Member(s) shall have the right to address the Board of Directors at the next regularly scheduled meeting of the Board of Directors following the date of such appeal is delivered to the Board of Directors (or such other date as the Board of Directors and the affected Member(s) mutually agree). The Board of Directors shall make a final decision on such appeal within thirty (30) days after the later to occur of (1) the date of such written appeal; or, (2) the date of the meeting of the Board of Directors at which the affected Member(s) voice such appeal. As the Declaration grants final authority to the Board, officers and committees of the Association to enforce the Declaration, any decision by the Board of Directors relating to any matter shall be binding and non-appealable.

**SECTION 2. FORMATION OF OTHER COMMITTEES.** The Board of Directors of the Association may designate one (1) or more committees, in addition to the Architectural Control Committee, each committee to consist of one (1) or more individuals who are residents of the community or Directors of the Association. The Board of Directors of the Association may designate one (1) or more individuals as alternate members of any committee, who may replace an absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the members thereof present at any meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another resident of the community or Director of the Association to act at the meeting in the place of any such absent or disqualified individual. Any such committee shall have the powers and authority of the Board of Directors of the Association in reference to the matter and in the manner set forth by the Board of Directors in the resolution creating such committee; provided, however, no such committee shall have the power or authority to (i) amend the Articles of Incorporation of the Association, (ii) recommend to the Members a dissolution of the Association, a revocation of a dissolution or a cessation of the Association, (iii) amend the By-Laws of the Association or (iv) fill vacancies in the Board of Directors. Any such committee, and each individual thereof, shall serve at the pleasure of the Board of Directors of the Association.

**SECTION 3. REGULAR MEETINGS OF THE COMMITTEE.** Regular meetings of any committee may be held without notice at such times and places as shall be determined from time to time by the members of said committee.

## **ARTICLE VI COVENANTS FOR MAINTENANCE AND CAPITAL CHARGES**

**SECTION 1. ANNUAL ASSESSMENTS.** Pursuant to Article II, Sections A(5), (6) and (7) of the Declaration, commencing in the year the Association is formed, and for each fiscal year of the Association thereafter, annual assessments shall be levied and paid in the following manner:

(a) The Board of Directors of the Association shall levy against each Lot an assessment, based upon the projected costs, expenses and obligations of the Association for the ensuing fiscal year, which assessment shall be a specified amount per Lot. In the event the actual costs, expenses and obligations of the Association exceed the amount projected, the Board of Directors of the Association shall have the right to levy against each Lot such additional assessments as may be necessary to defray such costs, expenses and obligations.

(b) Within thirty (30) days following the beginning of each fiscal year of the Association thereafter, the Board of Directors shall send a written notice of assessment to each Owner stating the amount of the assessment established by the Board of Directors for the ensuing year. Each Owner shall pay said assessment within thirty (30) days from the date said written statement is mailed. Assessments not paid within said thirty (30) day period shall be deemed delinquent and interest shall accrue on delinquent assessments at the interest rate established by resolution of the Association's Board of Directors, which interest rate shall not exceed the highest rate allowed by law.

(c) Any Owner who acquires a Lot from Developer or from a person or entity exempt from the payment of assessments under Article II, Section A(9) of the Declaration, shall pay to the Association, on the date said Lot is conveyed to the Owner an amount equal to the prorated balance of any annual assessment and special assessment, if any, established for the then current assessment period, based upon the number of days remaining in the then current assessment period from the date of conveyance. For each fiscal year thereafter, such Owner shall be liable for any and all assessments levied in accordance with Article VI.

(d) The Board of Directors, in its discretion, may establish an installment program for the payment of any regular, special or deficit assessment and may charge interest in connection therewith.

SECTION 2. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any improvements on the Common Areas, including any fixtures, equipment and other personal relating thereto, in the manner provided for in Article III, Section 10 above. Any such special assessments shall be due and payable according to the terms and conditions and in the manner specified in the resolution of the Association. Any special assessment not paid when due shall be deemed delinquent and interest shall accrue on such delinquent assessment at the interest rate established by resolution of the Association's Board of Directors, which interest rate not exceed the highest rate allowed by law.

SECTION 3. UNIFORM ASSESSMENT RATE; ASSESSMENTS AGAINST SPECIFIC PROPERTIES.

(a) Subject to Section 3(b) below, all annual and special assessments shall be fixed and established at the same rate for all Lots within the Partridge Creek Subdivision Community.

(b) In addition to the assessments otherwise authorized in this Article V, the Association may levy an assessment against one or more specific Lots, for the purpose of maintaining and caring for the surface thereof and any plantings, landscaping or other vegetation located thereon. An assessment for such purposes shall not be levied except in compliance with the following procedures:

(i) The Association shall determine that the appearance of a Lot, or a portion thereof, significantly detracts from the appearance and attractiveness of the remainder of the Partridge Creek Subdivision Community or otherwise constitutes a violation of the restrictions set forth in Article IV of the Declaration. Such determination shall be made by the Association's Board of Directors and as set forth in the Declaration, as amended.

(ii) Written notice of such determination which specifies the nature of the unsatisfactory condition and the actions required to remedy the unsatisfactory condition, shall be delivered to the Owner of the offending Lot.

(iii) The Owner shall have a period of not less than thirty (30) days from the date said Owner receives the above referenced notice to commence the required work.

(iv) If the Owner has not commenced the required work within said thirty (30) day period or, if having commenced such work, it is not completed within a reasonable time after commencement, the Association shall have the right to enter upon the Owner's property, complete the required work and assess the cost against



such Lot; provided, however, such cost shall not exceed the reasonable cost for performing such work.

(v) Any assessment under this Section 3(b) shall be due and payable thirty (30) days from the date the Owner receives a statement. Any such assessment not paid when due shall be deemed delinquent and interest shall accrue on such delinquent assessment at the interest rate established by resolution of the Association's Board of Directors, which interest rate shall not exceed the highest rate allowed by law.

SECTION 4. CERTIFICATE WITH RESPECT TO ASSESSMENTS. Upon the written request of any Owner, the Association shall furnish, within a reasonable time, a written certificate regarding the status of any assessments levied against such Owner's Lot(s). Any such certificate, when properly issued by the Association, shall be conclusive and binding with regard to the status of the assessment as between the Association and any bona fide purchaser of said Lot(s) described in the certificate and the lender who has taken a lien on said property as security for the repayment of a loan.

SECTION 5. COLLECTION OF ASSESSMENTS. Each Owner shall be obligated for the payment of all assessments levied on the Owner's Lot while that person is the Owner of the Lot, and no Owner may become exempt from liability for the Owner's contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Lot.

a. Legal Remedies. In the event of default by any Owner in paying the assessed common charges, the Board may declare all unpaid installments of the annual assessment for the pertinent fiscal year to be immediately due and payable. In addition, the Board may impose reasonable fines or charge interest at the legal rate on assessments from and after the due date including but not limited to late charges. Unpaid assessments, together with interest on the unpaid assessments, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorney fees, and fines in accordance with the Association Documents, shall constitute a lien on the Lot prior to all other liens except tax liens in favor of any state or federal taxing authority and sums unpaid on a mortgage of record recorded before the recording of any notice of lien by the Association; and the Association may enforce the collection of all sums due by suit at law for a money judgment or by foreclosure of the liens securing payment as provided by MCL 559.208. In a foreclosure proceeding, whether by advertisement or by judicial action, the Owner or anyone claiming under the Owner shall be liable for assessments charged against the Lot that become due before the redemption period expires, together with interest, advances made by the Association for taxes or other liens to protect its lien, costs, and reasonable attorney fees incurred in their collection.

b. Sale of Lot. On the sale or conveyance of a Lot, all unpaid assessments against the Lot shall be paid out of the sale price by the buyer in preference over any other assessment or charge except as otherwise provided by the Association Documents or by the Act. A buyer or grantee may request a written statement from the Association for the amount of unpaid assessments levied against the Lot being sold or conveyed, and the buyer or grantee shall not be liable for, nor shall the Lot sold or conveyed be subject to, a lien for any unpaid assessments in excess of the amount stated in a written response from the Association. However, unless the buyer or grantee requests a written statement from the Association at least five days before the sale as provided in the Act, the buyer or grantee shall be liable for any unpaid assessments against the Lot together with interest, late charges, fines, costs, and attorney fees.

c. Self-Help. The Association may enter the Common Elements, Limited or General, to remove and abate any condition constituting a violation or may discontinue the furnishing of services

to a Owner in default under any of the provisions of the Association Documents on seven days' written notice to the Owner of the Association's intent to do so. An Owner in default shall not be entitled to use any of the General Common Elements of the Association and shall not be entitled to vote at any meeting of the Association so long as the default continues, but this provision shall not operate to deprive any Owner of ingress and egress to and from the Owner's Lot.

d. Application of Payments. Money received by the Association in payment of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney fees if applicable; second, to any interest charges and fines for late payment on the assessments; and third, to installments of assessments in default in order of their due dates.

SECTION 6 SUBORDINATION OF LIENS TO MORTGAGES. Therefor assessments provided for in this Article V shall be subordinate to the lien of any mortgage or mortgages held by any bank, savings and loan association, insurance company, mortgage company or other similar institution existing of record at the time the lien for assessments shall be imposed. Sale or transfer of a Lot, or any portion thereof, shall not affect the assessment lien. However, the sale or transfer of any Lot in connection with a mortgage foreclosure proceeding, or any proceeding in lieu thereof, shall extinguish the lien of the assessments, interest and charges, which became due prior to such sale or transfer, but in no such event shall the prior Owner of said Lot be relieved of any liability for such obligations and debts. No sale or transfer pursuant to any foreclosure proceeding, or any proceeding in lieu thereof, shall relieve any Lot from any assessments thereafter levied or from the lien accruing from such assessments, and no subsequent sale or transfer shall release such Lot from liability for any assessment, interest or charges which thereafter become due or from any lien therefore.

## ARTICLE

## VII

### DIRECTORS

SECTION 1. BOARD OF DIRECTORS. The right to manage the affairs of the Association shall be exclusively vested in the Association's Board of Directors, who may delegate authority only as specifically permitted by these Amended and Re-Stated Bylaws, and as set forth in the Declaration, as amended. The term of office for each director shall be for two (2) years from the time of his or her election at the annual meeting until his or her successor has been elected and qualified. Directors shall serve without compensation and shall be deemed volunteer directors under the Act.

SECTION 2. NUMBER AND TERM OF DIRECTORS. The Board of Directors shall consist of at least five (5) Members, unless, at the annual meeting, the Members elect to increase or decrease the number of members of the Board of Directors but not more than nine (9) members. The Members shall elect three (3) Directors to serve terms of two (2) years each, and any additional Directors shall serve terms of one (1) year each. At such meeting, all nominees shall stand for election as one slate and the three (3) persons receiving the highest number of votes shall be elected for a term of two (2) years and the persons receiving the next highest number of votes shall be elected for terms of one (1) year. Thereafter, a Director shall hold office for two (2) years and until his or her successor is elected and qualified, or until his or her resignation or removal. All Directors must be Members of the Association, or officers, partners, trustees or employees of Members that are entities.

SECTION 3. REMOVAL OF DIRECTORS. Each Director shall serve on the Board of Directors until:

- (a) the expiration of such Director's term;
- (b) such Director tenders his or her resignation;

- (c) such Director is removed by the Members whose aggregate vote constitutes at least sixty-five (65%) percent of the total outstanding votes of all Members;
- (d) the death or mental incompetence of a Director; or
- (e) said Director (or his/her principal, if the Director is an agent of any Member) no longer holds an interest in any Lot.

Upon the occurrence of such resignation, removal, death, incompetence and/or withdrawal of Director, a new Director shall be elected by the affirmative vote of the Members whose votes constitute majority of all outstanding votes. All replacement members of the Board of Directors shall serve until the next Annual Meeting of the Members or until his or her successor is elected, whichever occurs first.

**SECTION 4. POWERS AND DUTIES.** The Board of Directors shall have all powers and duties necessary to administer the affairs of the Association and may do all acts and things as are not prohibited by the Declaration, the Maintenance Agreement, the Articles of Incorporation or required to be exercised and done by the Members. In addition to the foregoing duties imposed by these By-Laws or any further duties which may be imposed by resolution of the Members of the Association, the Board of Directors shall be responsible specifically for the following:

- (a) To manage and administer the affairs of and to maintain the Subdivision.
- (b) To suspend Membership rights in the event a Member becomes delinquent in his or her assessments and dues or if he or she is in violation of these Amended Bylaws, the Restated Declaration, or the rules and regulations occurs.
- (c) To levy and collect dues from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (d) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Subdivision.
- (e) To make rules and regulations in accordance with the Declarations and these Amended Bylaws.
- (f) Enforcing by legal means the provisions of the Declaration, Articles of Incorporation, the By-Laws, the Maintenance Agreement and the Rules and Regulations, and bringing or defending against any proceedings which may be instituted on behalf of or against the Association;

**SECTION 5. PLACE OF MEETINGS.** All meetings of the Board of Directors shall be held at the registered office of the Association, or at such other place within the County of Washtenaw, State of Michigan, as may be determined from time to time by the Board of Directors.

**SECTION 6. REGULAR MEETINGS OF THE BOARD OF DIRECTORS.** Regular meetings of the Board of Directors be held without notice at such times and places as shall be determined from time to time by the Board of Directors.

**SECTION 7. SPECIAL MEETINGS OF THE BOARD OF DIRECTORS.** Special meetings of the Board of Directors may be called at any time by a majority of the persons then comprising the

Board of Directors by providing notice of the time and place thereof to each Director not less than ten (10) days before the date such special meeting is to be held.

SECTION 8. QUORUM AND REQUIRED VOTE OF BOARD OF DIRECTORS. At all meetings of the Board of Directors, a majority of the members of the Board of Directors then in office shall constitute a quorum. The vote of the majority of Directors present at a meeting at which a quorum is present constitutes the action of the Board of Directors, unless a vote of a larger number is required by the Act, the Articles of Incorporation, the Declaration, the Maintenance Agreement, or these By-Laws. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present at such meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

SECTION 9. CONSENT OF DIRECTORS IN LIEU OF MEETING. Action required or permitted to be taken pursuant to authorization voted at a meeting of the Board of Directors then in office, may be taken without a meeting if, before or after the action, all members of the Board of Directors then in office consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board of Directors. The consent has the same effect as a vote of the Board of Directors for all purposes.

SECTION 10. PARTICIPATION IN MEETING BY TELEPHONE. A Director may in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in a meeting pursuant to this Section 10 constitutes presence in person at the meeting.

SECTION 11. WAIVER OF NOTICE. If a Director attends or participates in a meeting, the Director waives notice of the meeting, unless the Director at the beginning of the meeting, or his arrival, objects to the meeting or the transaction of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

## ARTICLE VIII NOTICES

SECTION 1. NOTICE. Any notice or communication to any Director or Member which is required under any provision of the Act, the Declaration, the Maintenance Agreement, the Articles of Incorporation or these By-Laws, must be given in writing, either by mail or land/air express courier service, addressed to such Director or Member, at the address designated by him or her for that purpose or, if none is designated, at his or her last known address. The notice or communication is given when deposited, with postage prepaid, in a post office or official depository under the exclusive care and custody of the United States postal service or in an appropriate depository for such land/air express courier service. The mailing shall be by first class mail, except where otherwise provided in the Act. Notice may also be given orally in person or telephone, or electronically and such notice shall be deemed to be given when the recipient receives the notice personally, by telephone or when the notice, addressed as provided above, has been delivered to the company, or to the equipment transmitting such notice. The notice of meeting need not identify the business to be transacted at, nor the purpose of, a regular or special meeting of the Members except as provided by the Act, the Declaration, the Maintenance Agreement, the Articles of Incorporation or these By-Laws.

SECTION 2. WAIVER OF NOTICE. When, under the Act or the Articles of Incorporation or these By-Laws, the Members of the Association or the Board of Directors may take action after notice to any person or after lapse of a prescribed period of time, the action may be taken without notice and without lapse of the applicable period of time, if at any time before or after the action is completed the person entitled to notice or to participate in the action to be taken or, in case of a

Member, by his or her attorney-in-fact, submits a signed waiver of such requirements. The waiver of notice of the meeting need not identify the business to be transacted at, nor the purpose of, a regular or special meeting of the Board of Directors or Members, except as provided by the Act, the Declaration, the Maintenance Agreement, the Articles of Incorporation or these By-Laws. Attendance of a person at a meeting constitutes a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

## ARTICLE IX OFFICERS

SECTION 1. SELECTION. The Board of Directors, at a meeting called for such purpose, shall appoint a President, Secretary and a Treasurer. The Board of Directors may also or appoint (1) or more Vice Presidents and such other officers, employees and/or agents as they shall deem necessary, which officers, employees and agents shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. Two (2) or more offices may be held by the same person. All Officers shall be Directors and shall serve without compensation.

SECTION 2. TERM, REMOVAL AND VACANCIES. Each officer of the Association shall hold office for the term for which he or she is appointed and until his or her successor is appointed, or until his or her resignation or removal. The Board of Directors may remove any officer appointed by the Board of Directors with or without cause at any time. Any officer may resign by written notice to the Board of Directors. The Board of Directors may fill any vacancy occurring in any office.

SECTION 3. PRESIDENT. The President shall be the Chief Executive Officer of the Association and must be a Director. The President shall preside over all meetings of the Board of Directors and of the Members of the Association. The President shall, in general, perform all duties incident to the office of President as may be prescribed by the Board of Directors.

SECTION 4. VICE PRESIDENTS. The Board of Directors may appoint one (1) or more Vice Presidents. A Vice President shall perform the duties and exercise the powers of the President during the absence or disability of the President. The Vice President shall perform such other duties as may be prescribed by the Board of Directors.

SECTION 5. SECRETARY. The Secretary shall attend all meetings of the Members and Board of Directors, and shall preserve in the books of the Association true minutes of the proceedings of all such meetings. The Secretary shall have charge of the Association's seal, if any, and shall have authority to affix the same to all instruments where its use is required or permitted. The Secretary shall give all notices required by the Act, these By-Laws or resolution and shall perform such other duties as may be prescribed by the Board of Directors.

SECTION 6. TREASURER. The Treasurer shall have custody of all Association funds and securities and shall keep in the Association's books full and accurate accounts of all receipts and disbursements. The Treasurer shall deposit all monies, securities and other valuable effects in the name of the Association in such depositories as may be designated for that purpose by the Board of Directors. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, whenever requested, an account of all transactions and of the financial condition of the Association. The Treasurer shall also perform such other duties as may be prescribed by the Board of Directors.

ARTICLE X  
TAXES, INSURANCE, AND REPAIR

SECTION 1. REAL PROPERTY TAXES. Real property taxes and assessments shall be levied against the individual Lots and not against the Property of the Association or any phase of the Association, except for the calendar year in which the Association or phase is established. Taxes and assessments that become a lien against the Property in the year in which the Association was established shall be expenses of administration and shall be assessed against the Lots located on the land with respect to which the tax or assessment was levied in proportion to the Percentage of Value assigned to each Lot. Real property taxes and assessments levied in any year in which a vacation of the Association occurs shall be assessed only against the individual Lots. For tax and special assessment purposes, no Lot shall be combined with any other Lot or Lots, and no assessment of any fraction of a Lot or combination of any Lot with other whole or partial Lots shall be made, nor shall any division or split of the assessment or taxes of a single Lot be made, whether the Lot is owned by an individual or multiple Owners. Taxes for real property improvements made to or within a specific Lot shall be assessed against that Lot only, and each Lot shall be treated as a separate, single parcel of real property for purposes of property taxes and special assessments.

SECTION 2. INSURANCE COVERAGE. The Association shall be appointed as attorney-in-fact for each Owner to act on insurance matters and shall be required to obtain and maintain, to the extent applicable, casualty insurance with extended coverage, vandalism, and malicious mischief endorsements; liability insurance (including director's and officer's liability coverage if deemed advisable); and worker's compensation insurance pertinent to the ownership, use, and maintenance of the Common Elements of the Association. All insurance shall be purchased by the Board of Directors for the benefit of the Association, the Owners, and the mortgagees, as their interests may appear. The insurance, other than title insurance, shall be carried and administered according to the following provisions:

a. Owner Responsibilities. Each Owner will be responsible for obtaining casualty insurance coverage at the Owner's expense with respect to the residence and all other improvements constructed or located within the perimeters of the Owner's Lot and for the Limited Common Elements appurtenant to the Owner's Lot. It shall also be each Owner's responsibility to obtain insurance coverage for the Owner's personal property within the Owner's Lot or elsewhere on the Association, for personal liability for occurrences within the Owner's Lot or on the Limited Common Elements appurtenant to the Owner's Lot, and for alternative living expenses in the event of fire or other casualty causing temporary loss of the Owner's residence. All insurance carried by the Association or any Owner shall contain provisions permitting the waiver of the right of subrogation for any claims against any Owner or the Association for insured losses.

b. Common Element Insurance. The General Common Elements of the Association shall be insured by the Association against casualties covered by a standard extended coverage endorsement, to the extent deemed applicable and appropriate, in an amount to be determined annually by the Board of Directors. The Association shall not be responsible for maintaining insurance with respect to the Limited Common Elements, the Lots themselves, or any improvements located within the Lots.

c. Fidelity Insurance. The Association may obtain, if desired, fidelity coverage to protect against dishonest acts by its officers, directors, employees, and all others who are responsible for handling funds of the Association.

d. Power of Attorney. The Board of Directors is irrevocably appointed as the agent for each Owner, each mortgagee, other named insureds and their beneficiaries, and any other holder of a lien or another interest in the Association or the Property to adjust and settle all claims arising

under insurance policies purchased by the Board and to execute and deliver releases on the payment of claims.

e. Indemnification. Each individual Owner shall indemnify and hold harmless every other Owner and the Association for all damages, costs, and judgments, including actual attorney fees, that any indemnified party may suffer as a result of defending claims arising out of an occurrence on or within an individual Owner's Lot or appurtenant Limited Common Elements. This provision shall not be construed to give an insurer any subrogation right or other right or claim against an individual Owner or the Association, which rights are waived.

f. Premium Expenses. Unless otherwise provided, all premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration of the Association.

SECTION 3. RECONSTRUCTION AND REPAIR. If any part of the Association Property is damaged or destroyed by fire or other casualty, the decision whether or not it will be reconstructed or repaired will be made in the following manner:

a. General Common Elements. If the damaged property is a General Common Element, the damaged property shall be repaired or rebuilt unless 80 percent or more of the Owners and the institutional holders of mortgages on any Lot in the Association agree to the contrary. However, if the damaged property is common roadway and is the sole means of ingress and egress to one or more Lots in the Association, it will be repaired or rebuilt unless the 80 percent or more of the Owners agreeing not to repair or rebuild includes the Owners of all such Lots.

b. Limited Common Elements and Improvements. If the damaged property is a Limited Common Element or an improvement located within the boundaries of a Lot, the Owner of the affected Lot alone shall determine whether to rebuild or repair the damaged property, subject to the rights of any mortgagee or other person having an interest in the property, and the Owner shall be responsible for the cost of any reconstruction or repair that the Owner elects to make. The Owner shall in any event remove all debris and restore the Lot and its improvements to a clean and slightly condition satisfactory to the Association within a reasonable period of time following the occurrence of the damage.

c. Reconstruction Standards. Any reconstruction or repair shall be substantially in accordance with the Master Deed and the original plans and specifications for the improvements located within the Lot, unless prior written approval for changes is obtained from the Board of Directors.

d. Procedure and Timing. Immediately after the occurrence of a casualty causing damage that is to be reconstructed or repaired by the Association, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to cover the estimated cost of reconstruction or repair required to be performed by the Association or if at any time during the reconstruction or repair the funds for the payment of the costs by the Association are insufficient, assessment shall be levied against all Owners in sufficient amounts to provide funds to pay the estimated or actual costs of reconstruction or repair. This provision shall not be construed to require the replacement of mature trees and vegetation with equivalent trees or vegetation.

SECTION 4. EMINENT DOMAIN. The following provisions will control on any taking by eminent domain:

a. Lots. In the event of the taking of all or any portion of a Association Lot or any improvements located within the perimeters of a Lot, the award for the taking shall be paid to the Owner of the Lot and any mortgagee, according to their interests. If an Owner's entire Lot is taken by eminent domain, the Owner and any mortgagee shall, after acceptance of the condemnation award, be divested of all interest in the Association.

b. Common Elements. In the event of the taking of all or any portion of the General Common Elements, the condemnation proceeds relative to the taking shall be paid to the Association for use by or distribution to its members. The affirmative vote of 80 percent or more of the Owners in number and in value shall determine whether to rebuild, repair, or replace the portion taken or to take another action.

c. Amendment to the Master Deed. If the Association continues after the taking by eminent domain, the remaining portion of the Association shall be resurveyed and the Master Deed amended accordingly; and if any Lot has been taken, section 5 of the Master Deed shall also be amended to reflect the taking and to proportionately readjust the Percentages of Value of the remaining Owners based on the continuing total value of the Association of 100 percent. The amendment may be completed by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval by any Owner.

d. Notice to Mortgagees. If any Lot in the Association, the Common Elements, or any portion of them is made the subject matter of an eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association shall promptly notify each holder of a publicly recorded mortgage lien on any of the Lots in the Association.

e. Inconsistent Provisions. To the extent not inconsistent with the provisions of this section, MCL 559.233 shall control on any taking by eminent domain.

## ARTICLE XI. CONSTRUCTION REQUIREMENTS

SECTION 1. DESIGN STANDARDS. Design standards for Lots in the Association are set forth in this section. Design standards promote quality, value, and stability for Lot Owners. The standards in this section are intended to promote consistency of architecture and landscape design and to enhance and preserve real estate values.

SECTION 2. REVIEW COMMITTEE. The mission of the Architectural Control Committee (the "Review Committee") is to ensure that all plans submitted for review, and all subsequent exterior changes or modifications, meet the criteria established in the design standards. In its absence, the Board of Directors shall serve as the "Review Committee" with the powers and duties established herein. The design standards for the Association are intended to provide a compatible neighborhood image. Following the Development and Sales Period, no residence, structure, or other improvements shall be constructed within a Lot or elsewhere on the Property and no exterior modification shall be made to any existing residence, structure, or improvement unless plans and specifications containing whatever detail the Review Committee reasonably requires has first been approved in writing by the Review Committee. The Review Committee shall have the right to refuse to approve any plans and specifications, color or material applications, grading or landscaping plans, or building location plans that are not suitable or desirable in its opinion for aesthetic or other reasons. In passing on the plans and specifications, the Review Committee shall have the right to take into consideration the suitability of the proposed structure, improvement, or modification, the site on which it is proposed to be constructed, the proposed location of any improvement within the Lot, the location of structures within adjoining Lots and the degree of harmony with the Association as a whole.



SECTION 3. APPROVAL OF CONTRACTOR. All residences and other structures shall be constructed only by residential home builders licensed by the State of Michigan and approved in writing by the Board of Directors. If building construction is intended to commence within three months after the date of plan approval, the name of the proposed residential builder must be submitted when the plans and specifications are submitted. If construction is to be delayed beyond three months, the name of the proposed residential builder must be submitted for approval at least 60 days before the commencement of construction. In its approval process, the Review Committee may take into consideration the qualifications of the proposed builder along with its reputation in the community before deciding whether or not that builder will be approved for participation in the Association. Construction of all other improvements, including swimming pools and landscaping, must also be done by contractors approved in writing by the Review Committee.

SECTION 4. SPECIFIC REQUIREMENTS. All approvals required by this section shall comply with the following requirements:

a. Construction Materials. Each residence shall be finished with wood, masonry (brick), or vinyl exterior, including windows of exterior white color and clad with either aluminum or vinyl. Exposed chimneys shall be constructed of brick, stone, or vinyl; and exposed concrete masonry on all other visible improvements shall also be finished with brick, stone, or vinyl. Roofs must be of shingle construction using cedar, fiberglass, or asphalt shingles. Driveways may be of asphalt, brick, or cement. Any children's play areas and decorative fencing shall be constructed primarily of wood or have a wood appearance. All exterior paints, stains, and material colors must be shown as part of the plan submitted for approval, and samples shall be furnished to the Review Committee on request, which consent shall not be unreasonably withheld.

b. Size and Space Requirements. No residence shall be constructed on any home contrary to those specifications set forth in the Master Deed Plan.

c. Improvements and Outbuildings. Each residence must be equipped with an attached garage of not less than two stalls and not more than three stalls, and outside parking for a minimum of four vehicles shall be provided on or along the driveway. One additional detached structure of a size as determined by the Review Committee will be permitted for storage or accessory garage space.

d. Letter and Delivery Boxes. The Review Committee will determine the location, design, and permitted lettering of all mail and paper delivery boxes. Each Owner will either install a mailbox and delivery box or pay the reasonable cost of installation as determined by the Review Committee for installation by the Association.

SECTION 5. CODES AND ORDINANCES. In addition to the construction requirements in this Section, all buildings and other structures must comply with applicable building, mechanical, electrical, and plumbing codes of the applicable jurisdictions in effect when the building or structure is erected.

SECTION 6. TIME FOR CONSTRUCTION. At the time of submitting the name of a proposed residential builder for approval, a date for commencement of construction (which shall not be more than three years after the date of approval) must be agreed on and approved by the Review Committee. Once construction has started, work on the building must be diligently pursued and completed within a maximum of 12 months from the date of commencement. The Committee may extend the time for commencement or completion when, in its opinion, conditions warrant an extension.

SECTION 7. BUILDING LINES. For the purpose of this section, the word building will mean the main residence; the garage and related outbuildings; and their projections such as eaves; bay, bow, or oriel windows; exterior chimneys; covered porches; porticos; loggias; and similar projections. Building will not include open pergolas, uncovered porches, open terraces, stoops, steps, or balustrades the sides of which do not extend more than three feet above the level of the ground floor of the main building.

SECTION 8. PERMITTED VARIANCE. The Review Committee may, on a showing of practical difficulty or other good cause, grant variances from the requirements of this section, but only to an extent and in a manner that does not violate the spirit and intent of the requirements.

SECTION 9. SETBACK LINES. No building will be erected on any Lot nearer to the street line or to either side Lot boundary or closer to the rear Lot boundary than permitted by the setback requirements of the zoning applicable to the Lot that is in effect at the time of the contemplated construction of any building unless a variance or other permission for the setback is obtained from the applicable authority. If compliance with these setback requirements is impracticable or would create a hardship for a corner Lot or an odd-shaped building site, the Review Board may specify front yard, side yard, and rear yard widths and depths that are less than those required by this section. When 1 1/2 or more Lots are acquired as a single building site, the side Lot boundaries will refer only to the Lot boundary lines bordering the property of adjoining owners.

SECTION 10. BUILDING HEIGHT. The height of any building shall not be more than 21/2 stories. If any portion of a level or floor within a building is below grade, all of that level or floor shall be considered a basement level.

SECTION 11. IMPROVEMENTS ADJOINING ROADWAY. No trees, plantings, fencing, or other improvements will be placed where they obstruct vehicular visibility at or near street intersections.

SECTION 12. SOIL FROM EXCAVATION. All soil to be removed from any of the Lots in the course of grading or excavating will, at the Association's option, become the property of the Association and be placed by the Owner or the Owner's contractor at the Owner's expense in a location within or adjoining the Association designated by the Association.

## ARTICLE XII. USE AND OCCUPANCY RESTRICTIONS

SECTION 1. RESIDENTIAL USE. Lots shall be used exclusively for residential occupancy, and no Lot or appurtenant Common Element shall be used for any purpose other than that of a single-family residence and purposes incidental to residential use. Home occupations conducted entirely within the residence and participated in solely by members of the immediate family residing in the residence that do not generate unreasonable traffic by members of the general public and do not change the residential character of the Lot or neighborhood are permitted as incidental to primary residential use. No building intended for other business uses and no apartment house, rooming house, day care facility, foster care residence, or other commercial or multiple-family dwelling of any kind shall be erected, placed, or permitted on any Lot.

SECTION 2. HOME OCCUPATIONS. To be permitted as a home occupation, there must be (a) no sign or display that indicates from the exterior that the residence is being used for any purpose other than that of a single-family dwelling; (b) no goods or commodities kept for viewing or sale within the Lot or the Association; and (c) no mechanical or electrical equipment used other than personal computers and other office equipment. In no event shall any barbershop, styling salon,

beauty parlor, tearoom, animal hospital, or any other form of animal care or treatment such as dog trimming be considered as a home occupation.

SECTION 3. COMMON AREAS. The Common Elements shall be used only by the Owners of Lots in the Association and their agents, tenants, family members, invitees, and licensees for access, ingress to, and egress from the respective Lots and for other purposes incidental to use of the Lots. Any parking areas or other Common Elements designed for a specific purpose shall be used only for those purposes or other uses approved by the Board. The use, maintenance, and operation of the Common Elements shall not be obstructed, damaged, or unreasonably interfered with by any Owner and shall be subject to any lease or easement presently in existence or entered into by the Board at some future date that affects all or any part of the Common Elements.

SECTION 4. USE AND OCCUPANCY RESTRICTIONS. In addition to the general requirements of Sections 1 through 3 above, the use of the Association and its Common Elements by any Owner shall be subject to the following specific restrictions:

a. Exterior Changes. No Owner shall make any additions, alterations, or modifications to any of the Common Elements or any changes to the exterior appearance of the building or other improvements within the perimeters of the Owner's Lot without prior approval of the Review Committee. A change in the color of a residence or a significant landscaping change are included within the meaning of a change in exterior appearance.

b. Lot Rental. No portion of a Lot may be rented and no transient tenants be accommodated in any building, but this restriction shall not prevent the rental or sublease of an entire Lot together with its appurtenant Limited Common Elements for residential purposes in the manner permitted by these Bylaws.

c. Nuisances. No nuisances shall be permitted on the Property, nor shall any use or practice be permitted that is a source of annoyance to or that unreasonably interferes with the peaceful possession or proper use of the Association by its residents. No Lot shall be used in whole or in part for the storage of rubbish or trash or for the storage of any property or thing that may cause the Lot to appear in an unclean or untidy condition. No substance or material shall be kept on a Lot that will emit foul or obnoxious odors or that will cause excessive noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding Lots.

d. Prohibited Uses. Nothing shall be done or kept in any Lot or on the Common Elements that will increase the rate of insurance for the Association without the prior written consent of the Association. No Owner shall permit anything to be done or kept in the Owner's Lot or elsewhere on the Common Elements that will result in the cancellation of insurance on any Lot or any part of the Common Elements or that will violate any law.

e. Signs. No signs or other advertising devices (other than one professionally made unlit sign or a sign of substantially the same quality and appearance advertising a Lot for sale that is not larger than that set forth in the Rules and Regulations of the Association, shall be displayed from any residence or on any Lot that are visible from the exterior of the Lot or from the Common Elements without written permission from the Association or its managing agent.

f. Personal Property. No Owner shall display, hang, or store any clothing, sheets, blankets, laundry, or other items of personal property outside a residence or ancillary building. This restriction shall not be construed to prohibit an Owner from placing and maintaining outdoor furniture and accouterments and decorative foliage of a customary nature and appearance on a patio, deck, or balcony of a Lot, though no such furniture or other personal property shall be stored

on any open patio, deck, or balcony that is visible from another Lot or from the Common Elements of the Association.

g. Firearms, Weapons and Fireworks. No Owner shall use/discharge or permit the use/discharge by any occupant, agent, tenant, invitee, guest, or member of the Owner's family of any firearms; air rifles; pellet guns; BB guns; bows and arrows; or other dangerous weapons anywhere on or about the property. Projectiles, including fireworks that leave the ground are not permitted anywhere on or about the property. Violations of this bylaw will be subject to a \$100.00 fine per violation. Notice of fine will be sent via mail to the homeowner.

h. Recreational Vehicles. No recreational vehicles, boats, or trailers shall be parked or stored in any garage if the storage would prevent full closure of the garage door or elsewhere on the Property without the written approval of the Association. No snowmobile, all-terrain vehicle, or other motorized recreational vehicle shall be operated on the Property. No maintenance or repair shall be performed on any boat or recreational vehicle except within a garage or residence where totally isolated from public view.

i. Flood Lighting. No vapor lights or flood lights that are would create light pollution beyond you property boundaries will be permitted.

j. Use of Common Elements. The General Common Elements shall not be used for the storage of supplies or personal property (except for the short periods of time that are reasonably necessary to permit the placement of trash for collection the next day). No vehicles shall be parked on or along the roadways (except for parties or receptions generating a need for off-site parking), and Owners shall not personally use or obstruct any guest parking areas that are located on the Common Elements of the Association without the prior consent of the Association. No Owner shall in any way restrict access to any utility line or other area that must be accessible to service the Common Elements or that affects an Association responsibility in any way. In general, no activity shall be carried on or condition maintained by any Owner either in the Owner's Lot or on the Common Elements that despoils the appearance of the Association or is conducted in such a manner so as to be a violation of this provision or the existing Rules and Regulations of the Association.

k. Application of Restrictions. Unless arbitration is elected pursuant to these Bylaws, a dispute or question whether a violation of any specific regulation or restriction in this section has occurred shall be submitted to the Board of Directors of the Association, which shall conduct a hearing and render a decision in writing, which shall be binding on all owners and other parties with an interest in the Association.

SECTION 5. ZONING COMPLIANCE. In addition to the restrictions in Article XII, the use of any Lot or structure on the Property must satisfy the requirements of the zoning ordinances of the municipality where the Association is located in effect at the time of the contemplated use unless a variance for the use is obtained from a Lot of government with jurisdiction over the use of the Lot and Property.

SECTION 6. RULES OF CONDUCT. Additional rules and regulations consistent with the Act, the Master Deed, and these Bylaws concerning the use of Lots and Common Elements may be promulgated and amended by the Board. Copies of the rules and regulations must be furnished by the Board to each Owner at least 10 days before their effective date and may be revoked at any time by the affirmative vote of the Board or 60 percent or more of all Owners.

SECTION 7. ENFORCEMENT BY ASSOCIATION. The Association shall at all times be maintained in a manner consistent with the highest standards of a private residential community used and occupied for the benefit of the Owners and all other persons interested in the Association. If at any time an Owner fails or refuses to carry out his or her obligations to maintain, repair, replace,

and landscape in a manner consistent with the maintenance of such standards, the Association, may, at its option, elect to maintain, repair, or replace any Common Elements or to do any landscaping required by these Bylaws and to charge the cost to the responsible Owner as an expense of administration. The Association shall have the right to enforce these Bylaws and this right of enforcement shall include (without limitation) an action to restrain the Association or any Owner from any prohibited activity.

SECTION 8. OWNER ENFORCEMENT. An aggrieved Owner will also be entitled to compel enforcement of the Association Documents by an action for injunctive relief or damages against the Association, its officers, or another Owner in the Association.

SECTION 9. REMEDIES ON BREACH. In addition to the remedies granted by Article V for the collection of assessments, the Association shall have the right, in the event of a violation of the restrictions on use and occupancy imposed by this ARTICLE XII, to enter the Lot and to remove or correct the cause of the violation. The entry will not constitute a trespass, and the Owner of the Lot will reimburse the Association for all costs of the removal or correction. Failure to enforce any of the restrictions in this section will not constitute a waiver of the right of the Association to enforce restrictions in the future.

### ARTICLE XIII LEASES

SECTION 1. NOTICE OF LEASE. An Owner, including the Association, who intends to lease a Lot shall disclose that fact in writing to the Association at least 10 days before presenting a lease form to the prospective tenant and, at the same time, shall supply the Association with a copy of the lease form. No Lot shall be leased for a period of less than 90 days without the prior written consent of the Association.

SECTION 2. TERMS OF LEASE. All occupants of a Lot shall comply with all the conditions of the Association Documents of the Association, and all lease and rental agreements must require compliance.

SECTION 3. REMEDIES OF THE ASSOCIATION. If the Association determines that any non-Owner occupant has failed to comply with any conditions of the Association Documents, the Association may take the following action:

a. Notice. The Association shall notify the Owner by certified mail advising of the alleged violation by the non-Owner occupant.

b. Investigation. The Owner will have 15 days after receipt of the notice to investigate and correct the alleged breach by the non-Owner occupant or to advise the Association that a violation has not occurred.

c. Legal Action. If, after 15 days the Association believes that the alleged breach has not been cured or may be repeated, it may institute an action for eviction against the non-Owner occupant and a simultaneous action for money damages (in the same or in a separate action) against the Owner and the non-Owner occupant for breach of the conditions of the Association Documents. The relief provided for in this section may be by summary proceeding. The Association may hold both the non-Owner occupant and the Owner liable for any damages to the Common Elements caused by the Owner or the non-Owner occupant in connection with the Lot or the Association.

SECTION 4. LIABILITY FOR ASSESSMENTS. If an Owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a non-Owner occupant

occupying the Owner's Lot under a lease or rental agreement and the non-Owner occupant, after receiving such notice, shall deduct from rental payments due the Owner the full arrearage and future assessments as they fall due and pay them to the Association. Such deductions shall not be a breach of the lease agreement by the non-Owner occupant.

## ARTICLE XIV INDEMNIFICATION

**SECTION 1. NON-DERIVATIVE ACTIONS.** Subject to all of the other provisions of this Article XIII, the Association shall indemnify any person who was or is a party defendant (including counter defendants, third party defendants and cross defendants), or is threatened to be made a party defendant (including counter defendants, third party defendants and cross defendants), to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, formal or informal (other than an action by or in the right of the Association), by reason of the fact that the person is or was a Director or officer of the Association, or, while serving as a Director or officer of the Association, is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses (including actual and reasonable attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with defending such action, suit, or proceeding, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Association or its Members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interests of the Association or its Members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

**SECTION 2. DERIVATIVE ACTIONS.** Subject to all of the other provisions of this Article IX, the Association shall indemnify any person who was or is a party defendant (including counter defendants, third party defendants and cross defendants), to or is threatened to be made a party defendant (including counter defendants, third party defendants and cross defendants), to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that the person is or was a Director or officer of the Association, or, while serving as a Director or officer of the Association, is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses (including actual and reasonable attorney fees) and amounts paid in settlement actually and reasonably incurred by the person in connection with defending the action or suit, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Association or its Members. However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to the Association unless and only to the extent that the court in which the action or suit was brought has determined on application that, despite the adjudication of liability but in view of all the circumstances of the case (and regardless of whether such officer or Director has met the standards of conduct described above, i.e. "good faith," "best interests of the corporation" or "no reasonable cause to believe his or her conduct was unlawful"), the person is fairly and reasonably entitled to indemnification for the reasonable expenses incurred.

**SECTION 3. EXPENSES OF SUCCESSFUL DEFENSE.** Without limiting the foregoing indemnities in any way, to the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 1 and 2 of this Article XIII, or in

defense of any claim, issue, or matter in the action, suit, or proceeding (and regardless of whether such officer or director has met the standards of conduct described above, i.e. "good faith," "best interests of the corporation" or "no reasonable cause to believe his conduct was unlawful"), the person shall be indemnified against actual and reasonable expenses (including attorney fees) incurred by the person in connection with the action, suit, or proceeding and an action, suit, or proceeding brought to enforce the mandatory indemnification provided in this Section 3.

SECTION 4. DEFINITION. For the purposes of Sections 1 and 2, "other enterprises" shall include employee benefit plans; "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and "serving at the request of the Association" shall include any service as a Director, officer, employee, or agent of the Association that imposes duties on, or involves services by, the Director or officer with respect to an employee benefit plan, its participants, or its beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be considered to have acted in a manner "not opposed to the best interests of the Association or its Members" as referred to in Sections 1 and 2.

SECTION 5. CONTRACT RIGHT; LIMITATION ON INDEMNITY. The right to indemnification conferred in this Article XIV shall be a contract right, and shall apply to services of a Director or officer as an employee or agent of the Association as well as in the person's capacity as a Director or officer. Except as provided in Section 3 of this Article XIV, the Association shall have no obligations under this Article XIV to indemnify any person in connection with any proceeding, or part thereof, initiated by the person without authorization by the Board of Directors.

SECTION 6. DETERMINATION THAT INDEMNIFICATION IS PROPER. An indemnification under Sections 1 or 2 of this Article XIV (unless ordered by a court) shall be made by the Association only as authorized in the specific case (a) when it is determined that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 1 or 2, whichever is applicable, and (b) upon an evaluation of the reasonableness of expenses and amounts paid in settlement. The determination and evaluation shall be made in any of the following ways:

- (i) By a majority vote of a quorum of the Board of Directors consisting of Directors who are not parties or threatened to be made parties to the action, suit, or proceeding.
- (ii) If the quorum described in (i) above is not obtainable, then by majority vote of a committee consisting solely of two (2) or more Directors, duly designated by the Board of Directors, who are not at the time parties or threatened to be made parties to the action, suit, or proceeding.
- (iii) By independent legal counsel in a written opinion, which counsel shall be selected in one of the following ways: (A) by the Board of Directors or its committee in the manner prescribed in (i) or (ii) above; or (B) if a quorum of the Board of Directors cannot be obtained under (i) above and a committee cannot be designated under (ii) above, by the Board of Directors.
- (iv) By a majority of the Members.

SECTION 7. PROPORTIONATE INDEMNITY. If a person is entitled to indemnification under Sections 1 or 2 of this Article XIV for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement; but not for the total amount, the Association shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

SECTION 8. EXPENSE ADVANCE. The Association may pay or reimburse the reasonable expenses incurred by a person referred to in Sections 1 and 2 of this Article XIII who is a party or threatened to be made a party to an action, suit, or proceeding in advance of final disposition of the proceeding if all of the following apply: (a) the person furnishes the Association a written affirmation of his or her good faith belief that he or she has met the applicable standard of conduct set forth in Sections 1 or 2; (b) the person furnishes the Association a written undertaking, executed personally his or her behalf, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct; and (c) a determination is made that the facts then known to those making the determination would not preclude indemnification under Sections 1 or 2. The Association shall authorize any payment in the manner specified in Section 6. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but it need not be secured.

SECTION 9. NON-EXCLUSIVITY OF RIGHTS. The indemnification or advancement of expenses provided under this Article XIV is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the Association. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

SECTION 10. INDEMNIFICATION OF EMPLOYEES AND AGENTS OF THE ASSOCIATION. The Association may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Association to the fullest extent of the provisions of this Article XIV with respect to the indemnification and advancement of expenses of Directors and officers of the Association.

SECTION 11. FORMER DIRECTORS AND OFFICERS. The indemnification provided in this Article XIV continues for a person who has ceased to be a Director or officer with respect to acts or omissions taken by them during their tenure as a Director or officer and after the date this Article XIV was adopted by the Association and shall inure to the benefit of the heirs, executors, and administrators of the person.

SECTION 12. INSURANCE. The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against the person and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have power to indemnify the person against the liability under these By-Laws or the laws of the State of Michigan.

SECTION 13. CHANGES IN MICHIGAN LAW. If there is any change in Michigan law applicable to the Association relating to the subject matter of this Article XIV, then the indemnification to which any person shall be entitled under this Article XIV shall be determined by the changed provisions, but only to the extent that the change permits the Association to provide broader indemnification rights than the provisions permitted the Association to provide before the change. Subject to Section 14, the Board of Directors may amend these By-Laws to conform to any such changed statutory provisions.

SECTION 14. AMENDMENT OR REPEAL OF ARTICLE XIII. No amendment or repeal of this Article XIV shall apply to or have any effect on any Director or officer of the Association for or with respect to any acts or omissions of the Director or officer occurring before the amendment or repeal.



## ARTICLE XV SEAL

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

## ARTICLE XVI AMENDMENTS

These By-Laws may be altered, amended or repealed by the Members of the Association, at a special meeting called for such purpose at which a quorum is present or represented, by the affirmative vote of the Members whose votes constitute sixty-five (65%) percent of the total votes present at such special meeting.

## ARTICLE XVII GENERAL PROVISIONS

SECTION 1. BANK ACCOUNTS. The funds of the Association shall be deposited in such bank or banks as may be designated by the Board of Directors. All checks, drafts and orders of the payment of money shall be signed in the name of the Association in such manner and by the designated Management Agent and at least 1 Director. The Association shall keep detailed books of accounts pertaining to the administration of the Association in accordance with generally accepted accounting principles. Such account shall be open for inspection by the Members upon written request and during reasonable business hours.

SECTION 2. CONTRACTS, CONVEYANCES, ETC. When the execution of any contract, conveyance or other instrument has been authorized without specification of the executing officers, the President may execute the same in the name and on behalf of the Association and may affix the Association's seal thereto. The Board of Directors shall have power to designate the officers and agents who shall have authority to execute any instrument on behalf of the Association.

SECTION 3. BOOKS AND RECORDS. The Association shall keep books and records of account and minutes of the proceedings of its Members and Board of Directors. The Association shall keep at its registered office records containing the names and addresses of all its Members. Any of such books, records or minutes may be in written form or in any other form capable of being converted into written form. The Association shall convert into written form without charge any such record not in such form, upon written request of a person entitled to inspect them.

SECTION 4. YEAR END. The year end of the Association shall be the end of the calendar year. The Association's year end may be changed by the Board of Directors in its discretion.

SECTION 5. MANAGEMENT AGENT. The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Article VII, Section 3 of these By-Laws, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Declaration required to be performed by or have the approval of the Board of Directors or the Members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent in which the maximum term is greater than two (2) years or which is not terminable by the Association upon 90 days' written notice thereof to the other party.

SECTION 6. GENDER. As used in these By-Laws, any reference to the masculine form shall apply equally to the female gender.

SECTION 7. EFFECTIVE DATE. These amended By-Laws are effective \_\_\_\_\_, 20\_\_\_\_.