

MASTER DEED

ROMEO SQUARE COMMERCIAL CONDOMINIUM

This Master Deed is made and executed on this ____ day of _____, 2024, by Romeo Investment LLC, a Michigan limited liability company, whose address is 226 E. Hudson, Royal Oak, Michigan, 48067 (“Developer”), in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the “Act.”

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

NOW, THEREFORE, the Developer does, upon the recording hereof establish Romeo Square Commercial Condominium as a Condominium Project under the Act and does declare that Romeo Square Commercial Condominium (hereinafter referred to as the “Condominium,” “Project,” or the “Condominium Project”) shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits A, B, C and D hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, their grantees, successors, heirs, personal representatives and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as Romeo Square Commercial Condominium, Macomb County Condominium Subdivision Plan No. _____. The Condominium Project is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions, area, and volume of each Unit therein, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each Unit is capable of individual utilization on account of having its own entrance from and exit to an easement of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to his Unit and shall have undivided and inseparable rights to share with other Co-owners the Common Elements of the Condominium Project as are designated by the Master Deed.

ARTICLE II

LEGAL DESCRIPTION

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

THE LAND SITUATED IN THE TOWNSHIP OF WASHINGTON, COUNTY OF MACOMB, STATE OF MICHIGAN, IS DESCRIBED AS FOLLOWS:

TOWN 4 NORTH, RANGE 12 EAST, SECTION 11, PART OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION DESCRIBED AS: COMMENCING AT THE WEST 1/4 CORNER OF SECTION 11; THENCE NORTH 00 DEGREES 25 MINUTES 11 SECONDS EAST 792.40 FEET; THENCE NORTH 89 DEGREES 27 MINUTES 30 SECONDS EAST 895.37 FEET; THENCE NORTH 00 DEGREES 25 MINUTES 50 SECONDS EAST 76.79 FEET; THENCE NORTH 85 DEGREES 58 MINUTES 00 SECONDS EAST 261.97 FEET; THENCE SOUTH 84 DEGREES 07 MINUTES 35 SECONDS EAST 130.68 FEET; THENCE SOUTH 81 DEGREES 14 MINUTES 45 SECONDS EAST 242.04 FEET TO A POINT ON THE WESTERLY LINE OF VAN DYKE ROAD (66 FEET WIDE); THENCE 150.70 FEET ALONG SAID WESTERLY LINE OF VAN DYKE ROAD AND A CURVE TO THE RIGHT, RADIUS 1048.05 FEET, CHORD BEARING SOUTH 13 DEGREES 43 MINUTES 03 SECONDS WEST 150.57 FEET; THENCE NORTH 81 DEGREES 14 MINUTES 45 SECONDS WEST 225.24 FEET; THENCE NORTH 84 DEGREES 07 MINUTES 35 SECONDS WEST 64.62 FEET; THENCE SOUTH 89 DEGREES 42 MINUTES 18 SECONDS WEST 135.71 FEET; THENCE SOUTH 00 DEGREES 17 MINUTES 42 SECONDS EAST 164.70 FEET; THENCE NORTH 89 DEGREES 42 MINUTES 18 SECONDS EAST 154.35 FEET; THENCE SOUTH 64 DEGREES 07 MINUTES 16 SECONDS EAST 197.38 FEET TO A POINT ON SAID WESTERLY LINE OF VAN DYKE ROAD; THENCE ALONG SAID WESTERLY LINE OF VAN DYKE ROAD SOUTH 25 DEGREES 33 MINUTES 00 SECONDS WEST 271.10 FEET; THENCE SOUTH 89 DEGREES 46 MINUTES 20 SECONDS WEST 268.14 FEET; THENCE SOUTH 00 DEGREES 12 MINUTES 55 SECONDS WEST 210.00 FEET; THENCE NORTH 89 DEGREES 46 MINUTES 20 SECONDS EAST 168.35 FEET TO SAID WESTERLY LINE OF VAN DYKE ROAD; THENCE ALONG SAID WESTERLY LINE OF VAN DYKE ROAD SOUTH 25 DEGREES 33 MINUTES 00 SECONDS WEST 31.68 FEET; THENCE SOUTH 89 DEGREES 42 MINUTES 02 SECONDS WEST 1175.57 FEET TO THE POINT OF BEGINNING. CONTAINING 1,012,509 SQUARE FEET OR 23.24 ACRES MORE OR LESS.

Reserving therefrom any portion deeded, taken, or used for public road purposes and subject to all easements and restrictions of record and all governmental limitations.

ARTICLE III

DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits A and B hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of the Romeo Square Commercial Condominium Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements, and other instruments affecting the establishment of, or transfer of, interests in Romeo Square Commercial Condominium as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

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

Section 2. **Association.** “Association” means Romeo Square Commercial Condominium Association, which is the non-profit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage, and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

Section 3. **Bylaws.** “Bylaws” means Exhibit A hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(9) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 4. **Common Elements.** “Common Elements,” where used without modification, means both the General and Limited Common Elements, if any, described in Article IV hereof.

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

Section 6. **Condominium Premises.** “Condominium Premises” means and includes the land described in Article II above, all improvements and structures thereon, and all easements, rights, and appurtenances belonging to the Condominium as described herein.

Section 7. **Condominium Project, Condominium, or Project.** “Condominium Project,” “Condominium,” or “Project” means Romeo Square Commercial Condominium, a Condominium Project established in conformity with the provisions of the Act.

Section 8. **Condominium Subdivision Plan.** “Condominium Subdivision Plan” means Exhibit B hereto.

Section 9. **Co-owner.** “Co-owner” means a person, firm, corporation, company, partnership, association, trust, or other legal entity or any combination thereof who or which own(s) one or more Units in the Condominium Project and shall include a Land Contract Vendee. The term “Owner,” wherever used, shall be synonymous with the term “Co-owner.”

Section 10. **Development and Sales Period.** “Development and Sales Period” means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any Unit which it offers for sale.

Section 11. **Developer.** “Developer” means Romeo Investment, LLC, a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term “Developer” whenever, however, and wherever such terms are used in the Condominium Documents.

Section 12. **First Annual Meeting.** “First Annual Meeting” means the initial meeting at which non-developer Co-owners are permitted to vote for the election of all Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer’s sole discretion after 50% of the Units which may be created are sold, or (b) mandatorily after the elapse of 54 months from the date of the first Unit conveyance, or (c) mandatorily after 75% of all Units which may be created are sold, whichever first occurs.

Section 13. **Transitional Control Date.** “Transitional Control Date” means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceeds the votes which may be cast by the Developer.

Section 14. **Unit or Condominium Unit.** “Unit” or “Condominium Unit” each mean a single Unit in Romeo Square Commercial Condominium as the same is described in Article V, Section 1 hereof and on Exhibit B hereto, and shall have the same meaning as the term “Condominium Unit” as defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the Co-owners of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements. Each Unit is subject to a Reciprocal Easement and Operation Agreement recorded in Liber 28852, Page 672, Macomb County Records. Attached hereto as Exhibit C. Each Unit shall be developed in accordance with the ordinances of Washington Township.

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

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project described in Exhibit B attached hereto, and the respective responsibilities for maintenance, decoration, repair, or replacement thereof, are as follows:

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

a. **Land.** The land depicted on Exhibit B as General Common Element.

Section 2. **Responsibilities.** The respective responsibilities for maintenance, decoration, repair, and replacement of the Common Elements are as follows:

a. **Co-owner Responsibilities.**

i. **Units.** The responsibility for and the costs of maintenance, decoration, repair, and replacement of each Unit (including the building(s), landscaping, utility lines, and all improvements located within the Unit) shall be borne by the Co-owner of such Unit. The Co-owner of each Unit shall maintain such Unit and all improvements on the Unit in a safe, clean, and sanitary condition, in good order and repair, and reasonably free of snow and ice accumulation and in compliance with any reasonable maintenance standards prescribed by the Association in duly adopted rules and regulations. Any Co-owner in the Project which fails to maintain and repair their Unit, or which creates or allows a condition to exist within their Unit in violation of such standards shall and does hereby indemnify all other Co-owners in the Condominium Project from any liability or damages arising from the existence of such condition.

ii. **Utility Services.** Some or all of the utility lines, systems (including mains and service leads) equipment, and the telecommunications system, if and when constructed, described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the telecommunications system, if and when constructed, shall be property of third parties, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. All costs of water, sewer, electricity, natural gas, cable television, telephone, and any other utility services shall be borne by the Co-owner of the Unit to which such services are furnished. All utility laterals and leads shall be maintained, repaired, and replaced at the expense of the Co-owner whose Unit they service, except to the extent that such expenses are borne by a utility company, or a public authority and the Association shall have no responsibility therefor.

b. **Association Responsibilities.** The responsibility for and costs of maintenance, repair, and replacement of all General Common Elements not lying in, on, or under a Unit shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary. The Association shall not be responsible, in the first instance, for performing any maintenance, any repair, or replacement with respect to any improvements within the Condominium Units.

Section 3. **Common Sign.** The Common Sign shall be utilized and maintained as provided for in the Reciprocal Easement and Operation Agreement.

Section 4. **Unit Illumination.** The Association shall specify minimum lighting requirements for the individual Units.

Section 5. **Use of Units and Common Elements.** No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Project or in any manner which will unreasonably interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the Common Elements.

ARTICLE V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. **Description of Units.** Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of the Romeo Square Commercial Condominium attached hereto as Exhibit B. Each Unit shall consist of the land located within Unit boundaries as shown on Exhibit B hereto and delineated with heavy outlines together with all appurtenances thereto. Each Unit is subject to a Reciprocal Easement and Operation Agreement recorded in Liber 28852, Page 672, Macomb County Records. (Exhibit C).

Section 2. **Percentage of Value.** The percentage of value assigned to each Unit is set forth below. The percentages of value were computed on the basis of the relative, approximate areas of the Unit, disregarding insubstantial differences in size and with the resulting percentages reasonably adjusted to total precisely 100%. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and expenses of the administration (except that Unit 2 and Unit 3's contribution to expenses shall be \$5,000.00 per annum, in perpetuity, commencing on _____, 2024 and such Unit's share shall not be considered in determining the proportionate obligations of the Co-owners. Likewise, Units 2 and 3 shall not share in any proceeds of administration), and the value of such Co-owner's vote at meetings of the Association of Co-owners. Set forth below are:

- a. Each Unit number as it appears on the Condominium Subdivision Plan.

- b. The percentage of value assigned to each Unit.

Unit Number	Area (Square Footage)	Percentage of Value Assigned
1	361,073	36.7
2	31,926	3.2
3	50,181	5.1
4	76,245	7.8
5	54,804	5.6
6	39,178	4.0
7	302,837	30.8
8	67,280	6.8

ARTICLE VI

CONVERTIBLE AREAS

Section 1. **Conversion Condominium.** Improvements have already been made with respect to Unit 1. Thus, this Unit shall be a conversion condominium unit within the meaning of MCL 559.105(2).

Section 2. **Designation of Convertible Areas for Modification of Units and Common Elements.** Units 4, 5, 6, 7, and 8 are Convertible Areas within which the individual Units may be modified as provided herein.

Section 3. **Developer's Right to Modify Units.** Developer reserves the right, in its sole discretion, during a period ending no later than 6 years from the date of recording this Master Deed, to modify the size or location of Units 4, 5, 6, 7, and 8 within Convertible Areas.

Section 4. **Amendment of Master Deed.** Modifications to Convertible Areas within this Condominium Project shall be given effect by an appropriate amendment to the Master Deed in the manner provided by law, which amendment shall be prepared by and at the discretion of the Developer or its successors, and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted in order to preserve a total value of 100 for the entire Project resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the reasonable judgment of Developer based on relative, approximate area of each Unit. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the method of original determination of percentages of value for the Project.

Section 5. **Consent of Interested Persons.** All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments made to this Master Deed in compliance with the preceding paragraph to effectuate the foregoing and to any proportionate reallocation of percentages of value of existing Units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All

such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing.

ARTICLE VII

EASEMENTS

Section 1. **Easements.** Easements shall be provided for, used, and maintained as set forth in the Romeo Square Commercial Condominium Subdivision Plan and the Reciprocal Easement and Operation Agreement recorded at Liber 28852, Page 672, Macomb County Records. (Exhibit C).

Section 2. **Common Driveway.** Among the easements provided for the in the Reciprocal Easement and Operation Agreement is a reciprocal easement running in favor of all Owners over the common driveway as depicted in Exhibit D. The Owner of Unit 1 is obligated to maintain this common driveway in a manner consistent with the quality and character of first-class community shopping centers located in Washington Township. All Owners have broad remedies to enforce this requirement pursuant to Article VI of the Reciprocal Easement and Operation Agreement.

ARTICLE VIII

SUBDIVISION, CONSOLIDATION, AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed of the Bylaws, Units in the Condominium may be subdivided, consolidated, modified, and the boundaries relocated, in accordance with Sections 48 and 49 of the Act and this Article (with the consent of the Developer during the Development and Sales Period); such changes in the affected Unit or Units shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed.

Section 1. **By Developer.** Developer reserves the sole right during the Development and Sales Period and without the consent of any other Co-owner or any mortgagee of any Unit to:

a. **Subdivide Units; Consolidation of Units; Relocation of Boundaries.** Subdivide or re-subdivide any Unit which it owns, consolidate under single ownership two or more Units which are located adjacent to one another (with the consent of the affected Unit owner, if any), and relocate any boundaries between adjoining Units (with the consent of the affected Unit owner, if any). Such subdivision or re-subdivision of Units, consolidation of Units and relocation of boundaries of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns.

b. **Amendments to Effectuate Modification.** In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, each portion of the Unit or Units resulting from such subdivision shall be separately identified by number and the

percentage of value for the Unit or Units subdivided, consolidated, or as to which boundaries are relocated shall be proportionately allocated to the new Condominium Units resulting in order to preserve a total value of 100% for the entire Project resulting from such amendment or amendments to this Master Deed. Such amendment or amendments to the Master Deed shall also contain such further definitions of General Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so subdivided. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of Units made in compliance with the formula set forth in Article V hereof which Developer or its successors reasonably determine necessary in conjunction with such amendment or amendments. All such interested person irrevocably appoints Developer or its successors as agent and attorney for the purposes of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording an entire Master Deed or the Exhibits hereto.

Section 3. **Creation of Additional Condominium Projects within Condominium Units.** The Developer shall have the right in its sole discretion to create a separate Condominium Project within any Unit it owns in this Condominium Project.

ARTICLE IX

STORM WATER DETENTION

Section 1. The Owners of Units 4, 5, 6, 7, and 8 shall be responsible for the construction and maintenance of storm water detention facilities within the boundaries of their respective Units in compliance with requirements of Washington Township, Michigan.

ARTICLE X

AMENDMENT

This Master Deed and the Condominium Subdivision Plan (Exhibit B to said Master Deed) may be amended with the consent of 2/3 in value of the Co-owners except as hereinafter set forth:

Section 1. **Co-owner Consent.** No Unit dimension may be modified without the consent of the Co-owner of such Unit nor may the responsibility for the maintenance, repair, or replacement thereof be modified without the written consent of the Co-owner of any Unit to which the same are appurtenant.

Section 2. **By Developer.** Prior to 1 year after the execution of this Master Deed, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the

Bylaws attached hereto as Exhibit A as do not materially affect any rights of any Co-owners and mortgagees in the Project.

Section 3. **Change in Value of Vote, Maintenance Fee, and Percentages of Value.** The formula for determining the percentage of value of a Unit and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent, except as provided in Article V, Section 6(c) of the Bylaws and except as provided in Article VIII hereof.

Section 4. **Mortgagee Approval.** Pursuant to Section 90(1) of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association of Co-owners, to amend this Master Deed and the Condominium Documents without approval of any mortgagee unless the amendment would materially alter or change the rights of a mortgagee, in which event 2/3 of the number of mortgagees shall approve such amendment, giving one vote for each mortgage held.

Section 5. **Termination, Vacation, Revocation, or Abandonment.** The Condominium Project may not be terminated, vacated, revoked, or abandoned without the written consent of 85% of all Co-owners.

Section 6. **Developer Approval.** This Master Deed and Exhibits A and B hereto shall not be amended, nor shall the provisions thereof be modified in any way without the written consent of the Developer as long as the Developer is an owner of any Units.

ARTICLE X

ASSIGNMENT

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

WITNESSES:

ROMEO INVESTMENT, LLC,
a Michigan limited liability company,

By: _____

Its: _____

STATE OF MICHIGAN)
) SS.
COUNTY OF _____)

On this ___ day of _____, 2024, the foregoing Master Deed was acknowledged before me by _____, Member, of Romeo Investment, LLC, a Michigan limited liability company, on behalf of it.

_____, Notary Public
_____ County, MI
My Commission Expires: _____

Master Deed drafted by:

Charles S. Kennedy III
Attorney at Law
Fildew Hinks, PLLC
26622 Woodward Avenue, Suite 225
Royal Oak, MI 48067

When recorded, return to drafter.

CONSENT OF MORTGAGEE ATTACHED HERETO

CONSENT OF MORTGAGEE

The undersigned, _____ Bank, whose address is _____, being the holder of a certain Mortgage covering Romeo Square Commercial Condominium, hereby acknowledges and consents to the foregoing Master Deed for Romeo Square Commercial Condominium.

WITNESSES:

[BANK]

By: _____

Its: _____

STATE OF MICHIGAN)
) SS.
COUNTY OF _____)

On this ___ day of _____, 2024, the foregoing Master Deed was acknowledged before me by _____, the _____ of _____ Bank on behalf of the Bank.

_____, Notary Public
_____ County, MI
My Commission Expires: _____

EXHIBIT A

BYLAWS

ROMEO SQUARE COMMERCIAL CONDOMINIUM

ARTICLE I

ASSOCIATION OF CO-OWNERS

Romeo Square Commercial Condominium, a commercial Condominium Project located in Washington Township, Macomb County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation, hereinafter called the "Association," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation, and administration of the Common Elements, easements, and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Condominium Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Association Bylaws provided for under the Michigan Non-profit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged, or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers, and prospective mortgagees of Units in the Condominium Project. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

ARTICLE II

ASSESSMENTS

Section 1. **Assessments Against Units and Co-owners.** All expenses incurred by the Association in the management, administration, and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Owners thereof in accordance with the following provisions.

Section 2. **Assessments for Common Elements.** All costs incurred by the Association in satisfaction of any liability arising with, caused by, or connected with the Common Elements or the administration of the Condominium Project, shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the

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

Section 3. **Determination of Assessments.** Assessments shall be determined in accordance with the following provisions:

a. **Budget.** The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management, and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs, and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular monthly payments as set forth in Section 4 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the delivery of a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide for replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$2,000.00 annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

b. **Special Assessments.** Special assessments, in addition to those required in subparagraph a above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements at a cost exceeding \$2,000.00 for the entire Condominium Project per year, (2) assessments for the Association to purchase a Unit upon foreclosure of the lien for assessments described in Section 6 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph b (but not including those assessments referred to in subparagraph 3a above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of 100% of all Co-owners in value. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the

Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

c. **Limitations on Assessments for Litigation.** The Board of Directors shall not have authority under this Article II, Section 2, or any other provision of these Bylaws or the Master Deed, to levy any assessment or to incur any expense or legal fees with respect to any litigation, without the prior approval, by affirmative vote, of not less than 2/3 of all Co-owners in value. This section shall not apply to any litigation commenced by the Association to enforce collection of delinquent assessments pursuant to Article II, Section 6 below, or the enforcement of these Bylaws. In no event shall the Developer be liable for, nor shall any Unit owned by the Developer be subject to any lien for, any assessment levied to fund the cost of asserting any claim against Developer whether by arbitration, judicial proceeding, or otherwise.

d. **Construction Cost Limitation.** In no event shall any cost of the initial construction of the Project be assessed to the Co-owners under this Article II.

Section 4. **Apportionment of Assessments and Penalty for Default.** Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Common Elements appurtenant to a Unit. (Provided, however, Unit 2 and Unit 3's assessment shall be \$5,000.00 per annum, in perpetuity, commencing on _____, 2024, and each _____ thereafter. Unit 2 and 3's share shall be disregarded in determining assessment allocation.) Annual assessments as determined in accordance with Article II, Section 3a above shall be payable by Co-owners in monthly, quarterly, bi-annual, or annual installments as determined by the Board of Directors. In the year in which a Unit is initially purchased from Developer, the payment for such Unit shall be prorated commencing with acceptance of a deed to or a land contract vendee's interest in the Unit, or with the acquisition of fee simple title to the Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late charge of 1% per month shall be assessed automatically by the Association upon any assessments in default for five or more days until installment together with the applicable late charges is paid in full. Each Co-owner (whether 1 or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

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

Section 6. **Enforcement.**

a. **Remedies.** In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit which remains in default for at least 3 months after the Association notifies the Co-owner of such default in writing, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. A Co-owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XIX, Section 4 of these Bylaws. All of these remedies shall be cumulative and not alternative.

b. **Foreclosure Proceedings.** Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Project, shall be deemed to have authorized or empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold, and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this subparagraph and that he voluntarily, intelligently, and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of subject Unit.

c. **Notices of Action.** Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a monetary judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of 10 days after mailing by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, of a written notice that 1 or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within 10 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees, and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure proceeding, but

it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

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

Section 7. **Liability of Mortgage.** Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

Section 8. **Developer's Responsibilities for Assessments.** The Developer shall at all times pay all expenses of maintaining the Units that it owns, including the improvements located thereon, together within a proportionate share of all current expenses of administration actually incurred by the Association from time to time. In no event shall the Developer be responsible for payment of any assessments for deferred maintenance, or for capital improvements except with respect to Units owned by it on which a completed building is located. In other words, the only Association expenses presently contemplated that the Developer will be expected to pay as a Co-owner of a Unit that does not contain a completed building are a pro rata share of repair and maintenance costs for the General Common Elements, taxes, if any, the reserve fund for maintenance, repair and replacement, insurance for the General Common Elements and any administrative costs which the Association might incur from time to time. The Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, any cost of investigating and preparing such litigation or claim or any similar or related costs. A "completed building" shall mean a building with respect to which a certificate of occupancy has been issued by Washington Township.

Section 9. **Property Taxes and Special Assessments.** All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 10. **Personal Property Tax Assessment of Association Property.** The Association shall not be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 11. **Mechanic's Lien.** A mechanic's lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

Section 12. **Statement as to Unpaid Assessments.** The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied, provided, however, that the failure of purchaser to request such statement at least 5 days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

ARTICLE III

ARBITRATION

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

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

Section 3. **Election of Remedies.** Such election and written consent by Co-owners or the Association to submit any such dispute, claim, or grievance to arbitration shall preclude such parties from litigating such dispute, claim, or grievance in the courts.

ARTICLE IV

INSURANCE

Section 1. **Extent of Coverage.** The Association shall carry commercial general liability insurance in an amount deemed reasonably appropriate given the nature of the General Common Elements, and any other insurance the Association may deem applicable, desirable, or necessary, pertinent to the ownership, use and maintenance of the General Common Elements, and administration of the Condominium Project. Each Co-owner shall be obligated and responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to the buildings and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and Limited Common Element Area and for his personal property located therein or thereon or elsewhere on the Condominium Project. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit and Limited Common Element Area or the improvements located thereon, and also for any other personal insurance coverage that the Co-owner wishes to carry. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage required to be carried by a Co-owner. The Association shall name each Co-owner as an additional insured to the General Common Elements commercial general insurance, and each Co-owner shall name the Association as an additional insured to the commercial general insurance such Co-owner maintains for his Unit.

Section 2. **Indemnification.** Each individual Co-owner shall indemnify and hold harmless every other Co-owner, the Developer, and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, the Developer, or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit and shall carry insurance to secure this indemnity if so required by the Association (or the Developer during the Development and Sales Period). This Section 2 shall not be construed to go give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

Section 3. **Premium Expenses.** All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. **Association Responsibility for Repair.** Immediately after a casualty causing damage to General Common Element, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owners for

the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.

Section 2. **Timely Reconstruction and Repair.** If damage to the General Common Elements adversely affects the appearance or utility of the Project, the Association shall proceed with replacement of the damaged property without delay.

Section 3. **Co-owner's Responsibility.** Each Co-owner shall be responsible for all maintenance, repair, and replacement required within his Unit and Limited Common Element Area.

Section 4. **Eminent Domain.** The following provisions shall control upon any taking by eminent domain:

a. **Taking of Unit or Improvements Thereon.** In the event of any taking of any portion of or an entire Unit and Limited Common Element Area or any improvements thereon by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. After acceptance of such award by the Co-owner and his mortgagee, they shall be divested of all interest in the Condominium Project.

b. **Taking of General Common Elements.** If there is taking of any portion of the General Common Elements, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 2/3 of the Co-owners in value shall determine whether to rebuild, repair, or replace the portion so taken or to take such other action as they deem appropriate.

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

d. **Notification of Mortgagees.** In the event any Unit in the Condominium, or any portion thereof, of the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

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

Section 5. **Priority of Mortgage Interests.** Nothing obtained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

Section 1. No development or use of the Units shall violate the terms of the Tractor Supply lease with Developer as set forth in the Reciprocal Easement and Operation Agreement recorded at Liber 28852, Page 672, Macomb County Records, as long as such lease is in effect. No development or use of the Units shall be a food service provider featuring or specializing in the sale of hamburger, frozen custard, or ice cream. No Units other than Unit 3 shall be developed or used as a car wash.

Section 2. **Architectural Control.**

a. No building, structure, or other improvement shall be constructed within a Condominium Unit or elsewhere within the Condominium Project, nor shall any exterior modification be made to any existing buildings, structure, or improvement, unless plans and specifications therefor, containing such detail as the Developer may reasonably request, have first been approved in writing by the Developer. Construction of any building or other improvements must also receive any necessary approvals from the local public authority. Developer shall have the right to refuse to approve any such construction plans or specifications, or grading or landscaping plans, which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement, modification, or landscaping, the site upon which it is proposed to be constructed and the degree of harmony thereof with the Condominium as a whole. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious development, and shall be binding upon both the Association and upon all Co-owners. Developer's rights under this Article VI, Section 2 may, in Developer's discretion, be assigned to the Association or other successor to Developer. Developer may construct any improvements or effect any landscaping upon the Condominium Premises that it may, in its sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Condominium Documents. Notwithstanding anything to the contrary, the architectural control described in this Section shall not apply to the Co-owner who initially purchases Units 2 and 3 from Developer.

b. **Standard for Developer's Approvals/Exculpation from Liability.** In reviewing and passing upon the plans, drawings, specifications, submissions, and other matters to be approved or waived by the Developer under this Section, the Developer intends to ensure that the buildings and other features embodied or reflected therein meet the requirements set forth in this Section; however, the Developer reserves the right to waive or modify such restrictions or requirements pursuant to paragraph c of this Section. In addition to ensuring that all buildings

comply with the requirements and restrictions of this Section 2, the Developer (or the Association, to the extent approval powers are assigned to it by the Developer) shall have the right to base its approval or disapproval of any plans, designs, specifications, submissions, or other matters on such other factors, including completely aesthetic considerations, as the Developer (or the Association) in its sole discretion may determine appropriate or pertinent. Except as otherwise expressly provided herein, the Developer or the Association, as the case may be, shall be deemed to have the broadest discretion in determining what buildings or other structures will enhance the aesthetic beauty and desirability of the Condominium, or otherwise further or be consistent with the purposes for any restrictions. In no event shall either the Developer (or the agents, officers, employees, or consultants thereof), or the Association have any liability whatsoever to anyone for any act or omission, contemplated herein, including without limitation the approval or disapproval of plans, drawings, specifications, elevations of the buildings or other structures subject thereto, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty, or otherwise. By way of example, neither the Developer nor member of the Association shall have liability to anyone for approval of plans, specifications, structures or the like which are not in conformity with the provisions of this Section 2 or any other provision contained in the Condominium Documents, or for disproving plans, specifications, structures or the like which arguably are in conformity with the provisions hereof. In no event shall any party have the right to impose liability on, or otherwise contest judicially, the Developer or any other person for any decision of the Developer (or alleged failure of the Developer to make a decision) relative to the approval or disapproval of a structure or any aspect or other matter as to which the Developer reserves the right to approve or waive under this Master Deed. The approval of the Developer (or the Association, as the case may be) of a building, structure, improvement, or other matter shall not be construed as a representative or warranty that the structure or matter is properly designed or that it is in conformity with the ordinances or other requirements of Washington Township or any other governmental authority. Any obligation or duty to ascertain any such non-conformities, or to advise the Owner or any other person of the same (even if known), is hereby disclaimed.

c. **Developer's Right to Waive or Amend Restrictions.** Notwithstanding anything herein to the contrary, the Developer reserves the right to approve any structure or activities otherwise prescribed or prohibited hereunder, or to waive any restriction or requirement provided for in this Section 3, if in the Developer's sole discretion such is appropriate in order to maintain the atmosphere, architectural harmony, appearance and value of the Condominium and the Units therein, or to relieve the Owner of a Unit or a contractor from any undue hardship or expense. In no event, however, shall the Developer be deemed to have waived or be estopped from asserting its right to require strict and full compliance with all the restrictions set forth herein, unless the Developer indicates its intent and agreement to do so in writing and, in the case of an approval of nonconforming structures, the requirements of paragraph a of this Section are met.

Section 3. **Rules and Regulations.** It is intended that the Board of Directors of the Association may make reasonable rules and regulations from time to time to reflect the needs and desires of the majority of the co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed, and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations, and amendments thereto shall be furnished to all Co-owners.

Any such regulation or amendment may be revoked at any time by the affirmative vote of more than 50% of the Co-owners in value, except that the Co-owners may not revoke any regulation or amendment prior to the First Annual Meeting of the entire Association.

Section 4. **Co-owner Maintenance.** Each Co-owner shall maintain his Unit and the improvements thereon in a safe, clean, and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents, or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is excluded by virtue of a deductible provision (in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount)). Any such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 5. **Reserved Rights of Developer.**

a. **Developer's Rights in Furtherance of Development and Sales.** None of the restrictions contained in this Article VI shall apply to the commercial activities or sales signs or billboards, if any, of the Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in the Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain on Units owned by the Developer a sales office, a business office, a construction office, model units, storage areas, and reasonable parking incident to the foregoing and such access to, from, and over the Project as may be reasonable to enable development and sale of the entire Project by Developer, and may continue to do so during the entire Development and Sales Period. Developer shall restore the areas so utilized to habitable status upon termination of use.

b. **Enforcement of Bylaws.** If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace, and landscape in a manner consistent with the maintenance of such high standards, then Developer, or any entity to which it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements, and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period notwithstanding that it may no longer own a Unit in the Condominium which right of enforcement may include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

ARTICLE VII

MORTGAGES

Section 1. **Notice to Association.** Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units." The Association may, at the written request

of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within 60 days.

Section 2. **Insurance.** The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

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

ARTICLE VIII

VOTING

Section 1. **Vote.** When a vote is to be based on value, each Co-owner entitled to vote shall be entitled to one vote for each Condominium Unit the value of which shall equal the total of the percentages allocated to the Unit owned by such Co-owner as set forth in Article V of the Master Deed. Voting shall be by value, except where provided otherwise in the Master Deed or these Bylaws.

Section 2. **Eligibility to Vote.** No Co-Owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of these Bylaws, no Co-owner other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article IX. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting the Developer shall be entitled to vote for each Unit which it owns.

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

Section 4. **Quorum.** The presence in person or by proxy of 2/3 of the Co-owners in value qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

Section 6. **Majority.** A majority, except where otherwise provided herein, shall consist of more than 50% in value of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association.

ARTICLE IX

MEETINGS

Section 1. **Place of Meeting.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Roberts Rules of Order, or some generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

Section 2. **First Annual Meeting.** The First Meeting of members of the Association may be convened only by the Developer and may be called at any time after more than 50% in number of the Units in the Project (determined if necessary, with reference to the recorded Consolidating Master Deed) have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% in number of all Units that may be created or 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time, and place of such meeting shall be set by the Board of Directors, and at least 10 days written notice thereof shall be given to each Co-owner. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units with the Developer is permitted, under the Condominium Documents as may be amended, to include in the Condominium.

Section 3. **Annual Meetings.** Annual meetings of members of the Association shall be held at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 4. **Special Meetings.** It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by 50% of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. **Notice of Meetings.** It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as of the time and place where it is to be held, upon each Co-owner of record, at least 10 days but not more than 60 days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association by Article VIII, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association shall be deemed due notice.

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

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

Section 8. **Action without Meeting.** Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt within the time period specified in the solicitation of (i) a number of ballots which equals or

exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. **Consent of Absentees.** The transactions at any meeting of member, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum be present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy; signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 10. **Minutes, Presumption of Notice.** Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE X

ADVISORY COMMITTEE

Within 1 year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 100% of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least 1 non-developer Co-owner.

ARTICLE XI

BOARD OF DIRECTORS

Section 1. **Number and Qualification of Directors.** The affairs of the Association shall be governed by a Board of 3 Directors all of whom must be members of the Association, except for the first Board of Directors, or its successors, before the First Annual Meeting as selected by the Developer. Directors' compensation, if any, shall be set by the affirmative vote of 60% of all Co-owners, voting by value. Directors of the Association who serve prior to the Transitional Control Date shall receive no compensation.

Section 2. **Election of Directors.** At the First Annual Meeting 3 Directors shall be elected for a term of 2 years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 3. **Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and

things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.

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

- a. To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.
- b. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- c. To carry insurance and collect and allocate the proceeds thereof.
- d. To rebuild improvements after casualty.
- e. To contract for and employ persons, firms, corporations, or other agents to assist in the management, operation, maintenance, and administration of the Condominium Project.
- f. To acquire, maintain, and improve; and to buy, operate, manage, sell, convey, assign, mortgage, or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way, and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- g. To enforce the provisions of the Condominium Documents.

Section 5. **Management Agent.** The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association.

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

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

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

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

Section 10. **Special Meetings.** Special meetings of the Board of Directors may be called by the President on 3 days' notice to each Director, given personally, by mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

Section 11. **Waiver of Notice.** Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 12. **Adjournment.** At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

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

Section 14. **Fidelity Bonds.** The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE XII

OFFICERS

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

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

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

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

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

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

Section 3. **Removal.** Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

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

ARTICLE XIII

SEAL

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

ARTICLE XIV

FINANCE

Section 1. **Records.** The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

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

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

ARTICLE XV

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses were incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the Director seeing reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

ARTICLE XVI

AMENDMENTS

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

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

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

Section 4. **By Developer.** Prior to the Transitional Control Date, these Bylaws may not be amended by the Developer without approval from 2/3 of all Co-owners by value.

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

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

ARTICLE XVII

COMPLIANCE

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

ARTICLE XVIII

DEFINITIONS

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

ARTICLE XIX

REMEDIES FOR DEFAULT

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

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

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

Section 3. **Removal and Abatement.** The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right (with reasonable advance written notice to the affected Co-owner), in addition to the rights set forth above, to enter upon the Common Elements or into any Unit and the improvements thereon, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing, or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein except for damage caused by gross negligence or willful misconduct and not covered by the Co-owner's insurance.

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

Section 5. **Non-wavier of Right.** The failure of the Association or any Co-owner to enforce any right, provision, covenant, or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant, or condition in the future.

Section 6. **Cumulative Rights, Remedies, and Privileges.** All rights, remedies, and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants, or conditions of the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be available to such party at law or in equity.

Section 7. **Enforcement of Provisions of Condominium Documents.** A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for non-compliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XX

ASSESSMENT OF FINES

Section 1. **General.** The violation by any Co-owner, occupant or guest of any of the provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board of

Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants, or any other person admitted through such Co-owner to the Condominium Premises.

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

a. **Notice.** Notice of violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.

b. **Opportunity to Defend.** The offending Co-owner shall have an opportunity to appear before the Board and offer the evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.

c. **Default.** Failure to respond to the notice of violation constitutes a default.

d. **Hearing and Decision.** Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

Section 3. **Amounts.** Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the Board as recited above, the following fines shall be levied:

a. **First Violation.** No fine shall be levied.

b. **Second Violation.** Two Hundred and Fifty Dollar (\$250.00) fine.

c. **Third Violation.** Five Hundred Dollar (\$500.00) fine.

d. **Fourth Violation and Subsequent Violations.** One Thousand Dollar (\$1,000.00) fine.

Section 4. **Collection.** The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Document including, without limitations, those described in Article II and Article XIX of the Bylaws.

ARTICLE XXI

RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such powers and rights and such assignee or transferee thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or retained by Developer or its successors shall expire and terminate, if not sooner assigned to the Association, at the conclusion of the Construction and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the expiration and termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination and expiration of any real property rights granted or reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including as a Co-owner) except as provided in the Master Deed or document creating such right.

ARTICLE XXII

SEVERABILITY

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

EXHIBIT B