

**APPLEWOOD**

**CONDOMINIUM**

**ASSOCIATION**

I certify that, as to the lands herein described, neither the state nor any person holds a tax title or lien, and that all taxes levied for the five calendar years preceding the date of this instrument have been paid, except that if checked here  this certificate does not cover taxes for the most recent year because the delinquent tax roll for same is not available. All taxes levied to date are paid.

Meene Nelson 6-28-96  
VAN BUREN COUNTY TREASURER Dated

MASTER DEED

LIBER 1083 PAGE 909

APPLEWOOD CONDOMINIUMS

THIS MASTER DEED has been executed on June 26, 1996, on behalf of Applewood Development, L.L.C., of P.O. Box 446, South Haven, Michigan 49090 (hereinafter referred to as "Developer"), pursuant to the provisions of the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended, including, but not limited to, those amendments contained in Act 538 of the Public Acts of 1982 and in Act 113 of the Public Acts of 1983 (hereinafter referred to as the "Act").

RECITALS

A. The Developer desires to establish the real property described in Article II below, together with all improvements located and to be located thereon, and all appurtenances thereto, as a condominium project under the provisions of the Act.

B. The Developer has prepared and executed this Master Deed, together with the Condominium Bylaws attached hereto as Exhibit A and the Condominium Subdivision Plan attached hereto as Exhibit B, to accomplish these purposes.

ARTICLE I

DEDICATION

By executing and recording this Master Deed, the Developer establishes Applewood Condominiums (sometimes hereinafter referred to as the "Condominium Project") as a condominium project under the Act. After being so established, the Condominium Project shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved and in every manner utilized subject to the provisions, covenants, conditions, restrictions and obligations set forth in this Master Deed (including Exhibits A and B hereto) and to the provisions of the Act. All of the provisions, covenants, conditions, restrictions and obligations set forth in this Master Deed (including Exhibits A and B hereto) shall run with the real property included in the Condominium Project and shall be a burden on, and a benefit to, the Developer, its successors and assigns, and all persons acquiring or owning an interest in the Condominium Project, or in the real property hereby dedicated to the Condominium Project, and their grantees, successors, assigns, heirs, and personal representatives. The remainder of this Master Deed (including Exhibits A and B hereto) has been set forth in furtherance of the establishment of the Condominium Project.

ARTICLE II

LEGAL DESCRIPTION

The real property which is dedicated to the Condominium Project established hereby is legally described as follows:

Beginning at a Point Found by Commencing at the Center of Section 11, Town 1 South, Range 17 West; Thence North on the North and South Quarter Line, 757.74 Feet; Thence South 88° 28' 00" West, 542.00 Feet to the Place of Beginning of this Description; Thence North, 736.47 Feet; Thence South 88° 28' 00" West, 316.00 Feet; Thence South, 736.47 Feet; Thence North 88° 28' 00" East, 316.00 Feet to the Place of Beginning. Together with an Easement for Ingress-egress and Public Utilities over a Parcel of Land Described as Beginning on the North and South Quarter Line of Said Section 11 at a Point 518.66 Feet North of the Center of the Section; Thence North on the Quarter Line, 66.02 Feet; Thence South 88° 28' 00" West, 546.83 Feet; Thence 186.93 Feet Around a Curve to the Right with a Radius of 117.0 Feet and a Chord That Bears North 45° 46' 00" West, 167.66 Feet; Thence North, 52.89 Feet; Thence South 88° 28' 00" West, 66.02 Feet; Thence South, 51.12 Feet; Thence 292.35 Feet Around a Curve to the Left with a Radius of 183.0 Feet and a Chord That Bears South 45° 46' 00" East, 262.24 Feet; Thence North 88° 28' 00" East, 545.06 Feet to the Place of Beginning. Also an Easement for Underground Utilities over a



Parcel of Land Described as the North 25 Feet of Lot 7 in the Supervisor's Plat of Penoyar Heights, a Subdivision in Section 11, Town 1 South, Range 17 West. Also Together with an Easement for Storm Water Drainage and Retention over a Parcel of Land Described as Beginning on the North and South Quarter Line of Said Section 11 at a Point 757.74 Feet North of the Center of the Section; Thence North on the Quarter Line, 25.0 Feet; Thence South 88° 28' 00" West, 284.27 Feet; Thence North, 115.45 Feet; Thence North 58° 00' 00" West, 87.71 Feet; Thence North, 146.08 Feet; Thence South 88° 28' 00" West, 183.32 Feet; Thence South, 25.00 Feet; Thence North 88° 28' 00" East, 158.32 Feet; Thence South, 120.15 Feet; Thence South 58° 08' 00" West, 15.83 Feet; Thence South 05° 33' 00" East, 69.00 Feet; Thence South 29° 12' 00" East, 109.00 Feet; Thence North 69° 00' 00" East, 29.96 Feet; Thence South, 26.42 Feet; Thence North 88° 28' 00" East, 309.28 Feet to the Place of Beginning.

### ARTICLE III

#### DEFINITIONS

When used in any of the Condominium Documents (as hereinafter defined), or in any contract, deed, mortgage, lien, easement or other instrument affecting the Condominium Project or the establishment or transfer of any interest therein, the following terms shall carry the definitions which follow them unless the context clearly indicates to the contrary:

- (a) "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended, including, but not limited to, amendments contained in Act 538 of the Public Acts of 1982 and in Act 113 of the Public Acts of 1983.
- (b) "Association" means Applewood Condominiums Association, a not-for-profit corporation organized under the laws of the State of Michigan, of which all co-owners shall be members and which shall administer, operate, manage and maintain the Condominium Project. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless explicitly reserved to the members by the Condominium Documents or the laws of the State of Michigan, and any reference to the Association shall, where appropriate, also constitute a reference to its Board of Directors.
- (c) "Association Bylaws" means the corporate Bylaws of the Association.
- (d) "Board of Directors" or "Board" means the Board of Directors of the Association. The Board will initially be those individuals selected by Developer and later it will be elected by unit owners as provided herein.
- (e) "Common Elements", where used without modification, means both the general and limited common elements, if any, as defined in Article V hereof.
- (f) "Condominium Bylaws" means Exhibit A hereto, the Bylaws for the Condominium Project setting forth the rights and obligations of the co-owners and required by Sections 3(8), 53 and 54 of the Act to be recorded as part of the Master Deed.
- (g) "Condominium Documents" means and includes this Master Deed, Exhibits A and B hereto, and the Articles of Incorporation, Bylaws and the Rules and Regulations, if any, of the Association.
- (h) "Condominium Premises" means and includes the land and all improvements and structures thereon (except the dwelling units and other improvements constructed by the Co-owners) and all easements, rights and appurtenances belonging to the Condominium Project as described above.
- (I) "Condominium Project" means Applewood Condominiums, a Condominium Project established pursuant to the Act.

(j) "Condominium Subdivision Plan" means Exhibit B hereto.

(k) "Condominium unit" or "unit" each means that portion of the Condominium Project designed and intended for separate ownership and use, as described on Exhibit B hereto. Each unit shall consist of the exclusive use of all the airspace and soils as described in Exhibit B within the unit boundaries.

(l) "Co-owner", "Owner" or "member" each means a person, firm, corporation, partnership, trust or other legal entity or any combination thereof who or which owns legal or equitable title to a condominium unit within the Condominium Project and, therefore, is a member of the Association.

(m) "Developer" means Applewood Development, L.L.C., which has prepared and executed this Master deed, and shall include its successors and assigns.

(n) "Master Deed" means this Master Deed, including Exhibits A and B hereto, both of which are hereby incorporated by reference and made a part hereof.

Terms not defined herein, but defined in the Act, shall carry the meaning given them in the Act unless the context clearly indicates to the contrary. Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where such a reference would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where such a reference would be appropriate, and vice versa.

#### ARTICLE IV

##### TITLE AND NATURE

The Condominium Project shall be known as Applewood Condominiums, Van Buren County Subdivision Plan No. \_\_\_\_\_. Prior to the commencement of construction, the engineering plans and architectural plans, if any, for the Condominium Project will have been approved by the Township of South Haven, Van Buren County, Michigan. Such approval will be evidenced by the issuance of a building permit. The architectural plans for all dwellings and other improvements to be constructed by the Developer within the Project must be approved by the Township of South Haven and thereafter will be filed with the Township of South Haven. The improvements contained in the Condominium Project, including the number, boundaries, dimensions, and area of each unit, are set forth completely in the Condominium Subdivision Plan attached hereto as Exhibit B. The Condominium Project contains individual units to be used for residential purposes, and each unit has been designed and intended for separate ownership and use. Each co-owner in the Condominium Project shall have an exclusive right to occupy his unit and shall have undivided and inseparable rights to share with other co-owners the use and enjoyment of common elements.

#### ARTICLE V

##### COMMON ELEMENTS

The common elements of the Condominium Project and the respective responsibilities for maintenance, decoration, repair or replacement thereof are as follows:

A. **General Common Elements.** The general common elements are:

(1) Land. The land described in Article II hereof including the land lying below each unit.

(2) Improvements. All roads, sidewalks, parking, lawns, landscaping, recreational facilities and other improvements not identified as Limited Common Elements and not located within the boundaries of a condominium unit. Those structures and improvements that now or hereafter are located within the boundaries of a condominium unit shall be owned in their entirety by the co-owner of the unit in which they



are located and shall not, unless otherwise expressly provided in the condominium documents, constitute common elements.

- (3) The telephone system throughout the Condominium Project not located within the boundaries of a unit.
- (4) The electrical system throughout the Condominium Project not located within the boundaries of a unit.
- (5) The water distribution system, storm water discharge and detention system and sanitary sewer system (if any) throughout the Condominium Project not located within the boundaries of a unit.
- (6) The gas line system throughout the Condominium Project not located within the boundaries of a unit.
- (7) Any television cable network or facilities that may from time to time be installed in the Condominium Project not located within the boundaries of a unit.
- (8) Such other elements of the Condominium Project not herein designated as general nor limited common elements which are not enclosed within the boundaries of any unit, and which are intended for common use or are necessary to the existence, upkeep and safety of the project.

Some or all of the utility lines, systems (including mains and service leads) and equipment and the cable television system 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 cable television system shall be general common elements only to the extent of the co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.

**B. Upkeep of Common Elements and Units: Payment of Utility Bills.** The cost of improvement, maintenance, repair and replacement of the general common elements (except the land lying below a unit) shall be borne by the Association, except to the extent of maintenance, repair or replacement due to the act or neglect of a co-owner or his agent, guest, invitee, family member or pet, for which such co-owner shall be wholly responsible. Except as otherwise provided herein or in the Condominium Bylaws, any damage caused to a unit or its contents by the maintenance or by repair activities of the Association or by the common elements shall be repaired at the expense of the Association.

The improvement, maintenance, repair and replacement of the common elements are subject to such written standards as may be established by the Board of Directors or its designee(s).

Each co-owner shall be responsible for payment of the utilities attributable to his unit and shall be responsible for the improvement, maintenance, repair and replacement of his unit and any structures and improvements located within the unit, including the general common land lying below his unit; the utilities within the unit; any driveway or sidewalk appurtenant to his unit and any landscaping which he may supply to his unit. The exterior appearance of all such structures, improvements and yard areas (to the extent visible from any other unit or common element), shall be subject at all times to the approval of the Association and to such reasonable aesthetic and maintenance standards as may be prescribed by the Association in duly adopted rules and regulations. Notwithstanding the above, lawn fertilizing, lawn weed control, lawn mowing and raking and removal of leaves for the units shall be the responsibility of the Association.

Any maintenance, repair or replacement (the cost of which is to be borne by the co-owner) may, if not performed by the co-owner, be performed by or under the direction of the Association and the cost may be assessed against the responsible co-owner in the manner provided herein and by law for the collection of regular assessments.

**C. Use of Common Elements.** No co-owner shall use his unit or the common elements in any manner inconsistent with the purposes of the Condominium Project or in any manner which will interfere with or impair the rights of any other co-owner in the use and enjoyment of his unit or the common elements.

Until it has conveyed title to the last unsold unit owned by Developer, Developer has the irrevocable right:

- (1) To use the common elements for sales, administrative, rental or storage purposes;
- (2) To use any of the unsold units for sales, administrative or management purposes; and
- (3) To place signs on the common elements for sale and promotional purposes.

## ARTICLE VI

### UNIT DESCRIPTION AND PERCENTAGE OF VALUE

**A. Description.** Each unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Applewood Condominiums as surveyed by Mitchell Surveys, Inc. and attached hereto as Exhibit B. Each unit shall consist of all that space within the unit boundaries as shown in Exhibit B and delineated with heavy outlines, together with all appurtenances thereto.

**B. Percentage of Value.** The total value of the project is 100%. Based upon their market value, size and allocable expenses of maintenance, and considering that each unit benefits approximately equally from services provided by the Association and that the cost of services to each unit is approximately equal, each unit has been assigned a value of 7.14%. These percentages of value shall be determinative of the proportionate share of each unit in the common expenses and proceeds of administration, the value of such unit's vote at certain meetings of the Association of co-owners, and of such unit's undivided interest in the common elements (which is hereby allocated to each unit). The percentages of value allocated to the units may be changed only with the prior written approval of each holder of a first mortgage lien on any unit in the project and with the unanimous consent of all of the co-owners expressed in a duly recorded amendment to this Master Deed.

## ARTICLE VII

### EASEMENTS

**A. Easements for Maintenance and Related Matters.** There shall be permanent easements to, through, over, under and across the Condominium Premises, including all units, (1) for the maintenance and repair (including replacement) of all common elements, which easements shall be administered by the Association, and (2) as may be reasonable for the installation and continuing maintenance and repair (including replacement) of all utilities in the Condominium Project, including, but not necessarily limited to, light, heat, power, sewer, water, storm water discharge and detention and communications, which utilities are sometimes collectively referred to in this Article VII as "utilities" or "utility services" which utilities shall be administered by the Association. The condominium has been granted an easement for the use of that portion of Cider Court located on the premises of Applewood Terrace Condominiums. In return, the Association shall pay 1/3 of the costs as determined by Applewood Terrace Condominium Association for the maintenance and improvement thereof. The Association shall also pay 1/3 of the maintenance costs of a storm water retention pond and outflow to 73rd Street as determined by Applewood Terrace Condominium Association and the maintenance costs of the drainage easement running from the Condominium to the retention pond as determined by the Applewood Condominium Association.

**B. Easements Retained by Developer.**

(1) **Roadway Easement.** In addition to all other rights reserved to it hereunder, the Developer reserves for the benefit of itself, its agents, employees, guests, invitees, independent contractors, successors and assigns, a perpetual easement for the unrestricted use of all roads, driveways, and walkways now or hereafter located in the Condominium Project for the purpose of ingress and egress to and from all or any portion of the Condominium Premises in furtherance of any legitimate purpose.

(2) **Use of Facilities.** The Developer, and its duly authorized agents, representatives and employees, may maintain offices, model units and other facilities on the Condominium Premises and engage in any acts reasonably necessary to facilitate the construction and sale of units in the Condominium Project. In connection therewith, the Developer shall have full and free access to all common elements and unsold units.

(3) **Repair and Replacement.** The Developer retains for the benefit of itself and representatives of any appropriate utility company, and to the burden of the Condominium Premises, the right to enter the Condominium Project and do all the things necessary to install, operate, maintain, repair, replace or inspect any common improvement or facility whether under or above ground.

C. **Termination of Easement.** Developer reserves to itself, and its successors and assigns, the right to terminate and revoke any utility or other easement granted in this Master Deed at such time as the particular easement has become unnecessary. This may occur, by way of example but not limitation, when water or sewer systems are connected to municipal systems or when a water or sewer system or other utility easement is relocated to coordinate further and future development of land in the vicinity of the project. No utility easement may be terminated or revoked unless and until all units served by it are adequately served by an appropriate substitute or replacement utility easement on a shared maintenance basis. Any termination or revocation of any such easement shall be effected by the recordation of an appropriate amendment to this Master Deed in accordance with the requirements of the Act.

D. **Grant of Easements by Association.** The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium, subject, however to the approval of the Developer so long as the Construction and Sales Period has not expired. No easement created under the Condominium Documents may be modified nor obligations with respect thereto varied without the consent of each person benefited thereby.

## ARTICLE VIII

### AMENDMENT

Except as otherwise expressly provided in this Master Deed, the Condominium Project shall not be terminated, vacated, revoked or abandoned except as provided in the Act, nor may any of the provisions of this Master Deed or Exhibit B be amended (but Exhibit A hereto may be amended as therein provided) except as follows:

A. (1) The Condominium Documents may be amended without the consent of co-owners or mortgagees for any purpose if the amendment does not materially alter or change the rights of a co-owner or mortgagee. The Developer, for itself and for the Association of co-owners, hereby expressly reserves the right to amend the Condominium Documents for such a purpose. Amendments modifying the types and sizes of unsold units and their appurtenant common elements, showing minor variances and modifications to a unit, correcting survey or other errors made in the Condominium Documents, or for the purpose of facilitating mortgage loan financing for existing or prospective co-owners and to enable the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration, the Department of Housing and Urban Development, or by any other institutional participant in the secondary mortgage market which purchases or insures mortgages shall be examples of amendments which do not materially alter or change the rights of a co-owner or mortgagee.

(2) Except as hereinafter provided, this Master Deed, the Condominium Bylaws, and the Condominium Subdivision Plan may be amended, even if the amendment will materially alter or change the rights of the co-owners or mortgagees, with the consent of not less than two-thirds of the votes of the co-owners and mortgagees. A mortgagee shall have one (1) vote for each mortgage held.



(3) The method or formula used to determine the percentage of value of units in the Project for other than voting purposes, and any provisions relating to the ability or terms under which a co-owner may rent a unit, may not be modified without the consent of each affected co-owner and mortgagee. A co-owner's condominium unit dimensions may not be modified without the co-owner's consent.

(4) Provided, however, that in no case, unless (i) all of the first mortgagees, (ii) all owners (other than the Developer) of the individual condominium units, and (iii) the Developer (if at that time it owns any units) have given their prior written approval, shall the Association be entitled to:

(a) By any act or omission seek to abandon or terminate the Condominium Project;

(b) Change the pro rata interest or obligations of any individual condominium unit for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each condominium unit and the common elements; or

(c) Partition or subdivide any condominium unit.

(5) The restrictions contained in this Article VIII on Amendments shall not in any way affect the rights of the Developer as set forth elsewhere in this Master Deed, such as in Articles V, and VII.

(6) Co-owners and mortgagees of record shall be notified in writing of proposed amendments not less than ten (10) days before the amendment is recorded at their address reflected on the condominium records.

(7) Articles II, V, VI, VII, VIII and IX shall not be amended, nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer, so long as the Developer continues to offer any unit in the condominium for sale.

B. (1) An amendment to this Master Deed shall not be effective until the amendment is recorded.

(2) A copy of the recorded amendment shall be delivered to each co-owner.

C. A person causing or requesting an amendment to the Condominium Documents shall be responsible for costs and expenses of the amendment, except for amendments based upon a vote of a prescribed majority of co-owners or based upon the Advisory Committee's decision, the costs of which shall be deemed expenses of administration.

## ARTICLE IX

### ASSIGNMENT

Any or all of the rights and powers granted to 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 Developer to any other entity or to the Association. Any such assignment or transfer shall be made by an appropriate instrument in writing duly recorded in the office of the Van Buren County Register of Deeds.

## ARTICLE X

### CONTROLLING LAW

The provisions of the Act, and of the other laws of the State of Michigan, shall be applicable to and govern this Master Deed and all activities related thereto.

IN WITNESS WHEREOF, the undersigned has executed this Master Deed as of the date first written above.

Applewood Development, L.L.C.

By: Donald L. Lykins  
Donald L. Lykins, Manager

WITNESSES:

J. Glenn Sperry  
J. Glenn Sperry

Sharon L. Johansen  
Sharon L. Johansen

STATE OF MICHIGAN            ]  
  ] ss.  
COUNTY OF Van Buren ]

The foregoing instrument was acknowledged before me on June 26, 1996, by Donald L. Lykins, Manager of Applewood Development, L.L.C.

Sharon L. Johansen  
Sharon L. Johansen, Notary Public  
Van Buren County, Michigan  
My commission expires: 7-16-99

Prepared by and return to:  
J. Glenn Sperry  
SPERRY & BOWMAN  
317 Center Street  
South Haven, MI 49090  
Applewood062696

FIRST AMENDMENT  
TO MASTER DEED OF  
APPLEWOOD CONDOMINIUM ASSOCIATION

THIS FIRST AMENDMENT TO MASTER DEED is made and executed on the 28<sup>th</sup> day of August 2019 by Applewood Condominium Association a Michigan Corporation whose Corporate address is 73336 Cider Ct, South Haven, Michigan 49090. This being the current Secretary of said boards address. (herein referred to as "Board of Directors"

WHEREAS , the Board of Directors of Applewood Condominium Association, a condominium project established pursuant to the Master Deed thereof dated October 8, 2003 and recorded October 8, 2003 as instrument LR-3078144 and LR-3078145: L-1397 pg 876-877 both inclusive, Van Buren County Records, desire to amend said Master Deed, pursuant to the Article VIII paragraph (B) and further The entire Board has voted by Article VII (Construction Standards) to amend the master Deed and Construction Standards rules thereof for the purpose of adding the following paragraph to Article VII Section 2.

Article VII Section 2 Construction Standards (a)-1 Regulating the construction standards is important to maintain the project as a beautiful development of quality home ownership. "Homes previously set up in another location would not be allowed to be moved in and set up in Applewood Condominium Association. Only new home construction is allowed". Applicant must clearly state the homes origin either stick built construction or factory-built information including year constructed.

This amendment applies to Applewood Terrace Condominiums which has been merged into Applewood Condominium Association with Applewood Condominium Association as the surviving Corporation.



IN WITNESS WHEREOF, The President of the Board of Directors has caused this First Amended Master Deed to be executed this August 28, 2019

PRESIDENT

APPLEWOOD CONDOMINIUM ASSOCIATION

By: Angie Barner  
Angie Barner, President

STATE OF MICHIGAN

COUNTY OF VAN BUREN

On this 28 day of August, 2019 before me, a Notary Public in and for Van Buren County, appeared Angie Barner, the President of Applewood Condominium Association a Michigan Corporation, who executed the foregoing instrument as her free act and deed on behalf of the Corporation

MARGARET ANN HANSEN  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF VAN BUREN  
MY COMMISSION EXPIRES Sep 18, 2025  
ACTING IN COUNTY OF

Margaret Ann Hansen  
Notary Public  
State of Michigan, County of Van Buren  
My Commission Expires: Sept 18, 2025  
Acting in Van Buren County

Prepared by and when recorded return to:

James Horan  
Member: Board of Directors of Applewood  
73140 6<sup>th</sup> Ave.  
South Haven, Michigan 49090

APPLEWOOD CONDOMINIUM ASSOCTION  
FIRST AMENDED MASTER DEED  
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EXHIBIT A  
CONDOMINIUM BYLAWS  
OF  
APPLEWOOD CONDOMINIUMS

ARTICLE I  
THE CONDOMINIUM

**Section 1. Organization.** Applewood Condominiums, a residential condominium located in the Township of South Haven, Van Buren County, Michigan (the "Condominium"), shall be administered by an association of co-owners (the "Association") which shall be organized as a nonprofit corporation under the laws of the State of Michigan. The Association will be responsible for the management, maintenance, operation and administration of the common elements, easements and, generally, the affairs of the Condominium in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, Bylaws, Rules and Regulations of the Association, and the laws of the State of Michigan. 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.

**Section 2. Compliance.** All present and future co-owners (who shall be "members" of the Association as provided in Article II, Section 1, below; the terms "members" and "co-owner" are used interchangeably herein), mortgagees, tenants and all other persons who may in any manner use, enter upon or acquire any interest in the Condominium Premises, or any Condominium unit, shall be subject to and comply with the provisions of the Act, the Master Deed, these Condominium Bylaws, and the Articles of Incorporation, Bylaws, Rules and Regulations of the Association including, without limitation, any provision thereof pertaining to the use and operation of the Condominium Premises and the Condominium. The acceptance of a deed or conveyance, the taking of a mortgage, the execution of a lease, the act of occupying a unit or presence in the Condominium shall constitute an acceptance of the provisions of these documents and an agreement to comply therewith.

**Section 3. Purpose of Bylaws.** These Bylaws govern the general operation, maintenance, administration, use and occupancy of the Condominium, and all such activities shall be performed in accordance with the provisions hereof.

ARTICLE II  
MEMBERSHIP AND VOTING

**Section 1. Membership.** Each co-owner of a Condominium unit, present and future, shall be a member of the Association during the term of such ownership, and no other person or entity shall be entitled to membership. Neither Association membership nor the share of a member in the Association fund and assets shall be assigned, pledged or transferred in any manner, except as an appurtenance to a Condominium unit, and any attempted assignment, pledge or transfer in violation of this provision shall be wholly void.

**Section 2. Voting Rights.** Except as limited in the Master Deed and in these Bylaws, the members owning each unit shall collectively be entitled to one vote when voting by number and one vote, the value of which shall equal the total percentage of value assigned to the unit in Article VI B of the Master Deed, when voting by value. Voting, when required or permitted herein or elsewhere in the Condominium Documents, shall be by value, except in those instances where voting is specifically required to be by number, or both by value and by number, and no cumulation of votes shall be permitted.



**Section 3. Persons Entitled to Vote.** If one person owns a unit, he shall establish his membership in the Association and his right to vote by presenting evidence of his ownership. If more than one person owns a unit, or the unit is leased, all of the record owners of the unit shall sign and file with the Secretary of the Association a certificate designating the person entitled to exercise the unit's membership in the Association, to cast the vote for the unit and to receive all notices and other communications from the Association. Such certificate shall state the name and address of the individual representative designated, the number or numbers of the unit or units owned, the name and address of the person or persons, firm, corporation, partnership, association, trust or other legal entity who is the co-owner thereof, and shall be signed and dated by all co-owners of record. All certificates shall be valid until revoked, until superseded by a subsequent certificate, or until a change occurs in the record ownership of the unit concerned. The Developer shall, at any meeting, be entitled to cast a vote on behalf of each unit he owns without submitting any proof of ownership. For purposes of this Section 3, the Developer shall be deemed to own only completed units, as defined in Article V, Section 7, hereof.

**Section 4. Method of Voting.** Votes on a specific issue may be cast in person. In addition, any person entitled to vote at any meeting may also appear and vote via telecommunications equipment, as provided by Article II, Section 6 of the Association Bylaws, or appear and vote (either specifically on an issue or by the general designation of a person to cast a vote) by written proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated, and any adjournment thereof, and must be filed with the Association before the appointed time of the meeting.

**Section 5. Majority.** At any meeting of the members at which a quorum is present, fifty-one percent (51%) in value of the members voting, whether in person, by telecommunications or by proxy, on any particular matter, shall constitute a majority for the approval of such matter, except as otherwise required herein, by the Master Deed or by law.

### ARTICLE III

#### MEETINGS AND QUORUM

**Section 1. First Meeting of Members.** The first meeting of the members of the Association may be convened only by the Board of Directors and may be called at any time upon ten (10) days' written notice to all members. In no event, however, shall the first meeting be held later than one hundred twenty (120) days after the first conveyance of land or equitable title to a Condominium unit to a non-Developer co-owner. The Board of Directors may call meetings of members of the Association for informational or other appropriate purposes prior to the first meeting of members, but no such meeting shall be construed as the first meeting of members.

**Section 2. Advisory Committee.** The Board of Directors shall establish an Advisory Committee of non-Developer members upon the passage of: (a) one hundred twenty (120) days after legal or equitable title to one third of the units that may be created has been conveyed to non-Developer co-owners; or (b) one year after the first conveyance of legal or equitable title to a Condominium unit to a non-Developer co-owner, whichever first occurs. The Advisory Committee shall meet with the Board of Directors to facilitate communication with the non-Developer members and to aid in transferring control from the Developer to non-Developer members. The advisory Committee shall be composed of not less than one (1) nor more than three (3) non-Developer members, who shall be appointed by the Board of Directors in any manner it selects, and who shall serve at the pleasure of the Board of Directors. The Advisory Committee shall automatically dissolve after a majority of the Board of Directors is comprised of non-Developer co-owners. The Advisory Committee shall meet at least quarterly with the Board of Directors. Reasonable notice of such meetings shall be provided to all members of the Committee, and such meetings may be open or closed, in the discretion of the Board of Directors.

**Section 3. Annual Meetings of Members.** Following the first meeting of members, an annual meeting of the members shall be held in each year at the time and place specified in the Association Bylaws. At least ten (10)



days prior to the date of an annual meeting, written notice of the time, place and purpose of such meeting shall be sent by first-class mail, postage prepaid, to each person entitled to vote at the meeting.

**Section 4. Special Meetings of Members.** It shall be the duty of the President to call a special meeting of the members upon a petition signed by 25% of the non-Developer co-owners and 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 and shall be given at least ten (10) days prior to the date of such meeting. No business shall be transacted at a special meeting except as stated in the notice.

**Section 5. Quorum of Members.** Unless otherwise provided herein, the presence, in person or by proxy, of fifty-one percent (51%) in number and value of the members entitled to vote shall constitute a quorum of members. If a quorum shall not be present at any meeting, the members present may adjourn the meeting for not more than thirty (30) days.

#### ARTICLE IV

##### ADMINISTRATION

**Section 1. Board of Directors.** The business, property and affairs of the Association shall be managed by a Board of Directors, all of whom shall serve without compensation and who must be members of the Association except for the first Board of Directors, designated in the Articles of Incorporation of the Association and any successors thereto elected by the Developer prior to the first annual meeting of members. The number, term of office, manner of election, removal and replacement, meetings, quorum and voting requirements, and other duties or provisions of or relating to directors, not inconsistent with the following, shall be provided by the Association Bylaws.

**Section 2. Powers and Duties.** The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Condominium and may do all things which are not prohibited by law or the Condominium Documents or required thereby to be done by the members. The powers and duties to be exercised by the Board shall include, but shall not be limited to, the power and duty:

- (a) To manage and administer the affairs of and to the Condominium, all appurtenances thereto, and the common elements, property and easements thereof;
- (b) To levy and collect assessments against and from the members of the Association and to use the proceeds therefrom for the purposes of the Association, and to enforce assessments through liens and foreclosure proceedings where appropriate;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) To restore, repair or rebuild the Condominium, or any portion thereof, after occurrence of casualty, and to negotiate on behalf of all of the members in connection with any taking of the Condominium, or any portion thereof, by eminent domain;
- (e) To contract for and employ, and to discharge, persons or business entities to assist in the management, operation, maintenance and administration of the Condominium;
- (f) To make reasonable rules and regulations governing the use and enjoyment of the Condominium by members and their tenants, guests, employees, invitees, families and pets and to enforce such rules and regulations by all legal methods, including, without limitation, imposing fines and late payment charges, or instituting eviction or legal proceedings;

(g) To own, maintain and improve, and to buy, sell, convey, assign, transfer, mortgage or lease (as landlord or tenant), or otherwise deal in any real or personal property, including, but not limited to, any Condominium unit, easements, rights-of-way, licenses or any other real property, whether or not contiguous to the Condominium, to benefit the members of the Association and to further any of the purposes of the Association;

(h) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge or other lien on Association property; provided, however, that any such action shall first be approved by the affirmative vote of more than two-thirds (2/3) of the Association members in number and in value at a meeting of the members duly called;

(i) To establish such committees as it deems necessary, convenient or desirable to appoint persons thereto, to administer the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board;

(j) To make rules and regulations or to enter into agreements with institutional lenders, or both, for the purpose of obtaining mortgage financing for members which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association or any other agency of the federal government, the State of Michigan, the County of Van Buren, the Township of South Haven or any other agency or unit of government;

(k) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws, rules and regulations of this Association as may hereafter be adopted, and to sue on behalf of the members with respect to the Condominium;

(l) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Bylaws or by Act No. 59 of the Public Acts of 1978, as amended by Act No. 538 of the Public Acts of 1982, and Act No. 113 of the Public Acts of 1983.

(m) In general, to enter into any kind of activity; to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Condominium and to the accomplishment of any of the purposes thereof not forbidden, and with all powers conferred upon nonprofit corporations by the laws of the State of Michigan.

Provided, however, that neither the Board nor the Association shall, by act or omission, abandon, partition, subdivide, encumber, sell or transfer the common elements, or any of them, unless at least two-thirds (2/3) of the mortgagees (based upon one vote for each mortgage owned) and two-thirds (2/3) of the members in number and value have consented thereto. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the Condominium, shall not be deemed a transfer for these purposes.

**Section 3. Managing Agent.** The Board of Directors may employ, at a compensation established by it, a Managing Agent for the Condominium to perform such duties and services as the Board shall authorize, including, but not limited to, the powers and duties set forth in Section 2 of this Article. Any Director, the Developer, or any related person or entity, may serve as Managing Agent if so appointed. If the Board employs a professional management agent for the Association, the Board shall notify each holder of a mortgage lien on any Condominium unit prior to terminating the employment of such professional management agent (or any successor thereto) and assuming self management. In no event shall the Board be authorized to enter into with a professional management agent, or a contract providing for services by the Developer or its affiliates, under which the maximum term is greater than three (3) years or which is not terminable by the Association upon the transitional control date or within ninety (90) days thereafter and upon thirty (30) days' written notice for cause. Upon the transitional control date, or within ninety (90) days thereafter, the Board of Directors may terminate a service or management contract with the Developer or its affiliates. In addition, the Board of Directors may terminate any management contract which extends



beyond one (1) year after the transitional control date by providing notice of termination to the management agent at least thirty (30) days before the expiration of the one (1) year.

**Section 4. Officers.** The Association Bylaws shall provide for the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to Association officers not inconsistent herewith. Officers may be compensated, but only upon the prior affirmative vote of two-thirds (2/3) of the members.

**Section 5. Actions Prior to First Meeting.** All of the actions (including, without limitation, the adoption of these Bylaws, the Association Bylaws, any Rules and Regulations of the Association, and any undertakings or contracts entered into with others on behalf of the Association) of the Board of Directors of the Association named in its Articles of Incorporation, or their appointed successors, before the first meeting of members, shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the Association members at the first or any subsequent meeting of members, so long as such actions are within the scope of the powers and duties which any Board of Directors may exercise, as provided in the Condominium Documents.

**Section 6. Indemnification of Officers and Directors.** The Association shall indemnify every Association director and officer against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him as a consequence of his being made a party to or being threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of his being or having been a director or officer of the Association, except in such cases wherein he is adjudged guilty of willful and wanton misconduct or gross negligence in the performance of his duties or adjudged to have not acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and its members, and with respect to any criminal action or proceeding, he is adjudged to have had no reasonable cause to believe that his conduct was unlawful; provided that, if a director or officer claims reimbursement or indemnification hereunder based upon his settlement of a matter, he shall be indemnified only if the Board of Directors (with any director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interests of the Association and, if a majority of the members request it, such approval is based on an opinion of independent counsel supporting the propriety of such indemnification and reimbursement. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights such director or officer may have. The Board of Directors shall notify all members that it has approved an indemnification payment at least ten (10) days prior to making such payment.

## ARTICLE V

### OPERATION OF THE PROPERTY

**Section 1. Personal Property.** The Association shall be assessed as the person or entity in possession for 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 2. Costs and Receipts to be Common.** All costs incurred by the Association to satisfy any liability arising within, or caused by or in connection with the common elements, or caused by or in connection with the administration of the Condominium, shall be expenses of administration, and all sums received as proceeds of, or pursuant to, any insurance policy carried by the Association securing the interests of the members against liabilities or losses arising within, caused by or connected with, the common elements or the administration of the Condominium shall be receipts of administration.

**Section 3. Books of Account.** The Association shall keep or cause to be kept detailed books of account showing all expenditures and receipts affecting the Condominium and its administration of the Condominium and



which specify the operating expenses of the Condominium. Such books of account shall specify the maintenance and repair expenses of the common elements and any other expenses incurred on behalf of the Association and members. The members and their mortgagees may inspect the books of account during reasonable working hours on normal working days at a place the Association designates. The books of account shall be audited at least annually by qualified independent auditors, but such audit need not be a certified audit nor must the auditors be certified public accountants. The cost of such audit, and all accounting expenses, shall be an expense of administration. Any institutional holder of a mortgage lien on any Condominium unit who so requests shall be given a copy of the audit report within ninety (90) days following the end of the Association's fiscal year. At least once a year, the Association shall prepare and distribute to each member a statement of its financial condition, the contents of which shall be defined by the Association.

**Section 4. Regular Assessments.** The Board of Directors shall establish an annual budget in advance for each fiscal year for the Condominium, and such budget shall contain the Board's estimate of the funds required to defray the expenses of administration for the forthcoming year, as those items are defined by these Bylaws, and all other common expenses. The budget also shall allocate and assess all such common charges against all members in accordance with the percentage of value allocated to each unit by the Master Deed, without increase or decrease for the existence of any rights to the use of limited common elements appurtenant thereto. The common expenses shall consist, among other things, of such amounts as the Board may deem proper for the operation, management and maintenance of the Condominium property under the powers and duties delegated to it hereunder, and may include, without limitation, amounts to be set aside for working capital of the Condominium, for a general operating fund, for a reserve fund and for meeting any deficit in the common expense budget for any prior year. The budget shall establish an adequate reserve fund for maintenance, repair and replacement of the general and limited common elements, which fund shall be financed by regular annual payments rather than by special assessments. The Board shall advise each member in writing of the amount of common charges payable by him and shall furnish copies of each budget on which such common charges are based to all members, although failure to deliver a copy of the budget to each member shall not affect any member's liability for any existing or future assessments. Should the Board of Directors at any time determine, in its sole discretion, that the assessments levied are or may prove to be insufficient: (a) to pay the operation and management costs of the Condominium, (b) to provide for maintenance, repair or replacement of existing common elements, (c) to provide additions to the common elements not exceeding \$5,000 annually, or (d) to provide for emergencies, the Board may increase the general assessments or levy such additional assessment or assessments, and apportion them, as it deems necessary. Members shall pay all assessments levied in accordance with this Section 4 in annual installments commencing with acquisition of title to a unit by any means. The first annual installment shall be pro-rated as of the date of acquisition of title.

Notwithstanding the foregoing, the Board of Directors, including the first Board of Directors appointed by the Developer, may relieve a Co-owner (including the Developer) who has not constructed a residence within his unit, from payment, for a limited period of time, of all or some portion of his respective allocable share of the Association budget. The purpose of this provision is to provide fair and reasonable relief from Association assessments for non-resident owners until such owners actually commence utilizing the common elements on a regular basis.

**Section 5. Special Assessments.** Special assessments, in addition to those provided for in Section 4 above, may be levied by the Board of Directors from time to time, following approval by the members as hereinafter provided, to meet other needs, requirements or desires of the Association, including, but not limited to: (a) assessments for capital improvements or additions to the common elements at a cost exceeding \$5,000 per year; (b) assessments for the purchase or lease of a unit in the Condominium pursuant to Article VIII, Section 3; (c) assessments to purchase a unit upon foreclosure of a lien for assessments, as described in Section 6 hereof; or (d) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this Section 5 (but not including those assessments referred to in Section 4 above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than two-thirds (2/3) of all members in value and in number, which approval shall be granted only by a vote of the members taken at a meeting of the members called in accordance with the provisions of Article III hereof.

**Section 6. Collection of Assessments.** Each member, whether one or more persons, shall be and shall remain personally obligated for the payment of all assessments levied with regard to his unit during the time that he is the owner thereof, and no member 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. If any member defaults in paying the assessed common charges, interest at the maximum legal rate shall be charged on such assessment from the due date thereof and further penalties or proceedings may be instituted by the Board of Directors in its discretion. If such assessment, or any part thereof, is not paid on or before the due date established by the Board of Directors for such payment, then such payment shall be in default. The Board of Directors may, but need not, report such a default to any mortgagee of record. Any mortgagee of a Condominium unit may consider a default in the payment of any assessment a default in the payment of its mortgage. Unpaid assessments shall constitute a lien upon the unit prior to all other liens except tax liens and sums unpaid on a first mortgage of record. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of a lien that secures payment of assessments. Each member, and every other person, except a first mortgagee, who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement (in accordance with the provisions of Chapter 32 of the Michigan Revised Judicature Act, as amended). 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. The Association is hereby granted what is commonly known as a "power of sale". Each member and every other person, except a first mortgagee, who from time to time has any interest in the Condominium shall be deemed to have authorized and empowered the Association to sell or to cause to be sold at public auction the unit with respect to which the assessment is delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each member acknowledges that when he acquired title to his unit, he was notified of the provisions of this section 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 the subject unit. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until ten (10) days have expired after the mailing, by certified mail, return receipt requested and postage prepaid, addressed to the delinquent member at his last known address, of a written notice that an assessment, or any part thereof, levied against his unit is delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. A written affidavit of an authorized representative of the Association that sets forth (a) the affiant's capacity to make the affidavit, (b) the statutory and other authority for the lien, (c) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (d) the legal description of the subject unit, and (e) the name of the member of record, shall accompany such written notice. Such affidavit shall be recorded in the Office of the Van Buren County Register of Deeds prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of the mailing notice. If the delinquency is not cured within the ten (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 representative of the delinquent member designated in Article II, Section 3, above, and shall inform such representative that he may request a judicial hearing by bringing suit against the Association. The expenses incurred in collecting unpaid assessments, including interest, costs, reasonable attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the members in default and shall be secured by the lien on his unit. If any member defaults in the payment of any installment of the annual assessment levied against his unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. In a judicial foreclosure action, the court may appoint a receiver to collect a reasonable rental for the unit from the member owning it or any persons claiming under him, and each member hereby covenants to the appointment of such a receiver. The Association may also stop furnishing any services to a member in default upon seven (7) days' written notice to such member of its intent to do so. A member in default on the payment of any assessment shall not be entitled to vote at any meeting of the Association so long as such default continues.

If the holder of a first mortgage on a Condominium unit obtains title to the unit by foreclosing the mortgage, accepting a deed in lieu of foreclosure or similar remedy, or any other remedy provided in the mortgage, such person, and its successors and assigns, or other purchaser at a foreclosure sale shall not be liable for unpaid assessments chargeable to the unit which became due prior to the acquisition of title to the unit by such person; provided, however, that such unpaid assessments shall be deemed to be common expenses collectible from all of the members, including such person, its successors and assigns, and that all assessments chargeable to the unit subsequent to the acquisition of title shall be the responsibility of such person as hereinbefore provided with respect to all members. When a member is in arrearage to the Association for assessments, the Association may give written notice of arrearage to any person occupying his unit under a lease or rental agreement, and such person, after receiving the notice, shall deduct from rental payments due the member the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the occupant. The Association may purchase a unit at any foreclosure sale hereunder.

#### **Section 7. Obligations of the Developer.**

(a) The Developer shall be responsible for payment of the full Association maintenance assessment, and all special assessments, for all completed units owned by it and shall also maintain, at its own expense, any incomplete units owned by it. "Completed unit" shall mean a unit served by completed streets adjacent to such unit. An "incomplete unit" shall mean any unit that is not a Completed unit.

(b) In addition to maintaining any incomplete units owned by it, the Developer shall be charged a portion of the established Association assessment for each incomplete unit established in the Master Deed, whether constructed or not. Such portion shall be determined by the officers of the Association based upon the level of common expenses incurred in respect of such incomplete units, and it may be altered on a month-to-month basis. Each incomplete unit must, at a minimum, bear its pro rata portion of the cost of all accounting and legal fees, public liability and casualty insurance, road maintenance (including snow removal), utility maintenance, if any, grounds maintenance (including landscaping), real estate taxes in the year of the establishment of the Condominium, and the reserve for the repair and replacement of major common elements. Such pro rata portion of such costs shall be allocated to the incomplete units in accordance with the percentage of value allocated to each unit by the Master Deed, without increase or decrease for the existence of any rights to the use of limited common elements appurtenant thereto.

**Section 8. Maintenance and Repair.** As provided in the Master Deed, the Association shall maintain and repair the general common elements. The costs thereof shall be charged to all the members as a common expense, unless necessitated by the negligence, misuse or neglect of a member, in which case such expense shall be charged to such member. The Association or its agent shall have access to each unit from time to time during reasonable working hours, upon notice to the occupant thereof, for the purpose of maintenance, repair or replacement of any of the common elements located therein or accessible therefrom. The Association or its agent shall also have access to each unit at all times without notice for making emergency repairs necessary to prevent damage to other units, the common elements, or both.

If any member fails to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such member for any necessary damage to his unit caused thereby in gaining such access, the costs of which damages shall be borne by such member. Unless otherwise provided herein or in the Master Deed, damage to a unit or its contents caused by the repair or maintenance activities of the Association, or by the common elements, shall be repaired at the expense of the Association.

All other maintenance and repair obligations shall, as provided in the Master Deed, rest on the individual member. Each member shall maintain his unit in a safe, clean and sanitary condition. Each member shall also use due care to avoid damaging any of the common elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any unit which are appurtenant to or which may affect any other unit. Each member 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, his family, guests, agents or



invitees, unless such damages or costs are actually reimbursed from insurance carried by the Association, in which case there shall be no such responsibility (if reimbursement to the Association is excluded by virtue of a deductible provision, the responsible member shall bear the expense to the extent of the deductible amount, anything else in these Bylaws to the contrary notwithstanding). Any costs or damages to the Association that are herein or elsewhere in the Condominium Documents assigned to the individual member may be assessed to and collected from the responsible member in the manner provided for regular assessments in Article V, Section 4, hereof.

The provisions of this Section 8 shall be subject to those of Article VI, Sections 1-3, in the event of repair or replacement on account of a casualty loss.

**Section 9. Taxes.** Subsequent to the year in which the Condominium is established, all special assessments and property taxes shall be assessed against the individual units and not upon the total property of the Condominium or any part thereof. Taxes and special assessments which have become a lien against the property of the Condominium in the year of its establishment (as provided in Section 131 of the Act) shall be expenses of administration and shall be paid by the Association. Each unit shall be assessed a percentage of the total bill for such taxes and assessments equal to the percentage of value allocated to it in the Master Deed, and the members owning those units shall reimburse the Association for their unit's share of such bill within ten (10) days after they have been tendered a statement therefor.

**Section 10. Documents to Be Kept.** The Association shall keep current copies of the approved Master Deed, all amendments thereto, and all other Condominium Documents available for inspection at reasonable hours by members, prospective purchasers and prospective mortgagees of Condominium units.

**Section 11. Reserve for Major Repairs and Replacements.** The Association shall maintain a reserve fund for major repairs and replacement of common elements in an amount equal to at least ten percent (10%) of the Association's current annual budget on a noncumulative basis. Monies in the reserve fund shall be used for major repairs and replacement of common elements. THE MINIMUM STANDARDS REQUIRED BY THIS SECTION MAY PROVE INADEQUATE FOR A PARTICULAR PROJECT. The Association of members 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.

**Section 12. Statement of Unpaid Assessments.** Pursuant to the provisions of the Act, the purchaser of any unit may request a statement from the Association as to the outstanding amount of any unpaid 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 a right to acquire a unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that non exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the unit itself.

## ARTICLE VI

### INSURANCE, REPAIR OR REPLACEMENT; CONDEMNATION; CONSTRUCTION LIENS

**Section 1. Insurance.** The Association shall carry fire and extended coverage, vandalism, malicious mischief and liability insurance, workmen's compensation insurance, if applicable, and such other insurance coverage as the Board may determine to be appropriate with respect to the ownership, use and maintenance of the common elements of the Condominium and the administration of Condominium affairs. Such insurance shall be carried and administered in accordance with the following provisions:

(a) All such insurance shall be purchased by the Association for the benefit of the Association, the members and their mortgagees, as their interests may appear, and provisions shall be made for the issuance of certificates of insurance with mortgagee endorsements to the mortgagees of members' units. It shall be each member's responsibility to obtain insurance coverage for the improvements to his unit and his personal property located within his unit or elsewhere in the Condominium and for his personal liability for occurrences within his unit and also for alternative living expenses. The Association shall have absolutely no responsibility for obtaining such coverage. The Association and all members shall use their best efforts to see that all property and liability insurance carried by the Association or any member shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any member or the Association, and, subject to the provisions of Article V, Section 8, hereof, the Association and each member hereby waive, each as to the other, any right of recovery for losses covered by insurance. The liability of carriers issuing insurance obtained by the Association shall not, unless otherwise required by law, be affected or diminished on account of any additional insurance carried by any member, and vice versa.

(b) All common elements of the Condominium shall be insured against fire and other perils covered by a standard extended coverage endorsement in an amount equal to the maximum insurable replacement value, as determined annually by the Board of Directors of the Association.

(c) Public liability insurance shall be carried in such limits as the Board may from time to time determine to be appropriate, and shall cover the Association, each member, director and officer thereof, and any managing agent.

(d) All premiums upon insurance policies purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(e) Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account, and distributed to the Association, the members and their mortgagees as their interests may appear; provided, however, whenever Section 3 of this Article requires the repair or reconstruction of the Condominium, any insurance proceeds received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such purpose. Hazard insurance proceeds shall never be used for any purpose other than for repair, replacement or reconstruction of the project unless all of the holders of mortgages on units, and all members, in the Condominium have given their prior written approval.

(f) All insurance carried by the Association shall, to the extent possible, provide for cross-coverage of claims by one insured against another.

**Section 2. Appointment of Association.** Each member, by ownership of a unit in the Condominium, shall be deemed to appoint the Association as his true and lawful attorney-in- fact to act in connection with all matters concerning insurance pertinent to the Condominium, his unit and the common elements appurtenant thereto. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the members and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such members and the Condominium as shall be necessary or convenient to accomplish the foregoing.

**Section 3. Reconstruction or Repair.** If any part of the Condominium shall be damaged, the determination of whether or not, and how, it shall be reconstructed or repaired shall be made in the following manner:

(a) If a common element is damaged, such property shall be rebuilt or repaired, unless the members unanimously vote that the Condominium shall be terminated and each holder of a mortgage lien on any Condominium unit has given its prior written approval of such termination.

(b) Any reconstruction or repair shall be performed substantially in accordance with the Master Deed and the plans and specifications for the Condominium to a condition as similar as possible to the condition existing prior to damage, unless the members and each holder of a mortgage lien on any Condominium unit shall unanimously decide otherwise.

(c) If the damage is only to a part of a unit which it is the responsibility of a member to maintain and repair, it shall be the responsibility of the member to repair such damage in accordance with the subsection (d) hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association. The Association promptly shall notify each holder of a mortgage lien on any of the Condominium units if any unit or any part of the common elements is substantially damaged or destroyed.

(d) Each member shall be responsible for the reconstruction and repair of his unit.

(e) The Association shall be responsible for the reconstruction and repair of the common elements, and for any incidental damage to a unit and the contents thereof caused by such common elements or the reconstruction or repair thereof. Immediately after a casualty occurs causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to return the damaged property to a condition as good as that existing before the damage.

(f) Any insurance proceeds received, whether by the Association or a member, shall be used for reconstruction or repair when reconstruction or repair is required by these Bylaws. If the insurance proceeds are not sufficient to pay the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all members 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. Such assessments shall be levied in the same manner as the regular monthly assessments, as set forth in Article V, Section 4, hereof.

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

(a) The Association, acting through its Board of Directors, may negotiate on behalf of all members for any taking of common elements. Any negotiated settlement shall be subject to the approval of more than two-thirds (2/3) of the members in number and in value and shall thereupon be binding on all members.

(b) If an entire unit is taken by eminent domain, the award for such taking shall be paid to the Association for the benefit of the owner of such unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the member and his mortgagee, they shall be divested of all interest in the Condominium. The undivided interest in the common elements belonging to the member whose unit has been taken shall thereafter appertain to the remaining units, including those restored or reconstructed under the provisions of this Section.

(c) If any condemnation award shall become payable to any member whose unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Association on behalf of such member and his mortgagee, as their interests may appear. If only a part of any unit is taken, the Association shall, if practical, use the award to rebuild the same to the extent necessary to make it habitable and remit the balance of the condemnation proceeds attributable to such unit to the owner and mortgagee thereof, as their interests may appear.

(d) If any portion of the Condominium other than any unit is taken, the condemnation proceeds relative to such taking shall be paid to the Association and the affirmative vote of more than fifty percent (50%) of the members in number and in value at a meeting duly called shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If no such



affirmative vote is obtained, such condemnation proceeds shall be remitted to the members and their respective mortgagees, as their interests may appear, in accordance with their respective percentages of value set forth in Article VI of the Master Deed.

(e) If the Condominium Project continues after a taking by eminent domain, then the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly, and, if any unit shall have been taken, then Article VI of the Master Deed shall be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining members based upon a continuing value for the Condominium of one hundred percent (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 members, but only with the prior written approval of all holders of mortgage liens on individual units in the project.

(f) If any Condominium unit, or any portion thereof, or the common elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each holder of a mortgage lien on any of the Condominium units.

(g) If the taking of a portion of a Condominium unit makes it impractical to rebuild the partially taken unit to make it habitable, then the entire undivided interest in the common elements appertaining to that Condominium unit shall thenceforth appertain to the remaining Condominium units, and shall be allocated to them in proportion to their respective undivided interests in the common elements. The remaining portion of that condominium unit shall thenceforth be a common element.

(h) Votes in the Association of members and liability for future expenses of administration appertaining to a Condominium unit taken or partially taken (as provided in subsection (g) hereof) by eminent domain shall thenceforth appertain to the remaining Condominium units, and shall be allocated to them in proportion to their relative voting strength by value in the Association.

**Section 5. Construction Liens.** The following provisions shall control the circumstances under which construction liens may be applied against the Condominium or any unit thereof:

(a) Except as provided below, a construction lien for work performed on a Condominium unit may attach only to the unit upon or for the benefit of which the work was performed.

(b) A construction lien for work authorized by the Developer and performed upon the common elements may attach only to units owned by the Developer at the time of recording of the claim of lien.

(c) A construction lien for work authorized by the Association may attach to each unit only to the proportional extent that the member owning the unit is required to contribute to the expenses of administration as provided by the Condominium Documents.

(d) A construction lien may not arise or attach to a unit for work performed on the common elements not contracted for by the Developer or the Association.

If a member is advised or otherwise learns of a purported construction lien contrary to the foregoing, he shall immediately notify the Board of Directors. Upon learning of the purported construction lien, the Board shall take appropriate measures to remove any cloud on the title of units improperly affected thereby.

**Section 6. Notice to FHLMC.** If any mortgage in the Condominium is held by the Federal Home Loan Mortgage corporation ("FHLMC"), then the Association shall give FHLMC written notice at such address as it may, from time to time, direct of any loss to or taking of the common elements of the Condominium, if the loss or taking exceeds Ten Thousand Dollars (\$10,000) in amount.

**Section 7. Mortgagees.** Nothing contained in the Condominium Documents shall be construed to give a Condominium unit owner, or any other party, priority over any rights of 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, common elements or both.

## ARTICLE VII

### USE AND OCCUPANCY RESTRICTIONS; ENFORCEMENT

**Section 1. Establishment of Restrictions.** In order to provide for congenial occupancy of the Condominium, and for the protection of the value of the units, the use of Condominium property shall be subject to the following limitations:

(a) No condominium unit shall be used for other than single-family residential purposes and the common elements shall be used only for purposes consistent with the use of single-family residences. Home businesses are permitted if operated entirely within the dwelling and excessive traffic and parking requirements are not generated. No signage relating to home businesses shall be permitted. However, these restrictions on use shall not be construed to prohibit a co-owner from (a) maintaining a personal professional library, (b) keeping personal business or professional records or accounts, or (c) handling personal business or professional telephone calls or correspondence. Not more than one single family dwelling may be located on each unit. Notwithstanding anything to the contrary herein, all use, occupancy and construction of units shall comply with the provisions of the Township of South Haven or other applicable Zoning Ordinance and applicable construction standards.

(b) No immoral, improper, unlawful or offensive activity shall be carried on in any unit or upon the common elements, nor shall anything be done which may be or become an annoyance or a nuisance to the members, nor shall any unreasonably noisy activity be carried on in any unit or on the common elements. No member owning any unit shall do or permit anything to be done or keep or permit to be kept in his unit or on the common elements anything that will increase the insurance rate on the Condominium without the written approval of the Association. Each member who is the cause thereof shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

(c) The common elements shall not be used to store supplies, materials, personal property, trash nor refuse of any kind, except as provided in duly adopted Association rules and regulations. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted elsewhere on the common elements except for such short periods of time as may be reasonably necessary to permit the periodic collection of trash in accordance with any contract for trash collection maintained by the Association. The common elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. In general, no activity shall be carried on nor condition maintained by a member, either in his unit or upon the common elements, which spoils the appearance of the Condominium.

(d) Landscaped areas, roads, parking areas and, in general, all of the general common elements, shall not be obstructed in any way nor shall they be used for purposes other than those for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the common elements. Use of any recreational facilities in the Condominium may be limited to such times and in such manner as the Association shall determine by duly adopted regulations.

(e) No member shall use, or permit any occupant, agent, employee, invitee, guest or member of his family to use, any firearms, air rifles, pellet guns, BB guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Premises.

(f) No signs or other advertising devices shall be displayed which are visible from the exterior of a unit or on the common elements, including "For Sale" and "For Rent" signs, without written permission from the Association.

(g) No animal shall be kept except common indoor household pets. Such pets may not be kept nor bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No savage nor dangerous animal shall be kept. No such pets may be permitted to run loose upon the common elements. The Association may charge all co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article V, Section 4, of these Bylaws if the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed, any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. Any person who causes an animal to be brought or kept in the Condominium shall indemnify and hold harmless the Association for any damage, loss or liability which might accrue to the Association as a result of the presence of such animal in the Condominium, regardless of whether the animal's presence is permitted.

(h) Co-owners shall park their automobiles and light trucks in the garage or on the driveway situated on a unit (unless this provision is waived or modified by the Association as to a particular unit or units). Commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers or vehicles other than automobiles or light trucks, if not parked in the garage situated on a unit, shall not be parked on a unit. All vehicles, recreational vehicles and trailers shall have current registration or license and be suitable for use on public property. No house trailers will be allowed on the Condominium premises. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Co-owners shall, if the Association shall require, register all vehicles maintained in the Condominium with the Association.

(i) Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use and management of the common elements may be made and amended from time to time by any Board of Directors of the Association, including the Board of Directors established in the Articles of Incorporation (and its successors). Copies of all such regulations and amendments thereto shall be furnished to all members and shall become effective ten (10) days after mailing or delivery thereof to the designated voting representative of each member. Any such regulation or amendment may be revoked at any time by the affirmative vote of fifty one percent (51%), or more of all members in number and in value at any duly convened meeting of the Association, except that the members may not revoke any regulation or amendment prior to the first meeting of the Association.

(j) No unsightly condition shall be maintained upon any balconies, porches, decks or yards and only furniture and equipment consistent with ordinary balcony, porch, deck and yard use shall be permitted to remain there during seasons when such areas are reasonably in use.

(k) None of the restrictions contained in this Article VII shall apply to the commercial activities or signs or billboards, if any, of the Developer during the development and sales period as defined hereinafter, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation and Bylaws as the same may be amended from time to time. For the purposes of this subsection, the development and sales period shall be deemed to continue so long as Developer owns any unit which he offers for sale or so long as any additional unit may be created in the Condominium. Until all units that may be created in the Condominium have been sold by Developer, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas, 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.

**Section 2. Construction Standards.** The following restrictions will apply to construction by Co-owners on their units:

(a) **Site Plan Review.** The Developer or his designated agent(s), as Design Agent, shall review and approve the placement, design and exterior finish of the dwelling as well as other buildings and site improvements (including free standing mailboxes and free standing outdoor lighting fixtures) for any building on any lot. This review applies to the original building and improvements and to later additions, alterations or improvements. 1 external communications antenna extending not more than 10' above the highest roof line is permitted without Design Agent approval.

(b) **Building Size.** All dwellings must have a minimum area of 1100 square feet, excluding basements, walkout or otherwise.

(c) **Height.** All buildings shall comply with the applicable zoning ordinances and building codes.

(d) **Setback.** Building setbacks shall be subject to the Design Agent's approval and in no event shall be less than 30 feet from any of the private drives within the project. Sideyards of not less than 20 feet between dwellings shall be required.

(e) **Construction Standards.** All construction must meet the BOCA Building Code together with state and local ordinances and regulations.

(f) **Garages.** All homes shall have, at a minimum, a two car, attached garage.

(g) **Outbuildings.** Only one outbuilding shall be allowed on each unit. All outbuildings shall be of similar materials and architecturally conform to the main structure located on the unit.

(h) **Length of Construction Period.** All buildings commenced and/or remodeled shall be completed on the exterior within twelve months after start of construction, and all construction waste materials (including excess soil) shall be removed from the premises or stored within the building. All landscaping shall be finished within one year after start of construction. Excavation starts the beginning of construction. The unit Co-owner shall be responsible for keeping the common areas free from construction waste materials and soils from his unit.

(i) **Utilities.** All utilities shall be located underground. The Co-owner shall notify the Developer when electric service is furnished to the Unit.

(j) **Fences and Markers.** No fences shall be permitted (except as part of a deck, patio or pool) unless approved by the Design Agent. No lot line nor corner markers shall be erected by Co-owners.

(k) **Paving.** Driveways and sidewalks shall be surfaced with concrete, asphalt or brick, and shall match into the edge of existing streets and sidewalks.

(l) **Landscaping.** Lawns must be sodded or seeded within one year from start of construction unless otherwise specified in the site plan approval. Trees over 4" in diameter cannot be removed without Design Agent's approval. Other landscaping (other than berms or other earth contouring) may be done without Design Agent's approval and shall be maintained in a healthy and attractive condition by the Co-owner.

(m) Building Plan Review (not required for construction by Developer).

(i) Preliminary Plans. Preliminary plans should include the site plan, floor plans for all levels of the home and elevations of all sides of the home. A color rendering of the home with landscaping is desirable.

(ii) Materials and Colors. Material and color selection for all the exterior elevations are to be submitted, specifically masonry, siding, trim, garage door(s) and roof. Wood, paint or stain samples as well as brick selection must be submitted.

(iii) Final Approval. For final approval, a set of working drawings are to be submitted to include site plans, floor plans, all exterior elevations, and construction details, designed and stamped by a registered professional architect (unless waived in writing by the Design Agent). These drawings shall incorporate any required revisions from the preliminary submission.

**Section 3. Enforcement.** Failure to comply with any of the terms of the Act, the Master Deed, these Condominium Bylaws, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, shall be grounds for relief, which may include, without limitation, an action to recover sums due for such damages, injunctive relief, and any other remedy that may be appropriate to the nature of the breach. The failure of the Association to enforce any right, provision, covenant or condition which may be granted by the Act, the Master Deed, these Bylaws, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, shall not constitute a waiver of the right of the Association to enforce such right, provision, covenant or condition in the future.

## ARTICLE VIII

### LEASE OF A UNIT

**Section 1. Restrictions on Leasing.** No member shall lease less than an entire unit in the Condominium and no tenant of a residential unit shall be permitted to occupy a residential unit, except under written lease, the initial term of which is at least thirty days, specifically approved in writing by the Board of Directors. The Board may, except to the extent prohibited by law, require a security deposit from any proposed tenant of a residential unit as a condition to the approval of any lease.

#### Section 2. Non Co-owner Compliance.

(a) All non co-owner occupants shall comply with all of the terms and conditions of the Condominium Documents and the provisions of the Act.

(b) If the Association determines that a non co-owner occupant has failed to comply with the conditions of the Condominium Documents, or the provisions of the Act, the Association shall take the following action:

(i) The Association shall advise the appropriate member by certified mail of the alleged violation by a person occupying his unit.

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

(iii) If after fifteen (15) days the Association believes that the alleged breach has not been cured or may be repeated, it may institute on its behalf, or derivatively by the members on behalf of the Association if it is under the control of the Developer, an action for eviction against the non co-owner occupant and, simultaneously, for money damages against the member and non co-owner

occupant for breach of the conditions of the Condominium Documents or of the Act. The relief set forth in this section may be by any appropriate proceeding. The Association may hold both the non co-owner occupant and the member liable for any damages caused to the Condominium.

## ARTICLE IX

### MORTGAGES

**Section 1. Notice of Mortgage.** A member who mortgages a unit shall notify the Association of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Association, which shall maintain such information in a book entitled "Mortgages of Units". Any such mortgage shall contain provisions requiring notice of default or foreclosure to be given to the Association in the same manner as given to the mortgagee.

**Section 2. Notice of Default.** The Association shall give to the holder of any mortgage covering any unit in the project written notification of any default in the performance of the obligations of the member owning such unit that is not cured within sixty (60) days.

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

**Section 4. Acquisition of Title by Mortgagee.** As provided in Article V, Section 6, any first mortgagee who obtains title to a unit pursuant to the remedies provided in the mortgage, or a deed in lieu thereof, shall not be liable for such unit's unpaid assessments which accrue prior to acquisition of title by the first mortgagee.

## ARTICLE X

### AMENDMENTS

**Section 1. Proposal.** Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of a majority of the Directors or by one-third (1/3) or more in number of the members by an instrument in writing signed by them.

**Section 2. Meeting to be Held.** If such an amendment is proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of the Condominium Documents.

**Section 3. Vote Required.** These Condominium Bylaws may be amended by an affirmative vote of two-thirds (2/3) of all members in number and in value and two-thirds (2/3) of all mortgagees at any regular meeting, or at a special meeting called for such purpose. For purposes of such voting, each mortgagee shall have one (1) vote for each mortgage held.

**Section 4. Amendments Not Materially Changing Condominium Bylaws.** The Board of Directors may enact amendments to these Condominium Bylaws without the approval of any member or mortgagee, provided that such amendments shall not materially alter or change the rights of a member or mortgagee.

**Section 5. Amendments Concerning Leases.** Provisions in these Bylaws relating to the ability or terms under which a member may rent his unit may not be modified and amended without the consent of each affected member and mortgagee.



**Section 6. Effective Date.** Any amendment to these Bylaws (but not the Association Bylaws) shall become effective upon the recording of such amendment in the Office of the Register of Deeds in the county where the Condominium is located. Without the prior written approval of all holders of mortgage liens on any unit in the Condominium, no amendment to these Bylaws shall become effective which involves any change, direct or indirect, in Article I, Section 2; Article IV, Sections 2 and 3; Article V, Sections 3, 4 and 6; Article VI; Article IX; and Article X, Sections 3 and 6; or to any other provisions hereof that alters or changes materially the rights of any member or mortgagee.

**Section 7. Costs of Amendment.** Any person causing or requesting an amendment to these Condominium Bylaws shall be responsible for the costs and expenses of considering, adopting, preparing and recording such amendment; provided, however, that such costs and expenses relating to amendments adopted pursuant to Article X, Section 3, or pursuant to a decision of the Advisory Committee shall be expenses of administration.

**Section 8. Notices; Copies of Amendment.** Members and mortgagees of record of Condominium units shall be notified of proposed amendments not less than ten (10) days before the amendment is recorded. A copy of each amendment to these Condominium Bylaws shall be furnished to every member after recording; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article or the Act 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 XI

### DEFINITIONS

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

## ARTICLE XII

### REMEDIES FOR DEFAULT

**Section 1. Relief Available.** Any default by a member shall entitle the Association or another member or members to the following relief:

(a) Failure to comply with any of the terms or conditions of the Condominium Documents shall be grounds for relief, which may include, without limitation, an action to recover sums due for damages, for injunctive relief, for foreclosure of lien (if in default in payment of an assessment) or any combination thereof, and such relief may be sought by the Association, or, if appropriate, by an aggrieved member or members.

(b) In any proceeding arising because of an alleged default by any member, 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 member be entitled to recover such attorneys' fees.

(c) Such other reasonable remedies as provided in the rules and regulations promulgated by the Board of Directors, including without limitation, the levying of fines against members after notice and opportunity for hearing, as provided in the Association rules and regulations, and the imposition of late charges for nonpayment of assessments.

(d) The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter, where

reasonably necessary, upon the limited or general common elements, or into any unit, and summarily remove and abate, at the expense of the violating member, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.

**Section 2. Failure to Enforce.** The failure of the Association or of any member 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 member to enforce such right, provision, covenant or condition in the future.

**Section 3. Rights Cumulative.** All rights, remedies and privileges granted to the Association or any member or members 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 exercising the same from exercising such other additional rights, remedies or privileges as may be available to such party at law or in equity.

**Section 4. Hearing.** Prior to the imposition of any fine or other penalty hereunder, the offending member shall be given a reasonable opportunity to appear before the Board and be heard. Following any such hearing the Board shall prepare a written decision and place it in the permanent records of the Association.

## ARTICLE XIII

### ARBITRATION

**Section 1. Submission to Arbitration.** Any dispute, claim or grievance arising out of or relating to the interpretation or application of the Master Deed, Bylaws or Management Agreement, if any, or to any disputes, claims or grievances arising among or between the members or between such members and the Association shall, upon the election and written consent of all the parties to any such dispute, claim or grievance, and written notice to the Association, be submitted to arbitration, and the parties thereto shall accept the arbiter's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association, as amended and in effect from time to time hereafter, shall be applicable to such arbitration.

The arbiter may be either an attorney acceptable to both parties or a panel of three (3) individuals, at least one (1) of whom shall be an attorney. The panel shall be composed of one (a) individual appointed by the member and one (1) individual appointed by the Board of Directors of the Association. These two panelists will then promptly agree on the third member of the panel. No member who is a natural person may appoint himself or a member of his household to the panel. No corporate member may appoint one of its directors, officers or employees to the panel. Neither may a member serve on behalf of the Board.

The arbitration costs shall be borne by the losing party to the arbitration. The arbiter may require a reasonable deposit to ensure payment of costs. Such deposit shall be placed in escrow in the name of the arbiter as trustee in the name of the matter at issue.

**Section 2. Effect of Election.** Election by members 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. Any appeal from an arbitration award shall be deemed a statutory appeal.

**Section 3. Preservation of Rights.** No member shall be precluded from petitioning the Courts to resolve any dispute, claim or grievance in the absence of election to arbitrate.

Owing to the consensus of the current property owners, the following change regarding fences in Applewood/Applewood Terrace Condominiums:

Property owners will be allowed to install fencing in back yard of the property only. Fencing may not extend beyond the rear corners of the house. This fencing must be white vinyl and no greater than 4 feet in height.

Additionally, if desired, a privacy fence may be installed along a lot's rear property line only as long as that property line does not face the property line of another Applewood/Applewood Terrace lot. It must be constructed of white vinyl and no greater than 6 feet in height.

**NEVERTHELESS,**

No fence shall be commenced or erected upon the properties, nor shall any addition to or change or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, color, and locations of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures by the Developer or his designated agent(s), as Design Agent.

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February 10, 2022

Based on information that the board of Applewood Association was given by past board members, the following changes regarding fences in the Applewood/Applewood Terrace Condominiums have been approved by the present board:

\*Property owners will be allowed to install fencing in the back yard of the property only

\*This fencing must be white vinyl

\*The side fencing can be 4 ft. in height

\*The back fencing can be 6 ft. in height

\*The fencing may not extend beyond the rear corners of the house and garage

NEVERLESS,

No fence shall be commenced or erected upon the properties, nor shall any addition to or change or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, color and locations of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures by the developer or his designated agent(S), as Design Agent.

This board determined to grandfather the existing fences on unit 4 and unit 14. But noted if changes are made to these existing fences, then they would have to comply with the newly written fence amendment.

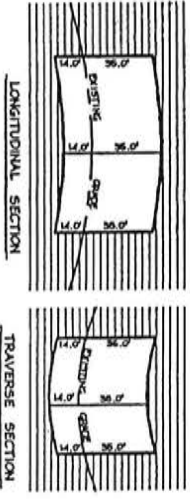
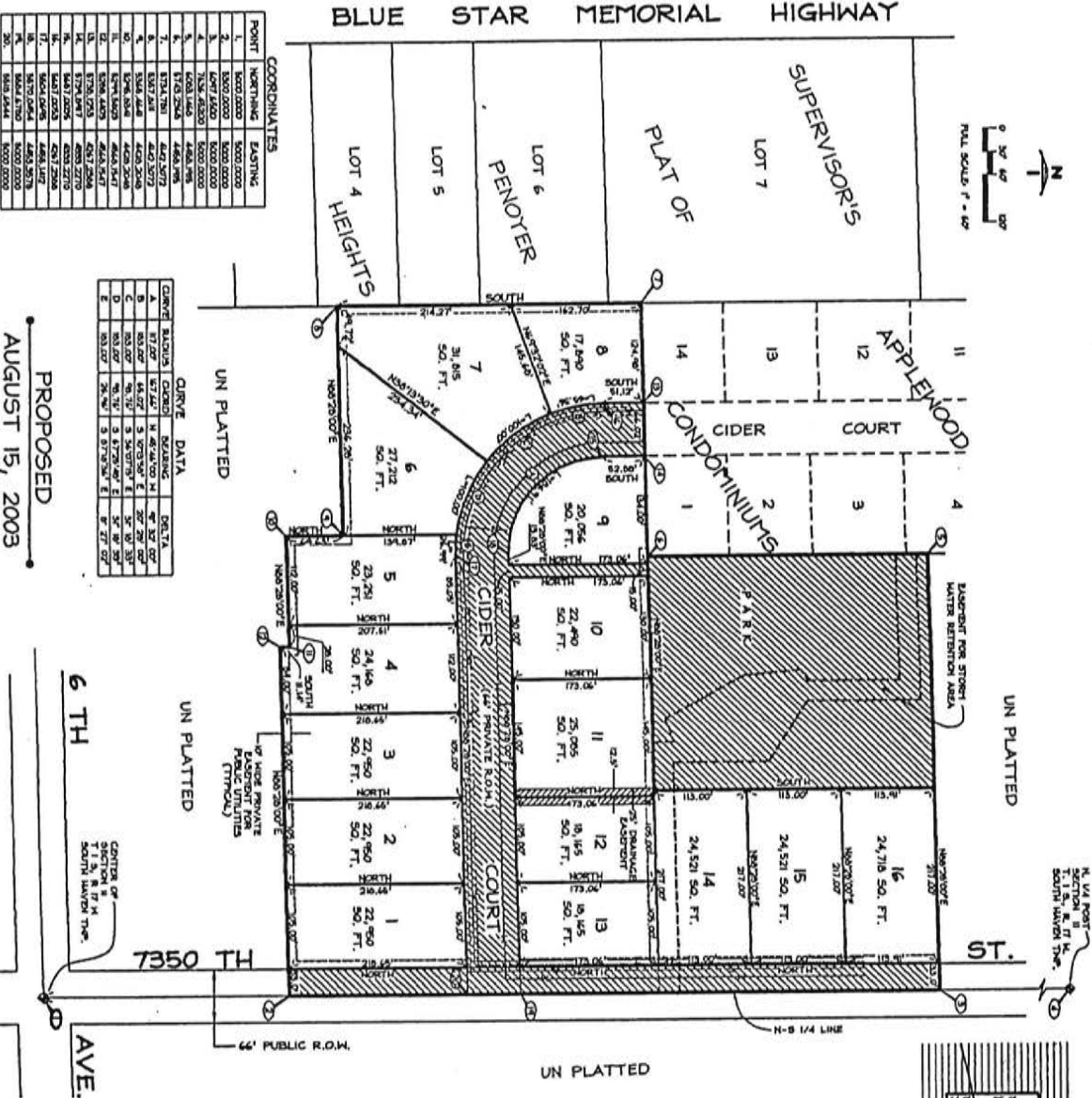
COORDINATES

POINT	NORTHING	EASTING
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2	8000.000	8000.000
3	8000.000	8000.000
4	8000.000	8000.000
5	8000.000	8000.000
6	8000.000	8000.000
7	8000.000	8000.000
8	8000.000	8000.000
9	8000.000	8000.000
10	8000.000	8000.000
11	8000.000	8000.000
12	8000.000	8000.000
13	8000.000	8000.000
14	8000.000	8000.000
15	8000.000	8000.000
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18	8000.000	8000.000
19	8000.000	8000.000
20	8000.000	8000.000

CURVE DATA

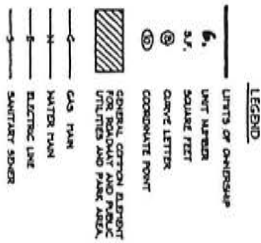
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B	80.00'	80.00'	180.00°
C	80.00'	80.00'	180.00°
D	80.00'	80.00'	180.00°
E	80.00'	80.00'	180.00°

PROPOSED  
 AUGUST 15, 2003



NOTE  
 LOT SECTIONS ARE DELINEATED FOR PURPOSES OF SHOWING THE LOCATION OF SEWER LINES AND THE LOCATION OF THE DRIVE. EACH LOT HAS ITS OWN SEWER PROPERTY LINE. THE DRIVE SHALL BE CONSIDERED AS A SEWER PROPERTY LINE. EXISTING GRADE AND 3' ABOVE EXISTING GRADE.

NOTES  
 1) CURVILINEAR TRANSFERMENTS ARE ALSO TRANSFERMENTS.



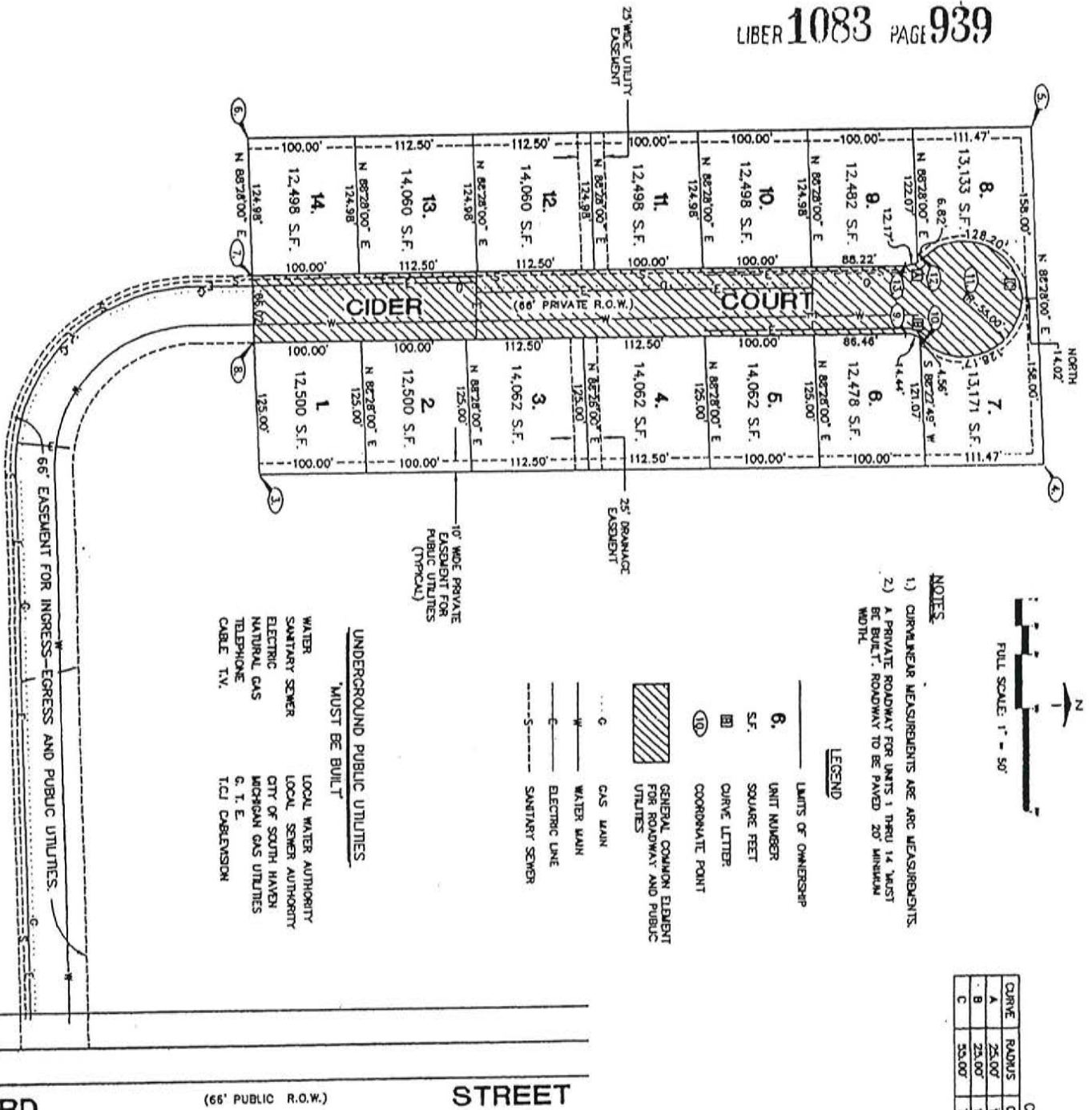
UNDERGROUND PUBLIC UTILITIES  
 (ARE EXISTING AND IN PLACE.)

WATER LOCAL WATER AUTHORITY  
 SEWER LOCAL WATER AUTHORITY  
 ELECTRIC CITY OF SOUTH HAVEN  
 NATURAL GAS ADKALA  
 TELEPHONE VERIZON  
 COAXIAL TV. COMCAST

**SITE & UTILITY PLAN**  
**APPLEWOOD TERRACE**  
**CONDOMINIUMS**

PREPARED BY  
 MITCHELL SURVETS, INC.  
 404 BROADWAY  
 SOUTH HAVEN, MI 49090

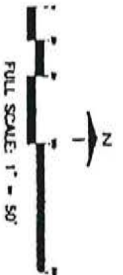
**SHEET 3.**



- NOTES**
- 1) CURVILINEAR MEASUREMENTS ARE ARC MEASUREMENTS.
  - 2) A PRIVATE ROADWAY FOR UNITS 1 THRU 14 MUST BE BUILT. ROADWAY TO BE PAVED 20' MINIMUM WIDTH.

**LEGEND**

- LIMITS OF OWNERSHIP
- 6. UNIT NUMBER
- S.F. SQUARE FEET
- Ⓜ CURVE LETTER
- Ⓢ COORDINATE POINT
- ▨ GENERAL COMMON ELEMENT FOR ROADWAY AND PUBLIC UTILITIES
- CAS MAIN
- WATER MAIN
- ELECTRIC LINE
- SANITARY SEWER
- UNDERGROUND PUBLIC UTILITIES "MUST BE BUILT"
- WATER
- SANITARY SEWER
- ELECTRIC
- NATURAL GAS
- TELEPHONE
- CABLE T.V.
- LOCAL WATER AUTHORITY
- CITY OF SOUTH HAVEN
- MICHIGAN GAS UTILITIES
- C. T. E.
- T/CJ CABLEVISION



CURVE	RADIUS	CHORD	BEARING	DELTA
A	25.00'	18.54'	N 21°46'03" E	43° 32' 06"
B	25.00'	18.54'	N 21°45'56" E	43° 31' 52"
C	50.00'	79.75'	N 89°59'53" E	267° 03' 58"

PROPOSED  
DATED: JUNE 26, 1996

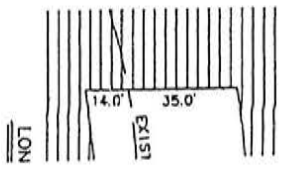
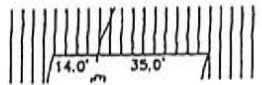


**SITE**  
**APPLEW**

MIT  
SO

POINT	COORDINATES
1.	
2.	
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14.	

**NOTE**  
LOT SECT FOR PLUR THE UPPER OF THE L T'S OWN LIMITS OF EXISTING





**FILED**

**JUL 12 1995**

Administrator  
MICHIGAN DEPARTMENT OF COMMERCE  
Corporation & Securities Bureau

**RECEIVED**

**JUN 30 1995**

**MICHIGAN DEPT. OF COMMERCE**

\_\_\_\_\_  
MICHIGAN DEPARTMENT OF COMMERCE -- CORPORATION AND  
SECURITIES BUREAU  
\_\_\_\_\_

Date Received

\_\_\_\_\_, 1995

Corporation Identification Number 235-824

(Nonprofit Domestic Corporations)

**ARTICLES OF INCORPORATION**  
**OF**  
**APPLEWOOD CONDOMINIUMS ASSOCIATION**

These Articles of Incorporation are signed by the Incorporator for the purpose of forming a nonprofit corporation pursuant to the provisions of Act 162 of the Public Acts of 1982, as follows:

**ARTICLE I**

The name of the corporation is:

Applewood Condominiums Association ✓

**ARTICLE II**

The purpose or purposes for which the corporation is organized are as follows:

- (a) To manage and administer the affairs of and to maintain a condominium, all appurtenances thereto, and the common elements, property and easements thereof (the "Condominium");

- (b) To levy and collect assessments against and from the members of the corporation and to use the proceeds therefrom for the purposes of the corporation, and to enforce assessments through liens and foreclosure proceedings where appropriate;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) To restore, repair or rebuild the Condominium, or any portion thereof, after occurrence of casualty, and to negotiate on behalf of all of the members in connection with any taking of the Condominium, or any portion thereof, by eminent domain;
- (e) To contract for and employ, and to discharge, persons or business entities to assist in the management, operation, maintenance and administration of the Condominium;
- (f) To make reasonable rules and regulations governing the use and enjoyment of the Condominium by members and their tenants, guests, employees, invitees, families and pets and to enforce such rules and regulations by all legal methods, including, without limitation, imposing fines and late payment charges, or instituting eviction or legal proceedings;
- (g) To own, maintain and improve, and to buy, sell, convey, assign, transfer, mortgage or lease (as landlord or tenant), or otherwise deal in any real or personal property, including, but not limited to, any Condominium unit, easements, rights-of-way, licenses or any other real property, whether or not contiguous to the Condominium, to benefit the members of the corporation and to further any of the purposes of the corporation;
- (h) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the corporation, and to secure the same by mortgage, pledge or other lien on the corporation property; provided, however, that any such action shall be subject to limitation in amount and to voter approval as provided in the Bylaws of the Condominium;
- (i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws, rules and regulations of this corporation as may hereafter be adopted, and to sue on behalf of the Condominium or the members and to assert, defend or settle claims on behalf of the members with respect to the Condominium;
- (j) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Bylaws or by Act No. 59 of the Public Acts of 1978, as amended by Act No. 538 of the Public Acts of 1982 and Act No. 113 of the Public Acts of 1983;
- (k) In general, to enter into any kind of activity; to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Condominium and to the accomplishment of any of the purposes thereof not forbidden, and with all powers conferred upon nonprofit corporations by the laws of the State of Michigan.

### ARTICLE III

Said corporation is organized upon a nonstock basis.

The amount of assets which said corporation possesses is: Real Property - None; Personal Property - None.

Said corporation is to be financed under the following general plan: Assessment of Members.

**ARTICLE IV**

Said corporation is organized on a membership basis.

**ARTICLE V**

The address of the initial registered office is:

05080 W. 73rd St.  
South Haven, Michigan 49090

The name of the initial resident agent at the registered office is:

Donald L. Lykins

**ARTICLE VI**

The name and address of the Incorporator is as follows:

J. Glenn Sperry  
317 Center Street  
South Haven, Michigan 49090

**ARTICLE VII**

The names and addresses of the directors who shall constitute the first board of directors of the corporation are as follows:

<u>Name</u>	<u>Address</u>
Donald L. Lykins	05080 W. 73rd Street South Haven, MI 49090

**ARTICLE VIII**

The term of this corporation shall be perpetual.

**ARTICLE IX**

The qualifications of members, the manner of their admission to membership in the corporation, the termination of membership and voting by members shall be as follows:

- (a) Each co-owner (including the Developer) of a Condominium unit shall be a member of the corporation, and no other person or entity shall be entitled to membership, except that the Incorporator shall be a member of the corporation until such time as the Developer becomes a member as hereinafter provided, at which time the Incorporator's membership shall terminate.



(b) Membership in the corporation (except with respect to any non co-owner incorporators, who shall cease to be members upon the qualification for membership of any co-owner) shall be established by the acquisition of legal or equitable title to a Condominium unit and by recording with the Register of Deeds in the county where the Condominium is located a deed or other instrument evidencing such title and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishing the Condominium), the new co-owner thereby becoming a member of the corporation, and the membership of the prior co-owner of such unit thereby being terminated.

(c) Neither membership nor the share of a member in the funds and assets of the corporation can be assigned, pledged or transferred in any manner, except as an appurtenance to a Condominium unit.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

#### ARTICLE X

No contract or other transaction between this corporation and any other corporation, firm, or association shall be voidable by the fact that any one or more of the directors or officers of this corporation are interested in or are directors or officers of such other corporation, firm, or association, and any director or officer individually may be a party to or may be interested in any contract or transaction of the corporation; provided, that the contract or other transaction is fair and reasonable to the corporation when it is authorized, approved or ratified, and that the material facts as to such relationship or interest are disclosed or known to the board or committee at the time it authorized, approved, or ratified the contract or transaction by a vote sufficient for the purpose without counting the person who may be a director or officer of the corporation, and who is hereby relieved from any liability which might otherwise exist from contracting with the corporation for the benefit of himself or any firm, association or corporation in which he may be otherwise interested as set forth herein.

#### ARTICLE XI

When a compromise or arrangement or a plan of reorganization of this corporation is proposed between this corporation and its creditors or any class of them or between this corporation and its members, or any class of them, a court of equity jurisdiction within the state, on application of this corporation or of a creditor, or member of the corporation, or on application of a receiver appointed for the corporation, may order a meeting of the creditors or class of creditors or of the members or class of members to be affected by the proposed compromise or arrangement or reorganization, to be summoned in such manner as the court directs. If a majority in number representing seventy-five percent (75%) in value of the creditors or class of creditors, or of the members or class of members to be affected by the proposed compromise or arrangement or a reorganization, agree to a compromise or arrangement or a reorganization of this corporation as a consequence of the compromise or arrangement, the compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, or on all of the members or class of members and also on this corporation.

#### ARTICLE XII

Any action required or permitted to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to members who have not consented in writing.

**ARTICLE XIII**

A volunteer director of the Corporation shall not be personally liable to the Corporation or its members for monetary damages for a breach of fiduciary duty as a director, except for liability:

- (a) For a breach of the director's duty of loyalty to the Corporation or its members;
- (b) For acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law;
- (c) For a violation of Section 551 (1) of the Michigan Nonprofit Corporation Act;
- (d) For any transaction from which the director derived an improper personal benefit; and
- (e) For an act or omission that is grossly negligent.

**ARTICLE XIV**

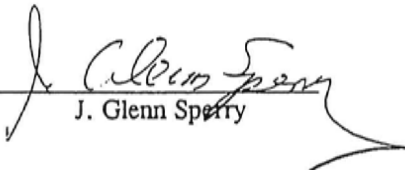
The Corporation assumes liability for all acts or omissions of a nondirector volunteer occurring after the date at which these Articles are filed with the Michigan Department of Commerce, provided that all of the following conditions are met:

- 1. The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.
- 2. The volunteer was acting in good faith.
- 3. The volunteer's conduct did not amount to gross negligence nor willful and wanton misconduct.
- 4. The volunteer's conduct was not an intentional tort.
- 5. The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed under Section 3135 of the Insurance Code of 1956.

**ARTICLE XV**

These Articles of Incorporation may be amended, altered, changed or repealed only by the affirmative vote of not less than seventy-five percent (75%) of the entire membership of the corporation; provided, that in no event shall any amendment make changes in the qualification for membership or the voting rights of members without the unanimous consent of the membership.

I, the Incorporator of the above-named corporation, hereby sign these Articles of Incorporation on this 27th day of June, 1995.

  
\_\_\_\_\_  
J. Glenn Sperry

**APPLEWOOD CONDOMINIUMS**  
**ASSOCIATION BYLAWS**

**ARTICLE I**

**ADOPTION OF CONDOMINIUM BYLAWS**

The Condominium Bylaws of Applewood Condominiums (the "Condominium Bylaws"), as attached to the Master Deed and recorded in Liber 1083, Page 917 through 936, Van Buren County Records, are hereby incorporated by reference and adopted in their entirety as a part of the Bylaws of this Corporation. The Corporation is therein and hereinafter referred to as the "Association".

**ARTICLE II**

**MEETINGS**

**Section 1. Procedure.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors. Voting shall be as provided in the Condominium Bylaws. Meetings of the Association shall be conducted in accordance with Robert's Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation, these Bylaws, the Condominium Bylaws, the Master Deed or the laws of the State of Michigan.

**Section 2. Meetings.** The first meeting of members of the Association shall be held in accordance with Article III, Section 1, of the Condominium Bylaws. The date, time and place of the first meeting shall be set by the Board of Directors, and at least ten (10) days' written notice thereof shall be given to each member. Thereafter, annual meetings of members of the Association shall be held on the second Saturday in August in each succeeding year at such time and place as shall be determined by the Board of Directors. At such meetings, there shall be elected by the ballot of the co-owners a Board of Directors in accordance with the requirements of Article III of these Bylaws and Article IV, Section 1 of the Condominium Bylaws. The members may also transact at annual meetings such other business of the Association as may properly come before them.

**Section 3. Special Meetings.** Special meetings of the members of the Association shall be held in accordance with the provisions of Article III, Section 4, of the Condominium Bylaws.

**Section 4. Notice.** It shall be the duty of the Secretary (or other Association officer designated by the President in the Secretary's absence) to serve a notice of each annual, special or other meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each member of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each member at the address shown in the notice requested to be filed with the Association by Article II, Section 3 of the Condominium 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 5. Adjournment.** If any meeting of members cannot be held because a quorum, as defined in the Condominium Bylaws, is not in attendance, the members who are present may adjourn the meeting for not more than thirty (30) days.

**Section 6. Attendance Via Conference Telephone or Similar Communications Equipment.** A member may attend and participate in a meeting of members via a conference telephone or similar communications equipment by which all persons participating in the meeting may hear each other; provided that all participants are advised of the



communications equipment and the names of the participants in the conference are divulged to all participants. Such participation by a member in a meeting shall constitute presence in person at the meeting.

### ARTICLE III

#### BOARD OF DIRECTORS

**Section 1. Number.** The affairs of the Association shall be governed by a Board of five (5) Directors, all of whom, except for the directors appointed by the Developer, must be members of (or directors or officers or partners of members of) the Association. Notwithstanding the foregoing, the first Board of Directors designated in the Articles of Incorporation of the Association may consist of any persons including non-members. Directors shall serve without compensation.

**Section 2. Vacancies and Removal.** Vacancies in the Board of Directors caused by any reason other than the removal of a Director by vote of the members of the Association shall be filled by vote of the majority of remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association to act for the unexpired term of his predecessor (or for a full term if the predecessor's term would have expired at the time of such annual meeting).

At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of the co-owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the co-owners shall be given an opportunity to be heard at the meeting.

**Section 3. Powers.** The Board of Directors shall have the powers and duties set forth in the Condominium Bylaws.

**Section 4. Initial Meeting.** The first meeting of a newly elected Board of Directors shall be held within ten (10) days after its 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 5. Regular Meetings.** Regular meeting 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 four (4) 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 or by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

**Section 6. Special Meetings.** Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone or telecopier, 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 three Directors.

**Section 7. 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 meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof unless his appearance is for the purpose of protesting the holding of such meeting. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

**Section 8. Quorum.** At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business. If, at any meeting of the Board of Directors, there be less than a quorum present, the Directors present at a meeting may adjourn the meeting from time to time. 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, but no proxies shall be permitted.

**Section 9. Bonding.** 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 IV

### OFFICERS

**Section 1. Designation.** The officers of the Association shall be a President, Secretary and Treasurer, who shall all be members of 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 in whole or in part for such purpose.

**Section 4. President.** The President shall be the chief executive officer of the Association. He shall preside at 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 President of a corporation, 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.

**Section 5. 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 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.

**Section 6. 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, specifying the operating expenses clearly, 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. He shall ensure that expenditures for the maintenance and repair of common elements and any other expenses incurred by or in behalf of the Condominium are properly recorded. In accordance with Article V, Section 3, of the Condominium Bylaws, the Treasurer shall prepare and distribute to each member at least once per year the Association financial statement. Pursuant to Section 54 of the Act, this subsection is not subject to amendment.

**Section 7. Other 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 V

### SEAL

**Section 1. Description.** If so determined by the Board of Directors, the Association shall have a seal which shall have inscribed thereon the name of the Corporation, and the words "Corporate Seal" and "Michigan".

## ARTICLE VI

### FINANCE

**Section 1. Handling.** The finances of the Association shall be handled in accordance with the Condominium Bylaws.

**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. Depository.** The funds of the Association shall be deposited in such bank 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.

## ARTICLE VII

### INDEMNIFICATION

The Association shall indemnify every Association Director and officer as provided in Article IV, Section 6, of the Condominium Bylaws and Article XIII of the Articles of Incorporation. The Association shall also indemnify every "volunteer" pursuant to Article XIV of the Articles of Incorporation.

## ARTICLE VIII

### AMENDMENTS

**Section 1. Method.** These Bylaws (but not the Condominium Bylaws) may be amended by the Association, at a duly constituted meeting for such purpose, by an affirmative vote of a simple majority of the members present in person or by proxy, as provided in the Condominium Bylaws.

**Section 2. Proposed.** 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 by one-third or more in number of the members of the Association whether meeting as members or by instrument in writing signed by them.

**Section 3. Meeting.** Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of Article II, Section 3, of these Bylaws.

**Section 4. Amendments Prior to Initial Meeting.** Prior to the first meeting of members, these Bylaws may be amended only by the Board of Directors of the Association upon the motion of a Director, so long as such amendments shall not increase or decrease the benefits or obligations, or materially affect the rights, of any member of the Association.



**Section 5. Effective Date.** Any amendment to these Bylaws shall become effective upon adoption of the same in accordance with Section 1 or 4 of this Article VIII without approval by the State of Michigan and without recording in the office of the Register of Deeds.

**Section 6. Distribution.** A copy of each amendment to these Bylaws shall be furnished to every member of the Association after adoption, but failure to make such distribution shall not affect the validity of any amendment otherwise duly adopted.

## **ARTICLE IX**

### **COMPLIANCE**

These Bylaws are set forth to comply with the requirements of the Act, and with the duly recorded Master Deed of the Condominium and Exhibits A and B attached thereto. In case any of these Bylaws conflict with the provisions of the Act, or any other applicable law, or with the provisions of said Master Deed or the Exhibits thereto, the provisions of the Act, law and said Master Deed shall be controlling, as set forth in Article XIV of the Condominium Bylaws.

Applewood061295

