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SALLY REYNOLDS
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SUMMERBROOKE CONDOMINIUM

Subdivision Plan No. 345

AMENDED AND CONSOLIDATED MASTER DEED

This Amended and Consolidated Master Deed is made and executed on this 21st day of oct, 2016, by Summerbrooke Condominium Association 1, Inc., a Michigan nonprofit corporation, hereinafter referred to as "Association," whose address is 6207 Summerbrooke Circle, Fowlerville, MI 48836 in pursuance to the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

WITNESSETH:

WHEREAS, Summerbrooke Condominium was established by the recordation of the original Master Deed and Bylaws at Liber 4909 Page 0867, Livingston County records and Condominium Subdivision Plan No. 345; and

WHEREAS the Association desires by recording this Amended and Consolidated Master Deed, together with the Bylaws attached hereto as Exhibit "A", and Condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated by reference and made a part hereof) ("collectively, "Master Deed"), to amend the Master Deed, Bylaws, and Subdivision Plan establish the real property described in Article II below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Condominium under the provisions of the Act;

NOW THEREFORE, the Association does hereby amend the Master Deed by executing and recording this Amendment, all in the manner hereinafter set forth and upon the terms and conditions hereinafter described as follows:

ARTICLE I

TITLE AND NATURE

The Condominium shall be known as Summerbrooke Condominium, Livingston County Condominium Subdivision Plan No. 345. The architectural plans and specifications for each Unit constructed or to be constructed in the Condominium have been or will be filed with the Township of Handy, Livingston County, Michigan. The Condominium is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions, and area of each Unit therein, and the approximate location of Units not yet constructed, and the designation of Common Elements as General Common Elements or Limited Common Elements are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto and/or in Article IV of this Master Deed. Each Unit is created for residential purposes and is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium. Each Co-owner in the Condominium shall have an exclusive right to his Unit and shall have an undivided and inseparable interest with the other Co-owners in the Common Elements of the Condominium and shall share with the other Co-owners the Common Elements of the Condominium as provided in this Master Deed. The provisions of this Master Deed, including, but without limitation, the purposes of the Condominium, shall not be construed to give rise to any warranty or representation, express or implied, as to the composition or physical condition of the Condominium, other than that which is expressly provided herein.

ARTICLE II LEGAL DESCRIPTION

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

A CONDOMINIUM SUBDIVISION SITUATED IN THE SOUTHEAST 1/4 OF SECTION 1, TOWN 3 NORTH, RANGE 3 EAST, HANDY TOWNSHIP, LIVINGSTON COUNTY, **PARTICULARLY** MICHIGAN BEING MORE DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 1; THENCE NORTH 00°59'28" WEST ALONG THE EAST LINE OF SECTION 1 A DISTANCE OF 1149.85 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 87°24'10" WEST, 522.00 FEET: THENCE NORTH 00°59'28" WEST, 270.95 FEET; THENCE NORTH 87°24'48" WEST, 443.87 FEET; THENCE NORTH 00°51'48" WEST, 370.53 FEET; THENCE NORTH 66°11'10" EAST, 1044.96 FEET RETURNING TO THE EAST LINE OF SECTION 1; THENCE SOUTH 00°59'28" EAST ALONG SAID EAST LINE A DISTANCE OF 1107.16 FEET TO THE POINT OF BEGINNING, CONTAINING 16.58 ACRES, MORE OR LESS, AND SUBJECT TO THE RIGHTS OF THE PUBLIC FOR ROADWAY PURPOSES IN OWOSSO SUBJECT TO EASEMENTS. RESTRICTIONS ROAD. AND RESERVATIONS OF RECORD OR USE, IF ANY, AND INCLUDES THE RIGHT TO USE THE INGRESS AND EGRESS EASEMENT AND PRIVATE EASEMENT FOR PUBLIC UTILITIES DESCRIBED BELOW.

ARTICLE III

DEFINITIONS

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

- Section 1. Act. "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
- Section 2. <u>Arbitration Association</u>. "Arbitration Association" means the American Arbitration Association or its successor.
- Section 3. <u>Association</u>. "Association" means Summerbrooke Condominium Association 1, Inc., which is the nonprofit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- Section 4. <u>Board of Directors or Board</u>. "Board of Directors" or "Board" means the Board of Directors of Summerbrooke Condominium Association, a Michigan nonprofit corporation organized to manage, maintain and administer the Condominium.
- Section 5. <u>Bylaws</u>. "Bylaws" means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the Corporate Bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.
- Section 6. <u>Common Elements.</u> "Common Elements," where used without modification, means both the General and Limited Common Elements, if any, described in Article IV hereof.
- Section 7. <u>Condominium Documents</u>. "Condominium Documents" wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, and the Articles of Incorporation, Bylaws and rules and regulations, if any, of the Association as all of the same may be amended from time to time.
- Section 8. <u>Condominium Premises</u>. "Condominium Premises" means and includes the land described in Article II above, and the buildings, improvements and structures

thereon, and all easements, rights and appurtenances belonging to Summerbrooke Condominium as described above.

- Section 9. <u>Condominium Project, Condominium, or Project.</u> "Condominium Project," "Condominium," or "Project" means Summerbrooke Condominium as a Condominium established in conformity with the provisions of the Act.
- Section 10. <u>Condominium Subdivision Plan</u>. "Condominium Subdivision Plan" means Exhibit "B" hereto.
- Section 11. <u>Consolidating Master Deed</u>. "Consolidating Master Deed" means the final amended Master Deed which shall describe Summerbrooke Condominium as a completed Condominium. The Consolidating Master Deed shall reflect the entire land area of the Condominium and all Units and Common Elements therein, and shall express percentages of value pertinent to each Unit as finally readjusted, if applicable. Such Consolidating Master Deed, when recorded in the office of the Livingston County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto.
- Section 12. <u>Construction and Sales Period</u>. "Construction and Sales Period" means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any Unit which it offers for sale or for so long as the Developer continues to construct or proposes to construct additional Units in the Condominium, together with any applicable warranty period in regard to such Units.
- Section 13. <u>Co-owner</u>. "Co-owner" means a person, firm, corporation, partnership, corporation, limited liability partnership, association, trust or other legal entity or any combination thereof who or which own one or more Units in the Condominium, and shall include a land contract vendee. The term "Owner," wherever used, shall be synonymous with the term "Co-owner."
- Section 14. <u>Developer</u>. "Developer" means KLS Properties, L.L.C., a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however, and wherever such term is used in the Condominium Documents.
- Section 15. <u>First Annual Meeting</u>. "First Annual Meeting" means the initial meeting at which non-Developer Co-owners are permitted to vote for the election of all directors and upon all other matters which may properly be brought before the meeting. Such meeting is to be held: (a) in the Developer's sole discretion after fifty (50%) percent of the Units which may be created are sold, or (b) mandatorily after the elapse of fifty-four (54) months from the date of the first Unit conveyance, or (c) mandatorily after seventy-five (75%) percent of all Units which may be created are sold, whichever first occurs.

Section 16. <u>Transitional Control Date</u>. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 17. <u>Unit or Condominium Unit</u>. "Unit" or "Condominium Unit" means a single complete residential Unit in Summerbrooke Condominium as such Unit may be described in Exhibit "B" hereto and in Article V, Section 1 below, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

Other terms which may be utilized in the Condominium Documents and which are not defined herein above shall have the meanings as provided in the Act.

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

ARTICLE IV COMMON ELEMENTS

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

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

- (a) <u>Land</u>. The land described in Article II hereof, including the retention pond areas, the pedestrian walkway easement area, sidewalks, open space, and any easement interests of the Condominium in the land provided to it for ingress and egress, if any, and other common areas, when included as part of the Condominium and excluding the portion of the land described in Article IV, Section 3(h) below and in the Condominium Subdivision Plan as constituting the Condominium Units,
- (b) <u>Roadways</u>. All roadways designated on the Condominium Subdivision Plan, subject to the rights of the public, if any, over any portions of rights-of-way.
- (c) <u>Electrical</u>. The electrical transmission system throughout the Project to the extent that it serves all Units up to the point of connection with the Unit as defined in Article IV, section 2 and Article V, section 1 herein.
- (d) <u>Telecommunications</u>. The telephone, cable television (if any), and/or telecommunication system throughout the Project to the extent that it serves all Units up to the point of connection with the Unit as defined in Article IV, section 2 and Article V, section 1 herein.

- (e) <u>Gas</u>. The gas distribution system throughout the Project to the extent that it serves all Units up to the point of connection with the Unit as defined in Article IV, section 2 and Article V, section 1 herein.
- (f) <u>Site Lighting</u>. Any lights designed to provide illumination for the Condominium Premises as a whole.
- (g) <u>Storm Sewer System</u>. The entire storm sewer system (including retention and detention areas and easements) throughout the Project as shown on Exhibit B.
- (h) <u>Sanitary Sewer.</u> The privately owned public sewerage system (including, if any, easements, land, control systems, pumps, and related assets and appurtenances) throughout the Project to the extent that it serves all Units up to the point of the shut off valve connection for each Unit.
- (i) <u>Easements.</u> All beneficial easements that may exist or may be created in the Master Deed, including those shown on Exhibit B hereof, or otherwise for the benefit of all Units.
- (j) Entrance and Landscaped Areas. The entrance areas, including the identifying entrance sign for the Condominium Project, and all other General Common Elements landscaped areas within the Project as designated on the Condominium Subdivision Plan, the Landscaping Plan, as approved by Handy Township, and/or as established by the Developer and/or the Association.
- (k) <u>Underground Lawn Irrigation System</u>. The underground lawn irrigation system throughout the Condominium, if any.
- (I) Open Space Areas. The Open Space Areas designated on the Condominium Subdivision Plan.
- (m) Other. Such other elements of the Condominium not herein designated as General or Limited Common Elements and which are intended for common use or necessary to the existence, upkeep and safety of the Condominium.

Some or all of the utility lines, systems (including mains and service leads) and equipment, the cable television system, and the telecommunications system, if and when constructed, described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the cable television and telecommunications systems, if and when constructed, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature or extent of such interest, if any.

Section 2. <u>Limited Common Elements</u>. The Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-owner or Co-owners of the Unit or Units to which the Limited Common Elements are appurtenant. The Limited Common Elements are as follows:

- (a) <u>Private Well.</u> The private well for residential water usage and all of its appurtenances.
- (b) <u>Appurtenances to be Constructed</u>. Any other appurtenances or areas for individual Units which are constructed pursuant to the Condominium documents, but excluding residential structures, shall be limited in use to the Co-owner of the Unit to which it is appurtenant to.
- (c) <u>Driveways.</u> Driveways serving the residence constructed to serve one or more individual Units, to the extent located outside the boundaries of the Condominium Unit.
- (d) <u>Utility Services.</u> The pipes, ducts, wiring, lines, conduits and other appurtenances supplying electricity, propane gas, telephone, cable, and/or other utility service to a Unit, from the point of connection with a General Common Element.
- (e) <u>Landscape Buffer.</u> The landscape buffer easement located adjacent to Units 1 and 34 41, as designated on Exhibit "B" hereto, shall be limited in use to the Co-owner(s) of the Unit to which it is adjacent.
- (f) <u>Individual Septic Tanks and Service.</u> Each Unit's individual septic tank, control panel, and discharge system from the point of connection with the individual Unit's shut off valve to the residential structure.

Section 3. <u>Responsibilities</u>. The respective responsibilities for the maintenance, decoration, repair and replacement of the Units and the General and Limited Common Elements are as follows:

- (a) <u>General Common Elements.</u> The costs of maintenance, decoration, repair and replacement of all General Common Elements shall be borne by the Association, subject to any provisions of the Bylaws (Exhibit "A" hereto) expressly to the contrary.
- (b) Storm Water Drainage System. The costs of maintenance, repair and replacement of the Storm Water Drainage System, including the stormwater detention system, shall be borne by the Association, unless and until easements therefore have been granted to, and accepted by, the Livingston County Drain Commission, whereupon the responsibility for such

maintenance, repair, and replacement shall be that of the public agency having jurisdiction.

(c) Privately Owned Public Sewerage System.

The Developer and/or its contractual assignee(s) will be responsible (i) for the initial construction and installation of the common sanitary sewer/wastewater treatment system ("Wastewater System"), including, without limitations, mains and septic fields, to be located off-site within the sewer easement granted for such purposes. Thereafter, except individual septic tanks, the control panel, and other limited common elements excepted as delineated in Article IV, the costs of maintenance, repair and replacement of the wastewater treatment system, including the hiring of a certified wastewater treatment plant operator in accordance with MDEQ regulations, and certified by Orenco, Inc. to operate and maintain an AdvanTex Wastewater Treatment System, shall be borne by the Association, all of which shall be performed in strict conformance with all applicable statutes, ordinances, rules and regulations of the State of Michigan, Livingston County, and all other governmental units and agencies thereof having jurisdiction, and in strict conformity with this section, unless and until easements therefore have been granted to, and accepted by a public agency whereupon the responsibility for such maintenance, repair, and replacement shall be that of the public agency having jurisdiction. All costs of such maintenance, repair, and/or replacement shall be the cost of administration of the Association, and shall be assessed to the Co-Owners in accordance with the Condominium Documents and the Restrictive Covenant. Additionally, each Unit contains a control panel for a wastewater pump that is connected to a telephone line to notify the maintenance provider of alarms and system operating conditions for troubleshooting. Each Unit to provide telephone service to this control panel and the Co-owner must maintain active telephone service at all times.

Quarterly reports filed by the wastewater treatment operator with MDEQ shall be forwarded to Handy Township and Handy Township shall be solely responsible for its costs in reviewing same.

- (ii) Escrow Fund. A perpetual escrow fund shall be established and maintained solely for the use of, operation, maintenance and possible replacement of those elements of the sewerage system other than those elements defined herein as limited common elements. This fund is established solely for the use by the Association of this Condominium in the event that the Association is otherwise unable to sufficiently operate and maintain the sewerage system. The escrow fund shall be separate from any other fund established and held for Summerbrooke Condominium.
- (iii) Township Authority.

- (aa) Routine Site Inspections. The Township may inspect the Wastewater System at any time, provided that the Township provides 24 hour advance notice to the wastewater treatment operator and the Township's representative is accompanied by the wastewater treatment operator ("routine site inspections"). The routine site inspections shall be at no cost to the Developer or the Association.
- In the event the Association fails to maintain the Wastewater (bb) System in accordance with this Section 3(c), the Township shall have the right, but not the obligation, to take whatever action or actions it deems desirable to so maintain, repair, or replace that part of the sewerage system so affected all at the expense of the Association and all Co-owners of the Condominium in accordance with this section. Such right shall be conditioned upon 30 days advance written notice to the Association of the intention to take such action and further provided that the Association's failure to maintain, repair or replace has, in the written opinion of a duly qualified person, resulted in a threat to public health, safety and welfare due to a real or potential discharge of sewage onto public or private lands not designated or approved for the disposal of sewage and/or the discharge of untreated or inadequately treated sewage. If the Township does not take such action, the inaction shall not be deemed a waiver of the Township's right to take any such action at a future time, nor shall the Township be liable to any Co-owner or any other person for not taking action. The Township shall have easements in furtherance of the rights accorded them hereunder as set forth in this Master Deed and no exercise of such rights shall be deemed to be a trespass or other infringement of the rights of the Association, any Co-owner, lessee or other person and shall not render the Township liable to any person whatsoever on account of such exercise. All costs incurred by the Township in performing any responsibilities under this section which are required in the first instance to be borne by the Association shall be assessed against all Co-owners equally by the Township. Any costs becoming assessable hereunder shall include only the direct costs of such maintenance, repair, or replacement.
- (cc) <u>Insurance.</u> Adequate insurance must be maintained to protect the interest of the wastewater treatment plant property by the Unit Owners/Association. Any such policy shall name Handy Township as an additional insured and shall provide a thirty (30) day notice of cancellation to Handy Township if the policy is going to be cancelled.
- (iv) Livingston County Department of Public Health Restrictions.

- (aa) No Unit shall be used for other than a single family dwelling.
- (bb) There shall be no future subdividing of any Unit which would utilize individual on site sewage disposal.
- (cc) The Condominium has been approved for 41 individual Units, as described in Stephen's Consulting Services site plan Job #02-097WWS dated May 3, 2004 and subsequent approvals of the Livingston County Department of Public Health.
- (dd) Units 1 through 41 will be serviced by common sanitary sewer/wastewater treatment system. The Wastewater System has been designed to accommodate the wastewater flows from these residences along with an additional five Units. This Wastewater System must be installed in accordance with the design engineer specifications and certification must be given that the Wastewater System was installed in accordance with the approved plans prior to the issuance of any permits on these Units.
- (ee) There shall be no underground utility lines located within the areas designated as active and reserve septic system areas.
- (ff) The reserve septic locations as designated on the preliminary plan on file at the Livingston County Health Department must be maintained vacant and accessible for future disposal uses.
- (gg) These restrictions are not severable and do not expire unless otherwise amended or approved by the Livingston County Department of Public Health.
- (d) Roadways. Maintenance of the private roads in the Development is the sole responsibility of the Association. The Association shall bear the full cost of repairing and maintaining the private roads in the Development in accordance with local ordinances, including, but not limited to, snow removal and the maintenance of clear road width for emergency vehicles, and shall keep it in a reasonable state of repair so that normal access in the Development is not impeded. In the event the private road shall fall into a state of disrepair, the Township may, in its sole discretion, bring the road up to established Livingston County Road Commission standards and assess the cost of those improvements, together with an administrative fee of twenty-five percent (25%) of the costs of the improvements against the Association and/or co-owners, as the case may be. No public funds of Handy Township shall be used to build, repair, or maintain the private roadways in the Development.

Additionally, Co-owners shall refrain from prohibiting, restricting, limiting, or in any manner interfering with normal ingress and egress and use of the

private roads by any of the other Co-owners. Normal ingress and egress and use shall include use by family, guests, invitees, vendors, tradesmen, delivery persons, and others bound to, or returning from, any of the Units and having a need to use the roads.

- (e) <u>Public Utilities</u>. Public utilities furnishing services such as electricity and telephone to the Condominium, shall have access to the Common Elements and Condominium Units as may be reasonable for the reconstruction, repair or maintenance of such services, and any costs incurred in opening and repairing any wall of the residence to reconstruct, repair or maintain such service shall be borne by the individual Co-owners and/or by the Association, as the case may be, as set forth in the provisions of this Article IV, Section 3.
- (f) <u>Limited Common Elements.</u> The costs of maintenance, decoration, repair and replacement of all Limited Common Elements shall be borne by the Coowner, in accordance with the provisions of the Bylaws and subject to any provisions of the Bylaws (Exhibit "A" hereto) expressly to the contrary.
- (g) <u>Water Supply Systems.</u> The costs of maintenance and repair of individual potable water supply systems shall be borne by the Co-owner and subject to any restrictions placed on the systems by the Livingston County Department of Public Health. These restrictions include, but are not limited to the following:
 - (i) No Unit shall be used for anything other than a single family dwelling.
 - (ii) There shall be no future subdividing of any Unit which would utilize individual water supply systems.
 - (iii) All wells shall be drilled by a licensed Michigan licensed well driller and be drilled to a depth that will penetrate a minimum of 10 ft. impervious layer or maintain a minimum 50 ft from the static water level to the bottom of the casing or top of the screen.
- (h) <u>Landscape Buffer.</u> The costs of maintenance of the Landscape Buffer Easement shall be the responsibility of each Co-owner of the Unit located directly adjacent to said Easement.
- (i) Condominium Units. Subject to the Condominium Documents and the regulations and standards in the Handy Township Zoning Ordinance, each Co-Owner shall be responsible for the decorating, maintaining, repairing or replacing each and every part of the Unit, together with all improvements thereon, along with any portion of the yard of the Co-Owner which is located within the right-of-way of any road, except those portions of any easement or right-of-way situated within the Condominium which exists primarily for the benefit of persons other than the Co-Owner.

Failure of Co-owner to Perform Maintenance Responsibilities. In the event a Co-owner fails to maintain, decorate, repair or replace any items for which he/she is responsible, the Association shall have the right, but not the obligation, to take whatever action or actions it deems desirable to so maintain, decorate, repair, or replace those items all at the expense of the Co-owner. With the exception of emergency repairs requiring immediate attention, such right shall be conditioned upon 10 days advance written notice to the Co-owner of the intention to take such action. Failure of the Association to take such action shall not be deemed a waiver of the Association's right to take any such action at a future time, nor shall the Association be liable to any Co-owner or any other person for failure to take such action. In the case of the wastewater system, the Association has the immediate right to enter on to the property to make any necessary repairs required under state law and applicable permits. To the extent the Co-owner is responsible for making that repair, the Co-owner will be assessed in accordance with this paragraph. The Association shall have easements in furtherance of the rights accorded them hereunder as set forth in this Master Deed and no exercise of such rights shall be deemed to be a trespass or other infringement of the rights of any Co-owner, lessee or other person and shall not render the Association liable to any person whatsoever on account of such exercise. All costs incurred by the Association in performing any responsibilities under this Article which are required in the first instance to be borne by any Co-owner shall be assessed against such Co-owner and shall be due and payable with his monthly assessment next falling due; further, the lien for non-payment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines. Any costs becoming assessable hereunder shall include not only the direct costs of such maintenance, repair, replacement, or decoration, but shall also include attorneys fees and costs and such reasonable indirect costs as are determined, in the discretion of the assessing party, to have been incurred by it in taking such action.

Section 4. <u>Use of Units and Common Elements</u>. No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium 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.

ARTICLE V UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. <u>Description of Units</u>. Each Unit is described in this paragraph with reference to the Condominium Subdivision Plan No. 245 in the County of Livingston. Each Unit is designed as a separate building site to contain a residential structure and

(j)

shall include all of the space located within the horizontal and vertical Unit boundaries, as depicted on Exhibit "B" hereto. There are forty-one (41) Units in the Condominium and this number shall not be increased without the specific approval from Handy Township. No approval of the Co-owners, mortgages of the Units, or any other person, except Handy Township and the Developer shall be required for such increase. All such interested persons irrevocably appoint the Developer as agent and attorney in fact for the purpose of execution of such amendments to this Master Deed and all other documents necessary to effectuate the foregoing. Easements for the existence, maintenance and repair of all such structural components shall exist for the benefit of the Association.

Section 2. <u>Percentages of Value</u>. The total percentage of value is one hundred percent (100%). The percentage of value assigned to each Unit is equally divided between the total number of Units in the Condominium Project and are determinative of each Co-owner's undivided interest in the Common Elements and proportionate share of each respective Co-owner's vote at meetings of the Association of Co-owners.

Section 3. Modification of Units and Common Elements by Developer. Subject to the regulations and standards in the Handy Township Zoning Ordinance, and further subject to the approval of Handy Township, the size, location, nature, design or elevation of Units and/or General or Limited Common Elements appurtenant or geographically proximate to any Units described in Exhibit "B" as same may be revised or amended from time to time, may be modified, in Developer's sole discretion, by amendment to this Master Deed effected solely by the Developer and its successors without the consent of any person so long as such modifications do not unreasonably impair or diminish the appearance of the Condominium or the privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Limited Common Element. All of the Coowners and mortgages of Units and other persons interested or to become interested in the condominium from time to time shall be deemed to have unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint Developer or its successors and assigns as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing.

ARTICLE VI EASEMENTS

Section 1. <u>Easement for Maintenance of Encroachments</u>. In the event any improvements located on a Unit encroach upon a Common Element, easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for the maintenance, repair and replacement thereof following damage or destruction.

Section 2. <u>Easement Retained by Association Over Roads and Other Common Elements</u>. The Association reserves for the benefit of itself, its successors and assigns, an easement for the unrestricted use of all roads in the Condominium for the purpose of ingress and egress. All expenses of maintenance, repair, replacement and resurfacing of

any road referred to in this Article VII, Section 2 shall be borne by the Condominium Association.

Section 3. Reservation of Right to Dedicate Public Right-of-Way Over Roadways. The Association shall have the right, to dedicate to the public right-of-way of such width as may be required by the local public authority over any or all of the roadways in Summerbrooke Condominium shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication may be made by the Association without the consent of any Co-owner, mortgagee or other person shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Livingston County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication. This right of dedication in no way whatsoever obligates the Association to construct or install the roads in a manner suitable for acceptance of such dedication by the local public authority.

Section 4. Easement Retained by Association to Tap Into Utilities and for Surface Drainage. Developer also hereby reserves for the benefit of itself, its successors and assigns, perpetual easements to utilize, tap, tie into, extend, and enlarge all utility mains located on the Condominium Premises, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunications systems, and storm and sanitary sewer mains. In the event that the Association, its successors and assigns, utilizes, taps, ties into, extends or enlarges any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, typing in, extension or enlargement. All expenses of maintenance, upkeep, repair and replacement of the utility mains described in this Article VI, Section 5 shall be borne by the Condominium Association. The Association also hereby reserves for the benefit of itself, its successors and assigns, a perpetual easement to modify the landscaping and/or grade in any portion of the Condominium Premises in order to preserve and/or facilitate surface drainage in this Condominium, provided however that, any such modification to the landscaping and/or grade in the Condominium under the provisions of this Article VI, Section 5, shall not impair the surface drainage in this Condominium.

Section 5. <u>Dedication and Reservation of Right to Grant Easement for Storm Sewer System, Sanitary Sewer System, and Utilities</u>. Subject to the regulations and standards in the Handy Township Zoning Ordinance, the Association shall have the right, to dedicate the storm sewer system and/or utilities and to grant easements for the storm sewer system, sanitary sewer system, and/or utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of the storm sewer system and/or utilities to governmental agencies or to utility companies, after having attained all applicable permits. In order to assure that the storm water drainage designed for the Condominium shall remain unimpeded, no Co-owner shall in any way

disturb the grade or otherwise modify the areas within such easements. Each Co-owner shall, however, be solely responsible for installing, maintaining, repairing, and replacing landscaping materials located within any open storm drainage easement areas lying with the Co-owner's Unit, except as the same may be disturbed by the actions of the Association or any public agency having jurisdiction in which event the Association, or the public agency, whichever is applicable, shall repair and/or replace any landscaping materials disturbed by their respective activities. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit "B" hereto, recorded in the Livingston County Register of Deeds. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

Section 6. Wastewater System Easement. The Association, and the Units, will be serviced by a privately owned public sanitary sewer plant constructed by the Developer in accordance with Article IV, section 3(c) herein. The Owner has therefore established a common wastewater treatment system, together with sanitary sewer mains leading from each Unit to the wastewater treatment site. The Association will be responsible for the maintenance, repair and replacement of the system, including the mains located within the roadways within the Condominium, as well as those within the easement and the wastewater treatment system. Additionally, each Unit contains a control panel for a wastewater pump that is connected to a telephone line to notify the maintenance provider of alarms and system operating conditions for troubleshooting. Each Unit to provide telephone service to this control panel and the Co-owner must maintain active telephone service at all times.

Section 7. <u>Easement Retained by Developer For Pedestrian Walkways and Open Space.</u> The Association hereby reserves for the benefit of itself, its successors and assigns, perpetual easements for the use, maintenance, repair, and replacement of the pedestrian walkways, sidewalks, and open space.

Section 8. <u>Public Service Vehicle Access Easement.</u> There shall exist for the benefit of Handy Township and/or other emergency or public service agencies or authorities, an easement over the roads in the Condominium for use by the emergency and/or service vehicles of such agencies. The easement shall be for the purposes of ingress and egress to provide, without limitation, fire and police protection, enforcement of the Uniform Traffic Code and Township ordinances, ambulance and rescue services, school bus and mail or package delivery, and other lawful governmental or private emergency or other reasonable and necessary services to the Condominium and Coowners thereof. This grant of easement shall not be construed as a dedication of the roads to the public.

Section 9. <u>Grant of Easements by Association</u>. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the

First Annual Meeting), 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.

Section 10. Association Easements for Maintenance, Repair and Replacement. The Association, and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common elements, as may be necessary to fulfill and responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the condominium. In the case of the wastewater system, the Association has the immediate right to enter on to the property to make any necessary repairs required under state law and applicable permits. To the extent the Co-owner is responsible for making that repair, the Co-owner will be assessed in accordance with this paragraph. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to gas meters, septic tanks, control panels, water meters (if applicable), sprinkler controls and valves, sump pumps and other Common Elements located within any Unit or its appurtenant Limited Common Elements. The Association shall not be liable to the owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association to take any such action shall not be deemed a waiver of the Association's right to take any such action at a future time. All costs incurred by the Association in performing any responsibilities which are required, in the first instance to be borne by any Co-owner. shall be assessed against such Co-owner and shall be due and payable with his installment of the annual assessment next falling due; further, the lien for nonpayment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action and foreclosure of the lien securing payment as provided for in Article II of the Bylaws (Exhibit "A" hereto) and the Act.

Section 11. <u>Telecommunications Agreements</u>. The Association, acting through it duly constituted Board of Directors, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, utility agreements, right-of-way agreements, access agreements and multi-Unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multi-channel multi-point distribution service and similar services (collectively, "Telecommunications") to the Condominium or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any Federal, State or local law or ordinance and

such acts are expressly subject to the regulations and standards in the Handy Township Zoning Ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium within the meaning of the Act and shall be paid over to and shall be the property of the Association.

Section 12. <u>Easements for Municipal Water and Sewer Services</u>. The Developer by recording this Master Deed does hereby create easements over, under and across the common grounds and those portions of the Condominium premises that are depicted on Exhibit "B" as "Utility Easements" in favor of Handy Township, and any governmental body to which its rights herein may be subsequently assigned, for the construction, installation, operation, maintenance, replacement and repair of public water, if any, and/or sewer services, including all transmission lines, laterals, leads, pump stations and infrastructure. Should the Township or its assigns exercise its easement rights and construct a water and/or sewer system, the Township or its assigns shall be obligated to restore any distributed premises to a like condition as existed prior to the commencement of the construction, maintenance or repair activities.

Section 13. <u>Access Easement.</u> The Condominium is subject to an easement for access as shown on Exhibit B by and between the Developer and the Wyzlics recorded with the original Master Deed and Bylaws.

ARTICLE VII SPECIAL ASSESSMENT DISTRICTS

Section 1. General Purposes. The Association, all of the Co-owners and Mortgagees of Units, their heirs, successors, assigns, and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to including the Units in a Special Assessment District that may hereafter be established either by Handy Township or any other public body having jurisdiction over the Condominium for the purpose of doing all things necessary relating to the implementation of the various requirements of this Master Deed and Bylaws, including, but not limited to, a special assessment district as provided for in Article IV, section 3(c). This shall specifically include, but not be limited to, a special assessment district for the costs of operation, maintenance, repair, and replacement of the wastewater system. To that end, the Developer, as attorney-in-fact (during the Construction and Sales Period), and the President of the Association after the Construction and Sales Period has expired, may execute on behalf of the Unit owners any documents necessary to effectuate the intent of this Article, as well as the other provisions of the Master Deed and Bylaws.

ARTICLE VIII AMENDMENT

This Master Deed and the Condominium Subdivision Plan (Exhibit "B" to said Master Deed) may be amended with the consent of sixty six and two thirds percent (66 2/3%) of all of the co-owners in number and in value, except as hereinafter set forth:

- Section 1. <u>Modification of Units or Common Elements</u>. No Unit dimension may be modified without the consent of the Co-owner or mortgagee of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified in any material way without the written consent of the Co-owner or mortgagee of any Unit to which the same are appurtenant.
- Section 2. <u>Mortgagee Consent</u>. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendment shall require the approval of sixty six and two thirds percent (66 2/3%) of all mortgagees of record, allowing one (1) vote for each mortgage held.
- Section 3. Change in Percentage of Value. The value of the vote of any Co-owner and corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee nor shall the percentage of value assigned to any Unit be modified without like consent, except as provided in Article V, Section 7(c) of the Bylaws and except as provided in Article V and Article VI hereof.
- Section 4. <u>Termination, Vacation, Revocation and Abandonment</u>. The Condominium may not be terminated, vacated, revoked or abandoned without the written consent of the Developer (during the Construction and Sales Period) together with eighty percent (80%) of the non-Developer Co-owners, in number and in value, and as otherwise allowed by law.
- Section 5. <u>Co-owner Approval</u>. No easements created under the Condominium Documents may be modified or obligations with respect thereto varied without the consent of each owner benefited thereby.
- Section 6. <u>Township Approval</u>. Notwithstanding anything to the contrary in the Condominium Documents, the following provisions of the Master Deed Documents cannot be modified or amended without prior Handy Township approval:
 - (a) Article VI, Sections 3, 9, 12, and 13.
 - (b) Any other provisions of the Master Deed or Bylaws that otherwise requires prior Township approval before amendment or modification or if the amendment materially affects and/or impairs the rights of Handy Township set forth or reserved in the Master Deed.
 - (c) Article VII.
 - (d) Article VIII, Section 6.

ARTICLE IX ASSIGNMENT

Any or all the rights and powers granted or reserved to the Developer in the condominium documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by the Developer to any other entity or to the Association.

	SUMMERBROOKE CONDOMINIUM ASSOCIATION 1, INC. a Michigan nonprofit corporation
	By: Matthew Suoboda
	Its: President
STATE OF MICHIGAN))ss.	
COUNTY OF LIVINGSTON () MDDEY . 2016, the foregoing Amended and
Consolidated Master Deed was a	CMDEV , 2016, the foregoing Amended and cknowledged before me by Mathew Svoboda, dominium Association 1, Inc., a Michigan nonprofit
corporation, for and on behalf of the	
	Livi has to County, Michigan Acting in LivingstyCounty, Michigan
	My Commission Expires: 675/2018

Drafted by and when recorded return to: Kimberly Bowlin Hamman, Attorney At Law 5058 S Old US Hgwy 23 Brighton, MI 48114 (810) 844-2520

LAURA L ELLIOTT

Notary Public - Michigan
Livingston County

My Commission Expires Jun 25, 2018
Acting in the County of

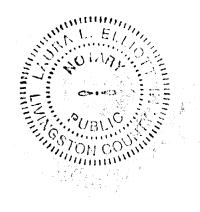


Exhibit A to Master Deed

SUMMERBROOKE CONDOMINIUM BYLAWS

ARTICLE I ASSOCIATION OF CO-OWNERS

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

ARTICLE II USE RESTRICTIONS

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

Section 1. Residential Use. Units in Summerbrooke Condominium shall be used only for single-family residential purposes and the Common Elements shall be used only for purposes consistent with single-family residential use. No building of any kind shall be erected upon a Unit except an approved private single-family residence with appurtenant structures. Home occupations shall be permitted, with the approval of the Association, provided that said uses are permitted by, and in compliance with, all applicable federal, state, and local laws and regulations.

Section 2. Architectural Control. No building, landscaping or other improvement may be constructed on a Unit, nor shall any exterior modification be made to any building or improvement, until proposed plot plans showing proposed grade and elevation reviews are submitted to the Association for approval. Prior to beginning any

building, landscaping or other improvement, written approval has been obtained from the Association, which cannot be unreasonably withheld. Plans shall be approved or disapproved within thirty (30) days of the submission of the requisite documents to the Association. The proposed building or improvement must also comply with the restrictions and requirements of the Condominium Documents unless any non-compliance has been specifically waived by the Association in writing. The Association reserves the right to approve or disapprove plans, designs, specifications, materials, exterior finishes and colors for aesthetic considerations or other factors determined to be appropriate or pertinent, in its sole discretion. The purpose of this Section is to assure the development of the Project as an attractive and harmonious residential development, and shall be binding upon both the Association and all Co-owners.

- **Section 3. Minimum Size/Architectural Design.** Each residence must have a minimum livable floor area of 800 square feet. For the purposes of this section, garages, patios, decks, open porches, entrance porches, terraces, basements, lower levels, and like areas shall be excluded in determining the livable floor area.
- **Section 4.** Building Width. Lot coverage and lot width to depth requirements shall be in compliance with Handy Township Zoning Ordinance requirements.
- **Section 5. Setbacks.** Each residence shall have a minimum front setback of twenty feet (20') and not more than thirty-five feet (35') as measured from the street right-of-way and a minimum side yard setback of five feet (5'), provided however, that setbacks between individual dwelling units shall not be less than fifteen feet (15').
- **Section 6.** Garages/Storage Sheds/Accessory Structures. Not more than one accessory structure per Unit shall be allowed. An accessory structures shall require approval of the Board of Directors. The Board of Directors cannot unreasonably withhold approval for accessory structures of the same architectural style and roof pitch. All accessory structures must be maintained in good repair.
 - A. <u>Garages.</u> Accessory structures greater than two hundred (200) square feet are considered, "Garages." Garages are permitted, provided, however, that they are approved by the Board of Directors and are in compliance with Handy Township ordinances.
 - B. <u>Storage Sheds.</u> Accessory structures less than two hundred (200) square feet shall be deemed to be "Storage Sheds." Storage sheds are permitted, provided, however, that they are approved by the Board of Directors and are in compliance with Handy Township ordinances.
 - C. <u>Temporary Accessory Structures</u>. Temporary Accessory Structures, such as tents, are permitted on Units without permission of the Board of Directors, provided, however, that said temporary structures are not erected for more than four (4) consecutive days. Any temporary accessory structure remaining on Units for more than four (4) consecutive days shall receive

permission of the Board of Directors or shall be considered a permanent accessory structure and shall meet the requirements of this Section 6.

- **Section 7.** Driveways. Driveways shall be a paved hard surface with a minimum of two (2) parking spaces of at least 180 square feet.
- **Section 8. Sidewalks.** All lots, unless otherwise excepted by the Association, shall have a four-foot (4') wide sidewalk across the front of the lot or a community paved walking path. Sidewalks shall be located four feet (4') from the back of the street curb. Sidewalks shall not be obstructed by vehicles parked in driveways or otherwise. Sidewalks for each Unit must be completed prior to the issuance of a certificate of occupancy for that Unit.
- **Section 9.** Landscaping. If Builder has not provided landscaping, each Co-owner shall install landscaping as approved by the Board of Directors within thirty (30) days after initial occupancy of a home, season permitting. Installation of landscaping in conjunction with construction of the residence is strongly encouraged as the cost of landscaping can usually be included in the mortgage for a new home. A sketch of proposed landscaping shall be submitted to the Board of Directors for approval prior to installation. Minimum landscaping for each residence in front yard areas shall include a lawn, two (2) potted trees, and 4 foundations shrubs. Subsequent to installation, any changes in landscaping which may affect drainage must receive approval by the Board of Directors.
- **Section 10. Air Conditioning.** No window or wall mounted air conditioners are permitted at the front of the residential structure, unless there are no other windows in the applicable room. Window air conditioners must be maintained at all times, may not become unsightly, and must be removed during the winter months. All exterior air conditioning equipment shall be located at the sides or rear of the residence as to minimize noise to adjacent homes, shall be screened by landscaping so as to not be visible from the road or adjacent residences, and shall comply with Article II, Section 2 herein.
- **Section 11.** Fences and Walls. No fence or wall of any kind shall be erected or maintained on any Unit with the exception of privacy fences for decks or patios, fences required for pools, or fences for dog kennels, provided, however, that any such fences must comply with applicable state and local laws, must not exceed one hundred (100) square feet, and must receive approval of the Association in accordance with Article II, Section 2 of these Bylaws.
- **Section 12. Unit Maintenance.** Upon the issuance of certificate of occupancy for a Unit, the Co-owner shall have the responsibility of maintaining his or her Unit and all improvements thereon, including without limitation the residence, landscaping, lawns, walks, drives, patios, and decks in a first class and attractive condition.
- Section 13. Alterations and Modifications of Common Elements. No Coowner shall make alterations, modifications or changes in any of the Common Elements or

restrict access to any utility line, or any other element that must be accessible to be serviced. Common areas shall not be obstructed nor shall they be used for purposes other than intended. No bicycles, vehicles, chairs, or other obstructions may be left unattended on the common areas.

Section 14. Storage of Materials. No unsightly condition may be maintained upon any yard, deck, porch, patio or any other exterior area of a residence, or any common area, including any storage of supplies, materials, personal property, or trash. Decks, patios, and porches shall not be used for storage of any kind, and only furniture and equipment consistent with ordinary use shall be permitted to remain in such areas.

Section 15. Lawn Ornaments. No lawn ornaments, sculptures or statues shall be placed or permitted to remain on any Unit without written permission from the Developer, except that holiday decorations shall be permitted subject to the Rules and Regulations of the Association.

Section 16. Offensive Activities. No immoral, improper, unlawful, noxious or offensive activity shall be carried on upon the Common Elements or on any Unit, nor shall anything be done which may be an annoyance or nuisance to the Co-owners. No unreasonably noisy activity shall occur on the Common Elements or on any Unit and disputes among Co-owners, arising as a result of this provision that cannot be amicably resolved, shall be arbitrated by the Association. No Co-owner shall do or permit anything to be done that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: Any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices, burning of trash or leaves, installation or operation of electronic insect killers or operation of flood or other bright lights which are an annoyance to an adjacent Co-owner.

Section 17. Pets. No more than two (2) animals shall be maintained by any Co-owner. Pets must be none other than domesticated, household pets. Pets may not be kept or 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. All animals shall be properly licensed. No animal may be permitted to run loose upon the Common Elements. Each Co-owner shall collect and dispose of all fecal matter deposited by their pet. No dog whose barking can be heard on any frequent or continuing basis shall be kept, even if permission was previously granted to maintain the pet on the premises.

Section 18. Aesthetics. With the exception of satellite dishes, no exterior radio or television antenna, or other reception or transmission device shall be placed or maintained on any Unit without the prior written consent of the Board of Directors, which the Board of Directors may withhold in its sole discretion. Window treatments such as curtains, drapes, blinds, and shades, visible from the exterior of any residence, shall be aesthetically pleasing and appropriate. In no instance may windows be covered with

sheets, blankets, towels, or the like. In general, no activity shall be carried on nor condition be maintained which is detrimental to the residents of Summerbrooke Condominium.

Section 19. Trash Removal. Trash shall be stored out of sight and placed at the curb for trash pickup no sooner than the evening before the collection day. Empty trash receptacles shall be removed as soon as possible on the day of trash collection.

Section 20. Vehicles. No house trailers, commercial vehicles, boats, campers, motorcycles, all-terrain vehicles, snowmobiles, trailers of any type or vehicles other than private passenger vehicles may be parked upon the premises of the Condominium unless in garages, unless otherwise approved by the Board of Directors. Passenger vehicles shall be parked in garages to the greatest extent possible and garage doors shall be kept closed when not in use. If additional parking space is required, vehicles shall be parked in driveways adjacent to the garage without obstructing sidewalks, or in other approved areas. Street parking shall only be used for guests on an occasional basis after all garage and driveway parking spaces are filled. No inoperable vehicles of any type may be stored outdoors under any circumstances. No motorized vehicles shall be operated within the Condominium in any manner which is annoying, offensive or dangerous to the residents.

Section 21. Advertising. No signs or other advertising devices of any kind shall be displayed within Summerbrooke Condominium except as permitted by Handy Township and the Board of Directors, provided, however, that "For Sale" signs are permitted automatically in the front yard area of a residence for sale.

Section 22. Rules and Regulations. It is intended that the Board of Directors of the Association may make Rules and Regulations to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.

ARTICLE III RESERVED RIGHTS OF THE DEVELOPER

Section 1. Prior Approval by the Developer. During the Development and Sales period, no structures or improvements shall be commenced or maintained, nor shall any addition or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any Unit, nor shall any substantial landscaping modifications be made, until plans and specifications shall have been submitted to and approved in writing by the Developer, its successors or assigns. The Developer shall have the right to refuse to approve any such plans or specifications which are not suitable or desirable in its opinion for aesthetic or other reasons. The purpose of this Section is to assure the continued maintenance of the Condominium as an attractive and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

- Section 2. Developer's Right to Waive or Amend Restrictions. Notwithstanding anything herein to the contrary, the Developer reserves the right to waive any restriction or requirement, if in the Developer's sole discretion such is appropriate in order to maintain the atmosphere, architectural harmony, appearance and value of the Condominium and the Units therein, or to relieve the Co-owner of a Unit or a contractor from an undue hardship or expense.
- **Section 3.** The Developer's Rights in Furtherance of Sales. Notwithstanding anything to the contrary elsewhere herein, the Developer and its agents shall have the right to maintain advertising display signs, a sales office (including a temporary building or mobile trailer), model units, parking areas, storage areas and access to, from and over the Project as may be reasonable to enable sale and development of the entire Project.
- **Section 4. Enforcement of Bylaws.** The Association, shall have the responsibility and the obligation to enforce the provisions contained in these Bylaws. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of an attractive, harmonious residential community for the benefit of the Co-owners and all persons having an interest in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then the Developer, or any person to whom he may assign this right, may elect at his option to maintain, repair, replace or landscape any Common Elements and charge the cost thereof to the Association as an expense of administration.
- Standard for the Developer's Approvals; Exculpation from Section 5. Liability. In addition to ensuring that all structures and other improvements comply with the requirements and restrictions of the Condominium Documents, the Developer (or the Association, to the extent approval powers are assigned to it by the Developer) shall have the right to base its approval or disapproval of any plans, designs, specifications, submissions or other matters on such factors, including completely aesthetic considerations, as the Developer (or the Association) in its sole discretion may determine appropriate or pertinent. The Developer intends to take into consideration the design goals for the Project in reviewing plans, designs, drawings, specifications, and other submissions. In no event shall either the Developer (or the agents, officers, employees or consultants thereof), or the Association have any liability whatsoever to anyone for any act or omission contemplated herein including, without limitation, the approval or disapproval of plans, drawings, specifications, elevations of the structures or other improvements subject thereto, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty or otherwise. In no event shall any party have the right to impose liability on, or otherwise contest judicially, the Developer or any other person for any decision of the Developer (or alleged failure of the Developer to make a decision) relative to the approval or disapproval of a structure or any aspect or other matter as to which the Developer reserves the right to approve or waive under the Master Deed. The approval of the Developer (or the Association, as the case may be) of a building, structure, improvement or other matter shall not be construed as a representation or warranty that the structure or matter is properly designed or that it is in conformity with the ordinances or other requirements of the Township of Handy or any other governmental authority. Any

obligation or duty to ascertain any such non-conformities, or to advise the Co-owner or any other person of the same (even if known), is hereby disclaimed.

ARTICLE IV LEASING AND SALE OF RESIDENCES

- **Section 1. Right to Lease.** A Co-owner may lease any part of the Unit or his or her residence, provided, however, that Co-owners shall make every effort to ensure that the prospective tenant is of good character, financially responsible and is familiar with and willing to abide by all provisions of the Condominium Documents including the Rules and Regulations.
- **Section 2. Obligations of Tenants.** Tenants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall include this requirement. If the Association determines that the tenant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
 - A. The Association shall notify the Co-owner and tenant by mail advising of the alleged violation by the tenant.
 - B. The Co-owner and/or tenant shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
 - C. If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute an action for eviction against the tenant and simultaneously for money damages in the same action against the Co-owner and tenant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the tenant.
- **Section 3.** Arrearage by Co-owner. If an Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying an Co-owner's residence under a lease agreement and the tenant, after receiving such notice, shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant.
- **Section 4. Notification of Sale.** An Co-owner intending to make a sale of his residence shall notify the Association in writing at least fourteen (14) days before the closing date of the sale and shall furnish the name and address of the intended purchaser and such other information as the Association shall reasonably require. The purpose of this Section is to enable the Association to be aware at all times of the identities of all persons owning or occupying a residence and to facilitate communication with all such persons regarding the rights, obligations and responsibilities under the Condominium

Documents. Under no circumstances shall this provision be used for purposes of discrimination against any Co-owner, occupant, or prospective Co-owner on the basis of race, color, creed, national origin, sex, or other basis prohibited by law.

ARTICLE V RECONSTRUCTION AND REPAIR

- Section 1. Association Responsibility for Repair. Subject to Article IV of the Master Deed, the Association shall be responsible for the reconstruction, repair, and maintenance of the Common Elements. Immediately after the occurrence of a casualty causing damage to a Common Element, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.
- **Section 2.** Timely Reconstruction and Repair. If damage to the Common Elements adversely affects the appearance or utility of the Project, the Association shall proceed with replacement of the damaged property without delay.
- **Section 3.** Co-owner's Responsibility for Repair. Each Co-owner shall be responsible for all reconstruction, repair and replacement required for any structure or improvement upon his Unit resulting from damage and shall diligently, in good faith and as quickly as is reasonable, complete the work necessary to repair the damage incurred. All such reconstruction, repair, and replacement shall be in compliance with the Master Deed, the Condominium plans, and the Handy Township Zoning Ordinance.
- **Section 4. Eminent Domain.** The following provisions shall control upon any taking by eminent domain:
 - A. <u>Taking of Home Site or Improvements Thereon.</u> In the event of any taking of all or any portion of a Home site or any improvements thereon by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and his mortgagee shall, after acceptance of the condemnation award therefore, be divested of all interest in the Condominium Project.
 - B. <u>Taking of General Common Elements</u>. If there is any taking of any portion of the General Common Elements, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their

respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

- C. Continuation of Condominium After Taking. In the event the Condominium Project continues after a taking of some portion thereof by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners so that the total percentage of value of all Units continues to be 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner.
- D. <u>Notification of Mortgagees.</u> In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
- E. <u>Applicability of the Act.</u> To the extent not inconsistent with the foregoing provisions, Section 133 of the Act shall control upon any taking by eminent domain.
- **Section 5. Priority of Mortgagee Interests.** Nothing contained in the Condominium Documents shall be construed to give a Co-owner or any other party priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI INSURANCE

- **Section 1. Extent of Coverage.** The Association shall, to the extent appropriate in light of the nature of the Common Elements of the Project, carry all risk insurance coverage and liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion, but in no event less than \$1,000,000 per occurrence), officers' and directors' liability insurance, and workmen's compensation insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary, pertinent to the Co-ownership, use and maintenance of the Common Elements and such insurance shall be carried and administered in accordance with the following provisions:
 - A. <u>Responsibilities of Association.</u> All such insurance shall be purchased by the Association for the benefit of the Association, the Developer and the Co-owners

and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners.

- All Common Elements of the B. Insurance of Common Elements. Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, if applicable and appropriate, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, if any, as determined annually by the Board of Directors of the Association. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total Project destruction if the insurance proceeds failed for some reason, to be equal to the total cost of replacement). All information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours so that Co-owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting, to change the nature and extent of any applicable coverages, if so determined. Upon such annual re-evaluation and effectuation of coverage, the Association shall notify all Co-owners of the nature and extent of all changes in coverages. It shall be each Co-owner's responsibility to obtain insurance coverage for all fixtures, equipment, pipes, conduit, ducts, trim and other items or attachments, including personal property, within the Unit or any Limited Common Elements appurtenant thereto whether installed originally by the Developer or subsequently by the Co-owner, and the Association shall have no responsibility whatsoever for obtaining such coverage unless agreed specifically and separately between the Association and the Co-owner in writing; provided, however, that any such agreement between the Association and the Co-owner shall provide that any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said Co-owner and collected as part of the assessments against said Co-owner under Article II hereof. This provision shall not preclude the Association from obtaining such coverage on its own initiative.
- C. <u>Premium Expenses.</u> All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- D. <u>Proceeds of Insurance Policies</u>. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required, as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

E. Determination of Primary Carrier. It is understood that there will be overlapping coverage between the Co-owners' policies and those of the Association, as required to be carried pursuant to this Article. In situations where both coverages/policies are applicable to a given loss, the provisions of this subsection shall control in determining the primary carrier. In cases of property damage to the Unit and its contents or a Limited Common Element for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of the Master Deed (including improvements and betterments), the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of property damage to the General Common Elements or a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of the Master Deed, the Association's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the Unit or in/upon a Limited Common Element for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of the Master Deed (including improvements and betterments), the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the General Common Elements or in/upon a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of the Master Deed (including improvements and betterments), the Association's policy/carrier shall be deemed to be the primary carrier. In all cases where the Association's policy/carrier is not deemed the primary policy/carrier, if the Association's policy/carrier contributes to payment of the loss, the Association's liability to the Co-owner shall be limited to the amount of the insurance proceeds, and shall not in any event require or result in the Association paying or being responsible for any deductible amount under its policies. In cases where the Co-owner's policy is deemed primary for the purpose of covering losses where the damage is incidental or caused by a General Common Element or the repair or replacement thereof, the insurance carrier of the Co-owner shall have no right of subrogation against the Association or its carrier.

Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by Co-ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the Common Elements with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefore, to collect proceeds and to distribute the same to the Association, the Co-owners 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 Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

- **Section 3.** Responsibilities of Co-owners. Each Co-owner shall be responsible for obtaining all risk insurance coverage with respect to the building and all other improvements constructed or to be constructed upon the Co-owner's Unit and for personal property located thereon. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. Each Co-owner also shall be obligated to obtain insurance coverage for Co-owner's personal liability for occurrences within the Co-owner's Unit (naming the Association and the Developer as additional insureds), and also any other personal insurance coverage that the Co-owner wishes to carry.
- **Section 4.** Waiver of Right of Subrogation. The Association and all Co-owners shall use their best efforts to cause all property and liability insurance carried by the Association or any Co-owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.
- **Section 5. Indemnification.** Each Co-owner shall indemnify and hold harmless every other Co-owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such Co-owner's Unit and shall carry insurance to secure this indemnity if so required by the Association (or the Developer during the Sales and Development Period). This Section 5 shall not be construed to give any insurer any subrogation right or other right or claim against any Co-owner, however.

ARTICLE VII ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authority and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Co-owners thereof in accordance with the following provisions:

- Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability associated with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of any policy of insurance securing the interest of the Co-owners against liabilities or losses associated with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.
- **Section 2. Determination of Assessments.** Assessments shall be determined in accordance with the following provisions:

- Α. Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation. management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.
- B. Special Assessments. Special assessments, in addition to those required in subparagraph A above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions or repairs to the Common Elements of a cost exceeding \$10,000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph B (but not including those assessments referred to in subparagraph A 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 60% of all Co-owners in number. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-

owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to use, or the use of the Common Elements. Assessments shall be due and payable by the Coowners in advance on an annual basis, or in such other installments as set by resolution of the Board, commencing with the date of the acceptance of a deed to a Unit or the date of the acquisition of fee simple title to a Unit by any other means and prorated for the remainder of the first year. The payment of an assessment shall be in default if such assessment or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late fee, in an amount set by annual resolution by the Board of Directors, will be levied against each Co-owner for each month in which the Co-owner is in default on the payment of an assessment. Assessments in default, including any late fee(s) thereon, shall bear interest at the rate of seven percent (7%) per annum until paid in full. All such late fees and any interest thereon shall be added to and become a part of the assessment for which such late fees and interest were levied. Each Co-owner (whether 1 or more persons) shall be, and remain, personally liable for the payment of all assessments (including late fees, interest and costs of collection and enforcement of payment) levied against his Unit during his Co-ownership of the Unit, except a land contract purchaser from any Co-owner including the Developer shall be so personally liable and his land contract seller shall not be personally liable for all assessments levied from the date of the land contract sale up to and including the date upon which the land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees; second, to any interest charges and late fees on such installments; and third, to installments in default in order of their due dates.

Section 4. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 5. Enforcement.

- A. <u>Remedies.</u> In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the monthly assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the monthly assessment for the pertinent fiscal year immediately due and payable.
- B. <u>Foreclosure Proceedings</u>. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The

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

- C. Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney's fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds of Livingston County prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.
- D. <u>Expenses of Collection</u>. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.
- **Section 6.** Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a

foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

Section 7. Responsibility for Assessments. Each Co-Owner is responsible for his/her/its proportionate share of the operating expenses and administration costs/expenses of the Association. Notwithstanding the foregoing, all Units shall be responsible for the cost of maintenance of the wastewater treatment plant, but only Units with a completed residential dwelling for which a certificate of occupancy has been issued by the appropriate local unit of government shall be responsible for the regular expenses of electric, telephone, SCS monitoring pertaining to the wastewater treatment plant.

Section 8. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

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

Section 10. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 11. Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

ARTICLE VIII ARBITRATION

- **Section 1. Scope and Election.** Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between the Co-owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.
- **Section 2. Judicial Relief.** In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.
- **Section 3.** Election of Remedies. Such election and written consent by Coowners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IX MORTGAGES

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

ARTICLE X VOTING

- **Section 1. Vote.** Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned.
- Section 2. Eligibility to Vote. No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of Co-ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XIII, Section 2 of these Bylaws, no Co-owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article XI. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting the Developer shall be entitled to one vote for each Unit which it owns.
- Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.
- **Section 4. Quorum.** The presence in person or by proxy of thirty five percent (35%) of the Co-owners in number qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.
- **Section 5. Voting.** Votes may be cast only in person or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.
- **Section 6. Majority.** A majority, except where otherwise provided herein, shall consist of more than fifty percent (50%) in value of those qualified to vote and present in

person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth and may require such majority to be one of both number and value of designated voting representatives present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

ARTICLE XI MEETINGS

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

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by the Developer and may be called at any time after more than fifty percent (50%) of the Units in Summerbrooke Condominium have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% of the Units, or 54 months after the date of conveyance of the first Unit, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days' written notice thereof shall be given to each Co-owner.

Section 3. Annual Meetings. Annual meetings of members of the Association shall be held on the first Wednesday of March in each succeeding year after the year in which the First Annual Meeting is held, at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than 8 months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XIII of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

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

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

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

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

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

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

approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

ARTICLE XII ADVISORY COMMITTEE

Within 1 year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 33% of the Units, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least 2 non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than 5 of the non-developer Co-owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the non-Developer Co-owners and to aid in the transition of control of the Association from the Developer to purchaser Co-owners. The Advisory Committee shall cease to exist automatically when the non-Developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

ARTICLE XIII BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The Board of Directors shall be comprised of 3 members, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors. Directors shall serve without compensation.

Section 2. Election of Directors.

- A. <u>First Board of Directors.</u> The first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-Developer Co-owners to the Board. Elections for non-Developer Co-owner Directors shall be held as provided in subsections (B) and (C) below.
- B. Appointment of Non-Developer Co-owners to Board Prior to First Annual Meeting. Not later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of twenty-five percent (25%) in number of the Units that may be created, at least one (1) director and not less

than one-fourth (1/4) of the Board of Directors shall be elected by nonDeveloper Co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to nonDeveloper Co-owners of fifty percent (50%) in number of the Units that may be created, not less than one-third (1/3) of the Board of Directors shall be elected by nonDeveloper Co-owners. When the required number of conveyances has been reached, the Developer shall notify the nonDeveloper Co-owners and request that they hold a meeting and elect the required director or directors, as the case may be. Upon certification by the Co-owners to the Developer of the directors so elected, the Developer shall then immediately appoint such director or directors to the Board to serve until the First Annual Meeting of members unless he is removed pursuant Section 7 of this Article or he resigns or becomes incapacitated.

C. Election of Directors At and After First Annual Meeting.

- (1) Not later than 120 days after conveyance of legal or equitable title to non-Developer Co-owners of 75% of the Units, the non-Developer Co-owners shall elect all Directors on the Board, except that the Developer shall have the right to designate at least 1 Director as long as he owns at least one (1) of the Units in the Project. Whenever the required conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.
- (2) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-Developer Co-owner of a Unit in the Project, the non-Developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (1). Application of this subsection does not require a change in the size of the Board of Directors.
- (3) If the calculation of the percentage of members of the Board of Directors that the non-Developer Co-owners have the right to elect under subsection (2), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-Developer Co-owners under subsection (B) results in a right of non-Developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-Developer Co-owners have the right to elect. After application of this formula, the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection

shall not eliminate the right of the Developer to designate 1 Director as provided in subsection (1).

- (4) At the First Annual Meeting, 2 Directors shall be elected for a term of 2 years and 1 Director shall be elected for a term of 1 year. At such meeting, all nominees shall stand for election as 1 slate and the 2 persons receiving the highest number of votes shall be elected for a term of 2 years and the 1 person receiving the next highest number of votes shall be elected for a term of 1 year. At each annual meeting held thereafter, either 1 or 2 Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for 1 of the Directors elected at the First Annual Meeting) of each Director shall be 2 years. The Directors shall hold office until their successors have been elected and hold their first meeting.
- (5) Once the non-Developer Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article XI, Section 3 hereof.
- **Section 3.** Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.
- **Section 4. Other Duties.** In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Association shall be responsible specifically for the following:
 - A. To enforce the provisions of all Condominium Documents including the Restrictions contained in Article II of these Bylaws.
 - B. To manage and administer the affairs of the Condominium Project and to maintain the Common Elements.
 - C. To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
 - D. To carry insurance and collect and allocate the proceeds thereof.
 - E. To rebuild or repair Common Elements after casualty.
 - F. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.

- G. To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- H. To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall be approved by affirmative vote of two-thirds (2/3) of all of the members of the Association and two-thirds (2/3) of all First Mortgagees (a mortgagee shall have one vote for each mortgage held).
- I. To make rules and regulations in accordance with Article II of these Bylaws.
- J. To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of enforcement and administration of 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.
- K. To commence, prosecute and defend actions and proceedings on behalf of the Association.

Management Agent. The Board of Directors may employ for the Section 5. Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Sections 3 and 4 of this Section 4 above, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. By employing a management agent, however, the Board shall in no way be deemed to have relinquished or be released from any of its powers and responsibilities imposed by the Condominium Documents. In the event the Board employs a professional management agent for the Association, the Board shall secure the written approval of a majority of the First Mortgagees (a First Mortgagee shall have one (1) vote for each first mortgage held) in the Project prior to terminating such professional management agent (or any successor thereto) and assuming self-management. Any management contract between the Association and any affiliate of the Developer is voidable on the Transitional Control Date or within ninety (90) days thereafter, and on thirty (30) days notice at any time thereafter for cause. In addition, to the extent that any management contract extends beyond one year after the Transitional Control Date, any part of the term in excess of such one (1) year period may be voided by notice to the management agent at least thirty (30) days prior to the expiration of the one (1) year period.

- **Section 6.** Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-Developer Co-owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-Developer Co-owners and shall be filled in the manner specified in Section 2(B) of this Article.
- Section 7. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% in number of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article X, Section 4. Any Director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-Developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.
- **Section 8. First Meeting.** The first meeting of a newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.
- **Section 9.** Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by mail, telephone or telegraph, at least 10 days prior to the date named for such meeting.
- **Section 10. Special Meetings.** Special meetings of the Board of Directors may be called by the President on 3 days' notice to each Director given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.
- **Section 11. Waiver of Notice.** Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be

required and any business may be transacted at such meeting.

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

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

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

ARTICLE XIV OFFICERS

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

- A. <u>President.</u> The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. He or she shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.
- B. <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he or she shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he or she shall, in general, perform all duties incident to the office of the Secretary.

- C. <u>Treasurer.</u> The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He or she shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.
- **Section 2.** Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.
- **Section 3. Removal.** Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.
- **Section 4. Duties.** The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE XV SEAL

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

ARTICLE XVI FINANCE

- Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual financial statement within 90 days following the end of the Association's fiscal year upon request therefore. The costs of any such review and any accounting expenses shall be expenses of administration.
- Section 2. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The

commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

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

ARTICLE XVII INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement, incurred by or imposed upon him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal, to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Association (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other right to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Association shall notify all Co-owners thereof. Further, the Association is authorized to carry officers' and directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

ARTICLE XVIII AMENDMENTS

- **Section 1. Proposal.** Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or may be proposed by 1/3 or more in number of the Co-owners by instrument in writing signed by them.
- **Section 2. Meeting.** Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Bylaws.
- **Section 3.** Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special-meeting called for such purpose by an affirmative vote

of not less than two-thirds of all Co-owners in number and in value. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of two-thirds of the mortgagees shall be required, with each mortgagee to have one vote for each first mortgage held.

Section 4. By Developer. Prior to the end of the Sales and Development Period, these Bylaws may be amended by the Developer without approval from any other person so long as any such amendment does not materially diminish the right of an Coowner or mortgagee.

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

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

ARTICLE XIX COMPLIANCE

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

ARTICLE XX DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit or as set forth in the Act. Whenever any reference is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate.

ARTICLE XXI REMEDIES FOR DEFAULT

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

- **Section 1.** Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.
- **Section 2.** Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-owner committing the default be entitled to recover such attorney's fees.
- **Section 3.** Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or upon any Unit (but not inside any residence), where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.
- **Section 4. Assessment of Fines.** The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XXII thereof.
- **Section 5. Non-waiver of Right.** The failure of the Association or of any Coowner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.
- **Section 6.** Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.
- Section 7. Enforcement of Provisions of Condominium Documents. The Developer or a Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-

owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XXII ASSESSMENT OF FINES

- **Section 1. General.** The violation by any Co-owner, occupant or guest of any provisions of the Condominium Documents, including any duly adopted Rules and Regulations, shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.
- **Section 2. Procedures.** Upon any such violation being alleged by the Board, the following procedures will be followed:
 - A. <u>Notice</u>. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article X, Section 3 of the Bylaws.
 - B. Opportunity to Defend. The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Co-owner be required to appear less than 10 days from the date of the Notice.
 - C. <u>Default.</u> Failure to respond to the Notice of Violation constitutes a default.
 - D. <u>Hearing and Decision.</u> Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.
- **Section 3.** Amounts. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the Board as recited above, fines shall be levied in accordance with the schedule set from time to time by the Board of Directors.
- **Section 4.** Collection. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in

the Condominium Documents including, without limitation, those described in Article XXI of the Bylaws.

ARTICLE XXIII ASSIGNMENT OF RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or granted to the Developer or its successors shall terminate, if not sooner assigned to the Association, at the conclusion of the Sales and Development Period. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination of architectural review rights set forth in Article II hereof or any real property rights granted or reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other easements created and reserved in such documents which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

ARTICLE XXIV SEVERABILITY

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

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

ATTENTION: COUNTY REGISTRAR OF DEEDS

CONDOMINIUM PLAN NUMBER MUST BE

SUMMERBROOKE

HANDY TOWNSHIP, LIVINGSTON COUNTY, MICHIGAN

DEVELOPER:

KLS PROPERTIES, L.L.C. 6126 PHEASANT RIDGE FOWLERVILLE, MICHIGAN 48836

ENGINEER:

STEPHENS CONSULTING SERVICES, P.C. 1549 HASLETT ROAD P.O. BOX 708 HASLETT, MICHIGAN 48840

LECAL DESCRIPTION: SUMMERBROOKE, A CONDOMINIUM SUBDIVISION SITUATED IN THE SOUTHEAST 1/4 OF SECTION 1, TOWN 3 NORTH, RANCE 3 EAST, HANDY TOWNSHIP, LIVINGSTON COUNTY, MICHIGAN BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS. COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 1; THENCE NORTH 00'59'28" WEST ALONG THE EAST LINE OF SECTION 1 A DISTANCE OF 1149.85 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 87'24'10" WEST, 52.200 FEET; THENCE NORTH 86'11'10" EAST, 1044.96 FEET RETURNING TO THE EAST LINE OF SECTION 1; THENCE SOUTH 00'59'28" EAST ALONG SAID EAST, 1044.96 FEET RETURNING TO THE EAST LINE OF SECTION 1; THENCE SOUTH 00'59'28" EAST ALONG SAID EAST LINE A DISTANCE OF 1107.16 FEET TO THE POINT OF BEGINNING, CONTAINING 16.58 ACRES, MORE OR LESS, AND SUBJECT TO THE ROBING TO THE POINT OF BEGINNING, CONTAINING 16.58 ACRES, MORE OR LESS, AND SUBJECT TO THE ROBING OR USE, IT ANY, AND INCLUDES THE RIGHT TO USE THE INGRESS AND ERSTREAMENTS, ERSTRECTIONS AND PREVAIL EASEMENT FOR PUBLIC UTILITIES DESCRIBED BELOW.

LEGAL DESCRIPTION: (INGRESS AND EGRESS EASEMENT, AND PRIVATE EASEMENT FOR PUBLIC UTILITIES – SUMMERRROOKE CIRCLE) A 66.00 FEET WISE EASEMENT FOR THE RIGHT OF INGRESS AND EGRESS, AND A PRIVATE SCHEMEN FOR PUBLIC UTILITIES, SAUD EGRESS, AND EGRESS, AND PRIVATE SCHEMENT FOR PUBLIC UTILITIES, SAUD EASEMENT BEING STILDATED IN THE SOUTHEAST JA OF ECTION 1, TOWN 3 NORTH RANGE 3 EAST, HANDY TOWNSHIP, LUNNGSTON COUNTY, MICHIGAN AND BEING 33.00 FEET ON EACH SDE OF THE FOLLOWING DESCRIBED CENTERLINE: COMMENCING AT THE SOUTHEAST CORNER OF SECTION 1, THENCE NORTH 60°592'8" WEST ALONG THE EAST LINE OF SECTION 1 AND THE CENTERLINE OF OWOSSO ROAD, A DISTANCE OF 1182.28 FEET TO THE POINT OF BECKINGING OF THIS CENTERLINE DESCRIPTION. THENCE SOUTH 89'00'32" WEST, A RADIUS OF 230.00 FEET, A CENTRAL ANGLE OF 90'00'00'. AND A CHORD OF 325.27 FEET BEARING NORTH 45'59'28" WEST; THENCE NORTH ANGLE OF 67'10'38", AND A CHORD OF 25.44.8 FEET BEARING NORTH 45'59'28" WEST; THENCE NORTHEASTERY 26-67 FEET ALONG A TANGENT CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 230.00 FEET, A CENTRAL ANGLE OF 22'49'22", AND A CHORD OF 51.01 BEARING NORTH ANGLE OF 22'49'22", AND A CHORD OF 51.01 BEARING NORTH ANGLE OF 22'49'22", AND A CHORD OF 51.01 BEARING NORTH ANGLE OF 22'49'22", STEET FERDANICS OF THE CENTRALL ANGLE OF 22'49'22", STEET FERDANICS OF THE CENTRALL ANGLE OF 50'00'00'00' THE CENTRALLINE OF 66.00 FEET ANGLE ANGLE OF THE CENTRALLINE OF 56.00 FEET REDRANING SID POINT BRING NORTH 00'59'28" WEST; 747.30 FEET FROM THE POINT OF BEGINNING OF THIS EASEMENT, SAID POINT BRING NORTH 00'59'28" WEST; 77.30 FEET FROM

LEGAL DESCRIPTION: (INGRESS AND ECRESS EASEMENT, AND PRIVATE EASEMENT FOR PUBLIC UTILLITIES —
DEVONHURST) A 66.00 FEET WIDE EASEMENT FOR THE RIGHT OF INGRESS AND EGRESS, AND A PRIVATE EASEMENT
FOR PUBLIC UTILITIES, SAD EASEMENT BEING STIVATED IN THE SOUTHEAST 1/4 OF SECTION 1, TOWN 3 NORTH,
RANGE 3 EAST, HANDY TOWNSHIP, LIVINGSTON COUNTY, MICHIGAN AND BEING 33.00 FEET ON EACH SIDE OF THE
FOLLOWING DESCRIBED CENTERLINE: COMMENCING AT THE SOUTHEAST CORNER OF SECTION 1, THENCE NORTH
102.59 FEET TO THE CENTERLINE OF SECTION 1 AND THE CENTERLINE OF OWNSSO ROAD, A DISTANCE OF
FIREY, A CHONG THIS CENTERLINE DESCRIPTION: THENCE NORTH 005928" WEST, 597.48 FEET; THENCE
NORTHWESTERLY 91.62 FEET ALONG A TANGENT CURVE TO THE LEFT, SAID CURVE HAVING A RADIUS OF 230.00
FEET, A CENTRAL ANGLE OF SZY492.2", AND A CHORD OF 91.01 FEET BEARING NORTH 12'24'09" WEST; THENCE
NORTH 23'48'50" WEST, 112.30 FEET TO A POINT ON THE CENTERLINE OF SUMMERBROOME CIRCLE AND THE POINT
OF THE CRANKEN OF THE CENTERLINE OF SUMMERBROOME CIRCLE AND THE POINT

SITE LOCATION NO SCALE

SHEET INDEX

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UNITS 11-19, 25-41..... UNITS 1-10, 20-24..... UTILITY PLAN (NORTH) UTILITY PLAN (SOUTH) UNITS 11-19, 25-41 2 m 4 LEGAL DESCRIPTION SITE PLAN (NORTH) SITE PLAN (SOUTH) UNITS 11-19, 25-41. OVERALL PLAN JNITS 1-10, 20-24. TITLE SHEE"



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