

PURCHASER
INFORMATION
BOOKLET
FOR
MEADOW RIDGE

PURCHASER INFORMATION BOOKLET

FOR

MEADOW RIDGE

TABLE OF CONTENTS

PAGE NO.
(NOTE: Documents are separated by colored sheets; page numbers are internal to each document, not consecutive throughout the booklet.)

MASTER DEED

	<u>Page</u>
LEGAL DESCRIPTION	1
ARTICLE I DEFINITIONS	2
Section 1. Act	2
Section 2. Association	2
Section 3. Building Envelope	2
Section 4. By-Laws	3
Section 5. Common Elements	3
Section 6. Condominium Subdivision Plan	3
Section 7. Construction and Sales Period	3
Section 8. Developer	3
Section 9. Drainage Easement	3
Section 10. First Annual Meeting	3
Section 11. Mortgagee	3
Section 12. Owner	3
Section 13. Project	4
Section 14. Project Documents	4
Section 15. Transitional Control Date	4
Section 16. Unit	4
ARTICLE II TITLE OF PROJECT	4
ARTICLE III NATURE OF PROJECT	4
ARTICLE IV COMMON ELEMENTS	5
Section 1. General Common Elements	5
Section 2. Limited Common Elements	6
Section 3. Responsibilities	6
Section 4. Convertible Areas	7
ARTICLE V UNIT DESCRIPTION AND PERCENTAGE OF VALUE	8
Section 1. Description of Unit	8
Section 2. Percentage of Value	8
Section 3. Combination of Units	8
ARTICLE VI RIGHTS OF MORTGAGEES	9

	<u>Page</u>
ARTICLE VII	DAMAGE TO PROJECT 10
ARTICLE VIII	EASEMENTS FOR UTILITIES 10
ARTICLE IX	FUTURE ACCESS AND UTILITY EASEMENTS 10
ARTICLE X	FUTURE EASEMENTS, LICENSES AND RIGHTS-OF-WAY .. 11
ARTICLE XI	ACCESS EASEMENTS 11
ARTICLE XII	MICHIGAN RIGHT TO FARM ACT 11
ARTICLE XIII	MEADOW RIDGE DRAINAGE DISTRICT 13
ARTICLE XIV	AMENDMENT OR TERMINATION 14
ARTICLE XV	ASSIGNMENT 16

FIRST AMENDMENT TO MASTER DEED

BY-LAWS

ARTICLE I	ASSOCIATION OF OWNERS 1
ARTICLE II	ASSESSMENTS 1
Section 1.	Assessments for Common Elements 1
Section 2.	Determination of Assessments 2
Section 3.	Apportionment of Assessments and Penalty for Default 3
Section 4.	Waiver of Use or Abandonment of Unit 4
Section 5.	Enforcement 4
Section 6.	Liability of Mortgagee 6
Section 7.	Developer's Responsibility for Assessments 6
Section 8.	Property Taxes and Special Assessments 7
Section 9.	Personal Property Tax Assessment of Association Property 7
Section 10.	Construction Lien 7
Section 11.	Statement as to Unpaid Assessments 7
Section 12.	Lawsuit Defense Expenses 7
ARTICLE III	ARBITRATION 7
Section 1.	Scope and Election 7
Section 2.	Judicial Relief 8

	<u>Page</u>
Section 3. Election of Remedies	8
Section 4. Mandatory Arbitration with Developer	8
Section 5. Owner Authorization for Arbitration	8
 ARTICLE IV INSURANCE	 9
Section 1. Extent of Coverage	9
Section 2. Authority of Association to Settle Insurance Claims	9
Section 3. Responsibilities of Owners	10
Section 4. Waiver of Right of Subrogation	10
Section 5. Indemnification	10
 ARTICLE V RECONSTRUCTION OR REPAIR	 11
Section 1. Responsibility for Reconstruction or Repair	11
Section 2. Repair in Accordance with Master Deed	11
Section 3. Association Responsibility for Repair	11
Section 4. Timely Reconstruction and Repair	11
Section 5. Eminent Domain	12
Section 6. Notification of FNMA and FHLMC	13
Section 7. Priority of Mortgagee Interests	13
 ARTICLE VI RESTRICTIONS	 13
Section 1. Residential Use	13
Section 2. Leasing and Rental	20
Section 3. Architectural Control	22
Section 4. Changes in Common Elements	23
Section 5. Activities	23
Section 6. Pets	24
Section 7. Aesthetics	25
Section 8. Vehicles	25
Section 9. Advertising	25
Section 10. Rules and Regulations	26
Section 11. Right of Access of Association	26
Section 12. Landscaping	26
Section 13. Common Element Maintenance	27
Section 14. Owner Maintenance	27
Section 15. Project Roads	27
Section 16. Project Roads Prior to Acceptance	28
Section 17. Reserved Rights of Developer	28
Section 18. Storm Water Management System Maintenance Plan	29
 ARTICLE VII MORTGAGES	 29

	<u>Page</u>
Section 1. Notice to Association	29
Section 2. Insurance	30
Section 3. Notification of Meetings	30
Section 4. Notice	30
 ARTICLE VIII VOTING	 30
Section 1. Vote	30
Section 2. Eligibility to Vote	30
Section 3. Designation of Voting Representative	31
Section 4. Quorum	31
Section 5. Voting	31
Section 6. Majority	31
 ARTICLE IX MEETINGS	 31
Section 1. Place of Meeting	31
Section 2. First Annual Meeting	32
Section 3. Annual Meetings	32
Section 4. Special Meetings	32
Section 5. Notice of Meetings	32
Section 6. Adjournment	33
Section 7. Order of Business	33
Section 8. Action Without Meeting	33
Section 9. Consent of Absentees	33
Section 10. Minutes, Presumption of Notice	34
 ARTICLE X ADVISORY COMMITTEE	 34
 ARTICLE XI BOARD OF DIRECTORS	 34
Section 1. Number and Qualification of Directors	34
Section 2. Election of Directors	35
Section 3. Powers and Duties	36
Section 4. Other Duties	36
Section 5. Management Agent	38
Section 6. Vacancies	38
Section 7. Removal	39
Section 8. First Meeting	39
Section 9. Regular Meetings	39
Section 10. Special Meetings	39
Section 11. Waiver of Notice	40
Section 12. Quorum	40
Section 13. First Board of Directors	40
Section 14. Fidelity Bonds	40

	<u>Page</u>
ARTICLE XII	OFFICERS 40
Section 1.	Officers 40
Section 2.	Election 41
Section 3.	Removal 41
Section 4.	Duties 42
ARTICLE XIII	SEAL 42
ARTICLE XIV	FINANCE 42
Section 1.	Records 42
Section 2.	Fiscal Year 42
Section 3.	Bank 42
ARTICLE XV	INDEMNIFICATION OF OFFICERS AND DIRECTORS 43
ARTICLE XVI	AMENDMENTS 43
Section 1.	Proposal 43
Section 2.	Meeting 43
Section 3.	Voting by Board of Directors 43
Section 4.	Voting by Owners 44
Section 5.	By Developer 44
Section 6.	When Effective 44
Section 7.	Binding 44
Section 8.	Notice 44
ARTICLE XVII	COMPLIANCE 45
ARTICLE XVIII	DEFINITIONS 45
ARTICLE XIX	REMEDIES FOR DEFAULT 45
Section 1.	Legal Action 45
Section 2.	Recovery of Costs 45
Section 3.	Removal and Abatement 45
Section 4.	Assessment of Fines 46
Section 5.	Non-Waiver of Right 46
Section 6.	Cumulative Rights, Remedies and Privileges 46
Section 7.	Enforcement of Provisions of Project Documents 46
ARTICLE XX	RIGHTS RESERVED TO DEVELOPER 47

	<u>Page</u>
ARTICLE XXI SEVERABILITY	47
STORM WATER MANAGEMENT SYSTEM MAINTENANCE PLAN	48

CONDOMINIUM SUBDIVISION PLAN

MEADOW RIDGE HOMEOWNERS ASSOCIATION ARTICLES OF INCORPORATION

ARTICLE I NAME	1
ARTICLE II PURPOSES	1
ARTICLE III BASIS OF ORGANIZATION AND ASSETS	3
ARTICLE IV RESIDENT AGENT	3
ARTICLE V INCORPORATOR	3
ARTICLE VI ACTION BY CONSENT	3
ARTICLE VII MEMBERSHIP AND VOTING	4
ARTICLE VIII LIMITED LIABILITY OF DIRECTORS	4
ARTICLE IX INDEMNIFICATION OF NONDIRECTOR VOLUNTEERS	5
ARTICLE X AMENDMENT	5

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L-4584 P-293

Washtenaw Co., MI
Lawrence Kestenbaum
Clerk Register

Page: 1 of 70



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L-4584 P-293

MASTER DEED

SUBMITTED
FOR RECORDING

SEP 28 2006

Washtenaw County, MI
Clerk Register's Office

MEADOW RIDGE

(Act 59, Public Acts of 1978, As Amended)

221
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THIS MASTER DEED is made and executed on this 28th day of September, 2006, by JUDD ROAD LAND COMPANY L.L.C., a Michigan limited liability company, hereinafter referred to as the "Developer," whose office is situated at 324 Eagle Ridge Court, Ann Arbor, Michigan 48103, in pursuance of the provisions of the Michigan Condominium Act as amended (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act."

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property located in the Township of York, County of Washtenaw, Michigan, and more particularly described as follows:

Commencing at the Southeast corner of Section 9, T4S, R6E, York Township, Washtenaw County, Michigan; thence N 89°06'14" W 1010.79 feet along the South line of said Section 9 and the centerline of Judd Road for a Place of Beginning; thence continuing N 89°06'14" W 1159.11 feet along said South line and said centerline; thence N 00°24'18" E 487.01 feet; thence S 89°06'14" E 1159.48 feet; thence S 00°26'53" W 487.01 feet to the Place of Beginning, being a part of the Southwest 1/4 of said Section 9, containing 12.96 acres of land, more or less, being subject to the rights of the public over the southerly 33.00 feet thereof, as occupied by said Judd Road, and being subject to other easements and restrictions of record, if any.

WHEREAS, the Developer desires, by recording this Master Deed, together with the By-Laws attached hereto as Exhibit "A" and together with the Condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated by reference and made a part hereof), to establish the real property, together with the improvements located and to

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WASHTENAW COUNTY TREASURER
TAX CERTIFICATE NO. 4184900

9



be located thereon and the appurtenances thereto, as a building site project under the provisions of the Act.

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

ARTICLE I

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 in limitation, the Articles of Incorporation and Rules and Regulations of the Meadow Ridge Homeowners Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements, and other instruments affecting the establishment of or transfer of interests in Meadow Ridge. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

1. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
2. "Association" means Meadow Ridge Homeowners Association, the non-profit corporation organized under Michigan law of which all owners shall be members, which corporation shall administer, operate, manage, and maintain the Project. 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 Project documents or the laws of the State of Michigan.
3. "Building envelope" means the portion of each unit within which the owner thereof may construct improvements such as a dwelling. No structures may be built outside of the building envelope within each unit as shown on Exhibit "B" attached hereto without the advance written approval of the Association and the Township of York, if applicable.

ACS-5758732-DMA-2006-70
Lawrence Kestenbaum, Washtenaw03:51 P
09/28/06

L-4584 P-293

4. "By-Laws" means Exhibit "A" hereto, being the By-Laws setting forth the substantive rights and obligations of the owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The By-Laws shall also constitute the corporate By-Laws of the Association as provided for under the Michigan Non-Profit Corporation Act.

5. "Common elements," where used without modification, shall mean both the general and limited common elements described in Article IV hereof.

6. "Condominium Subdivision Plan" means Exhibit "B" hereto.

7. "Construction and sales period" means, for the purposes of the Project documents and the rights reserved to the Developer thereunder, 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.

8. "Developer" means Judd Road Land Company L.L.C., a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns.

9. "Drainage easement" means that portion, if any, of an individual unit or the general common element that is subject to an easement for storm water drainage and detention purposes granted to the Washtenaw County Drain Commissioner and created by this Master Deed pursuant to engineering requirements established by the Washtenaw County Drain Commissioner, as shown on Exhibit "B" hereto.

10. "First annual meeting" means the initial meeting at which nondeveloper owners are permitted to vote for the election of all Directors and upon all other matters which properly may be brought before the meeting. Such meeting (a) may be held at any time, in the Developer's sole discretion, after fifty percent (50%) of the units which may be created are sold, and (b) must be held within (i) fifty-four (54) months from the date of the first unit conveyance, or (ii) one hundred twenty (120) days after seventy-five percent (75%) of all units which may be created are sold, whichever occurs first.

11. "Mortgagee" means the individual, financial institution, corporation, partnership, or other entity holding a first mortgage lien on an individual unit in Meadow Ridge.

12. "Owner" means a person, firm, corporation, partnership, association, trust, or other legal entity or any combination thereof who or which owns one (1) or more units in the Project, and shall have the same meaning as "co-owner" as defined in the Act. "Owner" shall also include both a land contract vendor and a land contract vendee and they shall have joint and several responsibility for assessments by the Association.



ACS-5750732-DMA-2006-70
Lawrence Keetenbaum, Washtenaw

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09/28/06

L-4584 P-293

13. "Project" means Meadow Ridge established in conformity with the provisions of the Act and includes the land, all improvements and structures thereon, and all easements, rights and appurtenances belonging to Meadow Ridge as described above.

14. "Project documents" wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of Incorporation and the Rules and Regulations, if any, of the Association.

15. "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 owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

16. "Unit" means a single condominium building site in Meadow Ridge, as described in Article V hereof and in Exhibit "B" hereto, and shall have the same meaning as "condominium unit" as defined in the Act. No unit shall be divided into more than one (1) building site.

Whenever any reference herein is made to one (1) 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 II

TITLE OF PROJECT

The Project shall be known as Meadow Ridge, Washtenaw County Condominium Subdivision Plan No. 530. The engineering plans for the Project (including architectural plans for all dwellings and other improvements to be constructed therein) were or will be approved by, and are or will be on file with the York Township Building Department. The Project is established in accordance with the Act.

ARTICLE III

NATURE OF PROJECT

The units contained in the Project, including the number, boundaries, dimensions, and area of each unit therein, are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto. Each unit has been created for residential purposes and each unit is capable of individual utilization on account of having its own access to a public right-of-way or a common element of the Project. Each owner in the Project shall have an exclusive right to his unit and shall have undivided and inseparable rights to share with other owners the common elements of the Project as are designated by this Master Deed.



ARTICLE IV

COMMON ELEMENTS

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

1. The general common elements are:

a. The land described in page one hereof (other than that portion thereof described in Article V below and in Exhibit "B" hereto as constituting the individual building sites), including improvements not located within the boundaries of a unit. Those structures and improvements that now or hereafter are located within the boundaries of a unit shall be owned in their entirety by the owner of the unit in which they are located and shall not, unless otherwise expressly provided in the Project documents, constitute common elements.

b. The electrical wiring and natural gas line networks throughout the Project up to the point of lateral connection for unit service.

c. The telephone, television and telecommunication wiring networks, if available, throughout the Project up to the point of lateral connection for unit service.

d. The storm water drainage easement and detention system throughout the Project.

e. Easements for all of the aforementioned utility systems that are provided by or for the benefit of third parties are hereby dedicated to them for that purpose in the locations as set forth in Exhibit "B" hereto.

f. Such other elements of the Project not herein designated as general common elements which are not located within the perimeter of a unit and which are intended for common use or necessary to the existence, upkeep and safety of the Project.

Some or all of the utility lines (including mains and service leads) and equipment described in Article IV, paragraphs 1b, c and d may be owned by the local municipal authority or by the company that is providing the pertinent utility service. Accordingly, such utility lines and equipment shall be general common elements only to the extent of the owners' interest therein, and the Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.

2. Limited common elements shall be subject to the exclusive use and enjoyment of the owner of the unit or units to which such limited common elements are appurtenant. The owner of each unit shall have easement rights in the nature of a limited common element for the installation, maintenance and replacement of a well into such areas of the general common elements adjacent to each unit as shall be required by the Washtenaw County Department of Planning and Environment. All utilities servicing a unit up to the point of lateral connection with a general common element shall be limited common elements. No additional limited common elements have been designated as such in this Master Deed because there are no additional limited common elements in the Project. If any additional limited common elements are included in the Project at any time hereafter, they shall be shown on amendments to the Condominium Subdivision Plan.

3. The respective responsibilities for the maintenance, repair and replacement of the common elements are as follows:

a. Association Responsibilities. The costs of maintenance, repair and replacement of all general common elements in the Project shall be borne by the Association, including any storm water drainage easement courses and detention areas (including surface water drainage courses on individual units) and landscaping installed by the Developer that may be located within the public right-of-way, such as the cul-de-sac islands in the Meadow Hill right-of-way, as shown on Exhibit "B" attached hereto, subject to any provision of the Project documents expressly to the contrary, and also including the proposed public roads until such time as they have been accepted for maintenance by the Washtenaw County Road Commission. Routine maintenance of the storm water facilities must be completed within fourteen (14) days of receipt of written notification that action is required, unless other acceptable arrangements are made with the Washtenaw County Drain Commissioner. Should the Association fail to act within this time frame, the Washtenaw County Drain Commissioner may perform the needed maintenance and assess the costs against the Association or the individual units. The general common element open space shall forever remain open space, subject only to uses approved on the site plan by the Township of York. Further subdivision of open space land or its use for other than recreation, conservation or agricultural purposes, except for easements for utilities, shall be strictly prohibited. The dedication of open space in perpetuity is binding on all successors and assigns of the Developer and future owners of units in the Project. In the event that the Township undertakes maintenance within the open space as a result of inadequate maintenance by the Association, or the open space is determined by the Township to be a public nuisance, then, and in either of those events, any and all costs associated with maintenance performed by the Township will be assessed by the Township upon the

ACS-5750732-DMA-2006-70
Lawrence Keatenbaum, Washtenaw03:51 P
09/28/06

L-4584 P-293

units in the Project and shall become a lien on said units in the same manner as general property taxes.

b. Owner Responsibilities. The owners individually privately own their respective wells, septic tanks and drain fields and shall be responsible for the maintenance, repair and replacement of their respective wells, septic tanks, drain fields, and for all maintenance, repair or replacement that (1) is expressly assigned to them by any provision of the Project documents, or (2) is not expressly assigned to the Association by any provision of the Project documents; but none of the owners shall be responsible individually for maintenance, repair or replacement of any general common elements except as specifically provided in Article VI, Section 14 of the By-Laws. In the event an owner fails to maintain, repair or replace any items for which he is responsible, the Association (and/or the Developer during the construction and sales period) shall have the right, but not the obligation, to take whatever action or actions it deems desirable to so maintain, repair or replace any of such improvements made within a unit, all at the expense of the owner of the unit. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities under this Article IV which are required, in the first instance to be borne by any owner, shall be assessed against such owner and shall be due and payable within thirty (30) days; 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 Project 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.

4. Until the Developer has sold all of the units in the Project, or no later than six (6) years from the date of recording this Master Deed, whichever event first occurs, it may, in its sole discretion, and subject to the advance written approval of the Township of York, (a) modify the dimensions of unsold units and the general common elements, by enlargement, combination, division or reduction in size, (b) make such other alterations as it deems necessary or appropriate to any unsold units or the general common elements and (c) eliminate an unsold unit from the Project, either prior to or after its development. However, no such modifications or alterations may be performed which would unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any unit sold by Developer which adjoins or is proximate to the modified unit. An owner's unit dimensions may not be modified without the owner's consent. Other than with regard to previously sold units, all space in the Project, since it is or could be affected by such a modification or alteration, is hereby designated as



"convertible areas," whether or not so designated on the Condominium Subdivision Plan attached hereto as Exhibit "B." Such space may be converted, in the Developer's sole discretion, into portions of a unit or general common elements, or any combination of these, and the responsibility for maintenance, repair and replacement therefor may be assigned by an amendment to this Master Deed effected solely by Developer without the consent of any other person. No unit altered or modified in accordance with the provisions of this section shall be conveyed until an amendment to this Master Deed effectuating such modification is recorded. All of the 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 unanimously consented to such amendment or amendments to this Master Deed and irrevocably appoint Developer 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 V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

1. Each unit of the Project is described in this paragraph with reference to the Condominium Subdivision Plan of Meadow Ridge, as a separate building site as surveyed by Jekabson & Associates, P.C., a Michigan professional corporation, and attached hereto as Exhibit "B." Each unit shall consist of the space contained within the unit building site boundaries as shown on Exhibit "B" hereto and delineated with heavy outlines, together with all appurtenances thereto.

2. The percentage of value assigned to each unit in this seven (7) unit Project shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each unit in the Project and concluding that there are no material differences among the units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each unit shall be determinative of each owner's respective share of the common elements of the Project, the proportionate share of each respective owner in the proceeds and the expenses of administration and the value of such owner's vote at meetings of the Association. The total value of the Project is one hundred percent (100%).

3. Owners of adjacent units may combine them into one (1) unit in accordance with Section 48 of the Act, subject to the approval of the Developer and the Township of York. Once combined, said units shall be assessed as a single unit within the Project. The Association shall be responsible for the preparation and recording of any necessary amendment to the Master Deed and the owner or owners making any such change shall reimburse the Association for all expenses it incurs.



ARTICLE VI

RIGHTS OF MORTGAGEES

Notwithstanding any other provision in this Master Deed or the By-Laws or any other documents, the following provisions shall apply and may not be amended or deleted without the prior written consent of the holders of first mortgages on at least two-thirds (2/3) of the units of record:

1. A first mortgagee, at its request, is entitled to written notification from the Association of any default by the owner of such unit in the performance of such owner's obligations under the Project documents which is not cured within sixty (60) days.
2. Any first mortgagee who obtains title to a unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure shall be exempt from any "right of first refusal" contained in the Project documents and shall be free to sell or lease such unit without regard to any such provision.
3. Any first mortgagee who obtains title to a unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure shall not be liable for such unit's unpaid dues or charges which accrue prior to the acquisition of title to such unit by the mortgagee.
4. Notwithstanding any provision of the condominium documents to the contrary, first mortgagees are entitled to vote on amendments to the condominium documents only under the circumstances listed in Section 90a of the Act.
5. Each first mortgagee has the right to examine the books and records of the Association.
6. No owner, or any other party, shall have priority over any rights of first mortgagees of units pursuant to their mortgages in the case of a distribution to owners of insurance proceeds or condemnation awards for losses to or a taking of units and/or common elements.
7. Any agreement for professional management of the Project regime or any other contract providing for services which exists between the Association and the Developer or affiliates of the Developer is voidable by the Board of Directors of the Association on the transitional control date or within ninety (90) days thereafter, and on thirty (30) days' written notice at any time thereafter without cause or payment of a termination fee.

ACS-5750732-DMA-2006-70
Lawrence Kestenbaum, Washtenaw03:51 P
09/28/06

L-4584 P-293

8. Notwithstanding anything provided hereinabove to the contrary, in the event of a vote for an amendment to the project documents, any mortgagee ballots not returned within ninety (90) days of mailing shall be counted as approval for the change.

ARTICLE VII

DAMAGE TO PROJECT

In the event the Project is partially or totally damaged or destroyed or partially taken by eminent domain, the repair, reconstruction or disposition of the property shall be as provided by the By-Laws attached hereto as Exhibit "A."

ARTICLE VIII

EASEMENTS FOR UTILITIES

There shall be easements to, through and over the entire Project, including all of the land, for the continuing maintenance and repair of all utilities in the Project, including drain fields and wells. In the event any improvements located on one (1) unit, including drain fields and wells, encroach upon a common element, easements shall exist for the maintenance of such encroachment for so long as such encroachment exists and for maintenance, repair and replacement thereof following damage or destruction. The Board of Directors of the Association may grant easements over or through or dedicate any portion of any general common element of the Project for utility, roadway or safety purposes.

ARTICLE IX

FUTURE ACCESS AND UTILITY EASEMENTS

The Developer further reserves the right at any time to grant access easements for proposed public roads within the Project and easements for utilities over, under and across the general common elements of the Project to appropriate governmental agencies or public utility companies and to transfer title for proposed public roads and utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be made by the Developer without the consent of any owner, mortgagee or other person and shall be evidenced by a grant of easement, deed or an appropriate amendment to this Master Deed and to Exhibit "B" hereto, recorded in the Washtenaw County Records. All of the owners and mortgagees of units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

ACS-5750732-DMA-2008-70
Lawrence Kestenbaum, Washtenaw03:51 P
09/28/06

L-4584 P-293

ARTICLE X

FUTURE EASEMENTS, LICENSES AND RIGHTS-OF-WAY

The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the transitional control date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry, and rights-of-way over, under and across the general common elements of the Project for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Project; subject, however, to the approval of the Developer during the construction and sales period. No easement created under the Project documents may be modified nor may any of the obligations with respect thereto be varied without the consent of each person benefited thereby.

ARTICLE XI

ACCESS EASEMENTS

The Developer, the Association and all public or private utilities shall have such easements over, under, across, and through the Project, including all units and common elements, as may be necessary to fulfill any responsibilities of maintenance, repair or replacement which they or any of them are required or permitted to perform under the Project documents or by law. These easements include, without limitation, the right of the Association to obtain access to the unit during reasonable hours.

ARTICLE XII

MICHIGAN RIGHT TO FARM ACT

Owners in Meadow Ridge are hereby notified that the Project is located in an agricultural area of the Township of York, and that it is surrounded by farm operations that are protected by the Michigan Right to Farm Act, which is Act 93 of the Public Acts of 1981, as amended. In approving the site plan for Meadow Ridge the Township of York requested that the Developer notify all future owners of both the existence of said farm operations and the Act. It is the desire of the Township of York to avoid having owners who move into the Project complain of the existence of said farm operations at a future date. The Michigan Right to Farm Act provides as follows:

1. As used in the Michigan Right to Farm Act:
 - a. "Farm" means the land, buildings, and machinery used in the commercial production of farm products.

ACS-5750732-DMA-2006-70
Lawrence Kestenbaum, Washtenaw03:51 P
09/28/06

L-4584 P-293

b. "Farm operation" means a condition or activity which occurs on a farm in connection with the commercial production of farm products, and includes, but is not limited to, marketed produce at roadside stands or farm markets; noise; odors; dust; fumes; operation of machinery and irrigation pumps; ground and aerial seeding and spraying; the application of chemical fertilizers, conditioners, insecticides, pesticides, and herbicides; and the employment and use of labor.

c. "Farm product" means those plants and animals useful to human beings and includes, but is not limited to, forages and sod crops, grains and feed crops, dairy and dairy products, poultry and poultry products, livestock, including breeding and grazing, fruits, vegetables, flowers, seeds, grasses, trees, fish, apiaries, equine and other similar products, or any other product which incorporates the use of food, feed, fiber, or fur.

d. "Generally accepted agricultural and management practices" means those practices as defined by the commission of agriculture. The commission shall give due consideration to available Michigan Department of Agriculture information and written recommendations from the Michigan State University college of agriculture and natural resources cooperative extension service and the agricultural experiment station in cooperation with the United States department of agriculture soil and conservation service and the agricultural stabilization and conservation service, the department of natural resources and other professional and industry organizations.

e. "Person" means an individual, corporation, partnership, association, or other legal entity.

2.

a. A farm or farm operation shall not be found to be a public or private nuisance if the farm or farm operation alleged to be a nuisance conforms to generally accepted agricultural and management practices according to policy as determined by the state agriculture commission. Generally accepted agricultural and management practices shall be reviewed annually by the state agriculture commission and revised as considered necessary.

b. A farm or farm operation shall not be found to be a public or private nuisance if the farm or farm operation existed before a change in the land use or occupancy of land within one (1) mile of the boundaries of the farm land, and if before that change in land use or occupancy of land, the farm or farm operation would not have been a nuisance.



ARTICLE XIII

MEADOW RIDGE DRAINAGE DISTRICT

All owners in the Project take title to their individual units subject to a perpetual and permanent easement hereby granted in favor of the Washtenaw County Drain Commissioner, Meadow Ridge Drainage District (collectively referred to as "Grantee"), and Grantee's successors, assigns, and transferees, in, over, under and through the property described on Exhibit "B" hereto, with said easement set forth thereon, which easement may not be amended or revoked, except with the written approval of Grantee, and which easement contains the following terms and conditions, with the Developer granting the following rights:

1. The easement shall be for the purpose of developing, establishing, constructing, repairing, maintaining, deepening, cleaning, widening, and performing any associated construction activities and grading in connection with any type of drainage facilities, or storm drains, in any size, form, shape, or capacity.

2. The Grantee shall have the right to sell, assign, transfer, or convey this easement to any other governmental unit for the purposes identified in subsection 1, above.

3. No unit owner in the Project shall build or convey to others any permission to build any permanent structures on said easement.

4. No unit owner in the Project shall build or place on the area covered by the easement any type of structure, fixture, or object, or engage in any activity or take any action, or convey any property interest or right, that would in any way either actually or threaten to impair, obstruct, or adversely affect the rights of Grantee under said easement.

5. The Grantee and its agents, contractors and designated representatives shall have the right of entry on, and to gain access to, the easement property.

6. All unit owners in the Project shall release Grantee and its successors, assigns or transferees from any and all claims to damages in any way arising from or incidental to the construction and maintenance of a storm drain or sewer, or otherwise arising from or incidental to the exercise by Grantee of its rights under said easement, and all unit owners covenant not to sue Grantee for any such damages.



ARTICLE XIV

AMENDMENT OR TERMINATION

Except as provided in preceding paragraphs as set forth above, the Project shall not be terminated or any of the provisions of this Master Deed or Exhibits attached hereto amended unless done in compliance with the following provisions:

1. The Project documents may be amended without the consent of owners or mortgagees for any purpose if the amendment does not materially alter or change the rights of an owner or mortgagee. The Developer, for itself (until one (1) year after the expiration of the construction and sales period) and for the Association (acting through a majority of its Board of Directors), hereby expressly reserves the right to amend the Project documents for such a purpose. Amendments which do not materially alter or change the rights of an owner or materially impair the security of a mortgagee, as defined in Section 90a of the Act, include, but are not limited to, amendments modifying the types and sizes of unsold units and their appurtenant common elements, correcting survey or other errors made in the Project documents, and to provide descriptions and assign responsibility for common elements constructed, but not previously disclosed in the Master Deed, changes required by the Township of York or any other public authority having jurisdiction over the Project, changes deemed necessary to comply with or include provisions permitted by the Act, or for the purpose of facilitating mortgage loan financing for existing or prospective owners and to enable the purchase or insurance of such mortgage loans by any institutional participant in the secondary mortgage market which purchases or insures mortgages.

2. If there is no owner other than the Developer, the Developer, with the consent of any interested mortgagee, may unilaterally terminate the Project or amend the Master Deed. A termination or amendment under this section shall become effective upon the recordation thereof if executed by the Developer.

3. If there is an owner other than the Developer, then the Project shall be terminated only by the agreement of the Developer, eighty percent (80%) of the unaffiliated owners of units to which all of the votes in the Association appertain and the mortgagees of two-thirds (2/3) of the first mortgages covering the units. Any mortgagee ballots not returned within ninety (90) days of mailing shall be counted as approval for the termination.

4. Agreement of the required majority of owners and mortgagees to the termination of the Project shall be evidenced by their execution of the termination agreement or of ratifications thereof, and the termination shall become effective only when the agreement is so evidenced of record.

ACS-5750732-DMA-2006-70
Lawrence Keetenbaum, Washtenaw03:51 P
09/28/06

L- 4584 P- 293

5. Upon recordation of an instrument terminating a Project, the property constituting the Project shall be owned by the owners as tenants in common in proportion to their respective undivided interests in the common elements immediately before recordation. As long as the tenancy in common lasts, each owner or the heirs, successors or assigns thereof shall have an exclusive right of occupancy of that portion of the property which formerly constituted the unit.

6. Upon recordation of an instrument terminating a Project, any rights the owners may have to the assets of the Association shall be in proportion to their respective undivided interests in the common elements immediately before recordation, except that common profits shall be distributed in accordance with the Project documents and the Act.

7. The Project documents may be amended for a proper purpose, other than as set forth in this Article, even if the amendment will materially alter or change the rights of the owners, mortgagees or other interested parties, with the prior written consent of two-thirds (2/3) of the first mortgagees (based upon one (1) vote for each mortgage owned), but only as is required in accordance with Section 90a of the Act, and owners of the individual units. An owner's unit dimensions or the responsibility for maintenance, repair and replacement thereof may not be modified in any material way without his consent and that of his mortgagee. Any mortgagee ballots not returned within ninety (90) days of mailing shall be counted as approval for the change. The affirmative vote of two-thirds (2/3) of owners is considered two-thirds (2/3) of all owners entitled to vote as of the record date for such votes.

8. The Project documents may not be amended, so as to affect the site plan for the Project approved by the Township of York, without the advance written approval of the Township of York, and no provision in the Project documents which specifically applies to or grants rights to the Township of York may be released, changed, modified, or amended without the advance written approval of the Township of York.

9. The rights granted to the Washtenaw County Drain Commissioner, Meadow Ridge Drainage District and their successors and assigns, under Article XIII shall not be amended without their express written consent. Any purported amendment or modification of the rights granted under Article XIII shall be void and without legal effect unless agreed to in writing by the Washtenaw County Drain Commissioner, Meadow Ridge Drainage District, or their successors and assigns.

10. A person causing or requesting an amendment to the Project documents shall be responsible for costs and expenses of the amendment to the Project documents except for amendments based upon a vote of a prescribed majority of owners or based upon the Advisory Committee's decision, the costs of which are expenses of administration.



ACS-5750732-DMA-2006-70
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L-4584 P-293

11. A Master Deed amendment dealing with the addition, withdrawal or modification of units or other physical characteristics of the Project shall comply with the standards prescribed in the Act for preparation of an original Condominium Subdivision Plan for the Project.

12. During the construction and sales period, this Master Deed, and all Exhibits attached hereto, shall not be amended without the written consent of the Developer.

ARTICLE XV

ASSIGNMENT

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

JUDD ROAD LAND COMPANY L.L.C.,
Developer

By: 
Raymond J. LeVan, Manager

STATE OF MICHIGAN, COUNTY OF WASHTENAW

The foregoing document was acknowledged before me this 28th day of September, 2006, by Raymond J. LeVan, Manager, on behalf of Judd Road Land Company L.L.C., a Michigan limited liability company, by authority of its Operating Agreement.


Karl R. Frankena, Notary Public
Washtenaw County, Michigan
Acting in Washtenaw County
My commission expires: 6/9/07

✓
This document was prepared by
and when recorded return to:
Karl R. Frankena
Conlin, McKenney & Philbrick, P.C.
350 S. Main Street, Suite 400
Ann Arbor, Michigan 48104-2131

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**FIRST AMENDMENT TO MASTER DEED
OF MEADOW RIDGE**

Paul Elkow Building Company LLC, a Michigan limited liability company, of 28701 Wintergreen, Farmington Hills, Michigan 48331, being the Successor Developer of Meadow Ridge, a site condominium project established in pursuance of the provisions of the Michigan Condominium Act, as amended (being Act 59 of the Public Acts of 1978, as amended), and of the Master Deed thereof, as recorded on September 28, 2006, in Liber 4584, Page 293, Washtenaw County Records, and known as Washtenaw County Condominium Subdivision Plan No. 530, hereby amends said Master Deed as the owner of all units in said Project pursuant to the authority reserved in Article XIV for the purpose of amending certain building and use restrictions contained in Article VI of the By-Laws attached to said Master Deed as Exhibit A. Said Master Deed and By-Laws are amended in the following manner:

1. Upon recording of this First Amendment to Master Deed in the Office of the Washtenaw County Register of Deeds, the following Sections 1.a., 1.b. and 1.d. of Article VI shall replace and supersede the original Sections 1.a., 1.b. and 1.d. of Article VI of the By-Laws recorded as Exhibit A to the Master Deed of Meadow Ridge, and said Sections are originally recorded, shall have no further force or effect:

ARTICLE VI

RESTRICTIONS

All of the units in the Project shall be held, used and enjoyed subject to the ordinances of the Township of York, applicable law and the following limitations and restrictions:

Section 1. Residential Use.

Use of units shall also be restricted in the following manner:

a. **Building Size and Height.** No building or structure shall exceed two (2) stories above grade or thirty-five (35) feet in height and all buildings or structures shall be constructed within the perimeter of a unit. All buildings and structures shall be in conformity with the following minimum size standards as to living area above ground level measured by the external walls:

- (1) **One Story/Ranch:** 1,500 square feet.
- (2) **One and One-Half Story:** 2,000 square feet with a minimum of 1,100 square feet on first floor.

(3) Multi-Story: 2,000 square feet.

The Developer reserves the right, within its sole discretion, to lower the required minimum square footage for specific dwellings. Garages, porches and breezeways shall not be included in computing minimum size requirements. All buildings shall be constructed by a licensed contractor and completed within one (1) year from the date of issuance of a building permit by the York Township Building Department. All unused building materials and temporary construction shall be removed from the premises within thirty (30) days after substantial completion of the structure. The portion of the surface of the earth which is disturbed by excavation and other construction work shall be finish graded, seeded, sodded and/or covered with other approved landscaping as soon as the construction work and weather permit. No burial of construction debris will be permitted. All soil to be removed from any of the units either in grading or excavating will, at the option of the Developer, become the property of the Developer and when removed will be placed by the owner of the unit in such place or places within the Project as the Developer will designate at the owner's expense. All driveways shall be roughed in with a gravel base before the basement is dug. Owners may not interrupt the surface flow of storm water across their units. All driveway aprons accessing the proposed public roads in the Project shall be constructed in compliance with the rules and regulations of the Washtenaw County Road Commission.

b. Garages. Each single family dwelling shall have a minimum of a two (2) or three (3) car attached side entry garage where possible, and with prior written approval from the Developer, or the Association as hereinafter provided in Section 3, may have a five (5) car attached side and/or front entry garage. Carports shall not be erected, placed or permitted to remain on any unit. For security and aesthetic reasons, garage doors will be kept closed at all times except as may be reasonably necessary to gain access to and from any garage. All driveways shall be surfaced with asphalt, concrete or paving bricks at the time of construction of the dwelling served thereby, weather permitting.

d. Accessory Buildings. No accessory building or other out-building shall be permitted on any unit unless it is approved by the Developer, or the Association, as hereinafter provided in Section 3. The Developer, or the Association, in the exercise of its sole discretion, may permit the erection of structures such as swimming pool accessory buildings, greenhouses, lawn/garden storage sheds, or detached garages. Notwithstanding the Developer's, or the Association's approval, such structures, except swimming pools, shall be architecturally compatible with the main dwelling, be constructed of similar materials on a concrete slab with a rat wall, and shall not exceed one thousand five hundred (1,500) square feet in size, without the advance written approval of the Developer, or the Association, if applicable.

2. Upon recording of this First Amendment to Master Deed in the Office of the Washtenaw County Register of Deeds, the following Section 3 of Article VI shall replace and supersede the original

Section 3 of Article VI of the By-Laws recorded as Exhibit A to the Master Deed of Meadow Ridge, and said Sections are originally recorded, shall have no further force or effect:

ARTICLE VI

RESTRICTIONS

Section 3. Architectural Control. No dwelling, structure or other improvement shall be constructed within a unit or elsewhere within the Project, nor shall any exterior modification be made to any existing dwelling, structure or improvement, unless the site plan and building plans and specifications therefor containing such detail as the Developer may reasonably request have first been approved by the Developer. Construction of any dwelling or other improvements must also receive any necessary approvals from the local public authority. The Developer shall have the right to refuse to approve any such plans or specifications or grading or landscaping plans which are not suitable or desirable in its sole opinion for aesthetic or other reasons; and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, proposed exterior materials (which may include wood (with limited amounts of textured vinyl siding and textured plywood siding such as T-1-11), brick, and stone, but no aluminum siding or brick laminate) and exterior colors which shall blend in with existing dwellings and the natural surroundings, the site upon which it is proposed to be constructed, the location of the dwelling within each unit, and the degree of harmony thereof with the Project as a whole. While dwellings may be sided entirely in wood or hardboard products, like Hardee brand siding, if brick is used, it must cover at least fifty percent (50%) of the front of the dwelling, facing the street, with the balance of the dwelling in wood or textured vinyl siding. No all vinyl sided houses shall be permitted. Unless prevented by existing natural vegetation, or severe elevations in the topography, wherever possible lawns shall occupy the majority of the front yard between the dwelling and the traveled portion of the road adjacent thereto. No log, modular, manufactured or any other type of residential housing constructed and assembled off-site will be permitted. All dwellings must be constructed on-site. No flat roofs will be permitted and a minimum front roof pitch of 6/12 will be required. Dimensional roof shingles shall be required, however, the Developer reserves the right, within its sole discretion, to waive this requirement for specific dwellings. The purpose of this section is to assure the continued maintenance of the Project as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all owners. The Developer's rights under this Article VI, Section 3 may, in the Developer's discretion, be assigned to the Association or other successor to the Developer. Said rights shall automatically be assigned to the Association at the end of the construction and sales period. The Developer may construct any improvements upon the Project that it may, in its sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Project documents, and any limitations imposed by the Township of York.

In no event shall any unit owner have the right to impose liability on the Developer or the Association, or otherwise contest judicially any decision of the Developer or the Association (or alleged failure of the Developer or the Association to make a decision) relative to the approval or disapproval of a site plan and building plans, or any aspect or other matter as to which the Developer reserves the right to approve, disapprove or grant a variance with regard to under this Article VI. The approval by the Developer of a site plan and building plans, or other matter shall not be construed as a representation or warranty that the site plan

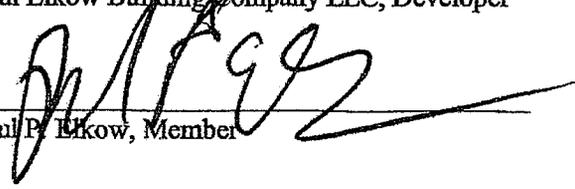
or building plans or other matter is in conformity with the zoning ordinances of the Township of York, if applicable, or building regulations of any other governmental authority. The Developer specifically disclaims any obligation or duty to ascertain any such non-conformities or to advise a unit owner or any other person of the same, even if known to the Developer.

In all other respects, other than as hereinbefore indicated, the original Master Deed of Meadow Ridge, a site condominium, including all Exhibits attached thereto, recorded as aforesaid, is hereby ratified, confirmed and redeclared.

Dated: June 13, 2013.

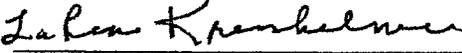
Paul Elkow Building Company LLC, Developer

By:


Paul P. Elkow, Member

STATE OF MICHIGAN, COUNTY OF OAKLAND

On June 13, 2103, Paul P. Elkow appeared before me, and stated under oath that he is a Member of Paul Elkow Building Company LLC, a Michigan limited liability company, and that this document was signed on behalf of the limited liability company, by authority of its Articles of Organization, and he acknowledged this document to be the free act and deed of the limited liability company.



, Notary Public

OAKLAND

County, Michigan

Acting in Oakland County

My commission expires: 1 | 20 | 2019

This document was prepared by
and when recorded return to:
Karl R. Frankena
Conlin, McKenney & Philbrick, P.C.
350 S. Main Street, Suite 400
Ann Arbor, Michigan 48104-2131

Recording fee: \$23

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LAREA KREMHELMER
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF OAKLAND
My Commission Expires January 20, 2019
Acting In the County of _____

ACS-5750732-DMA-2006-70
Lawrence Kastenbaum, Washtenaw03:51 P
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L-4584 P-299

EXHIBIT "A"**MEADOW RIDGE****BY-LAWS****ARTICLE I****ASSOCIATION OF OWNERS**

Meadow Ridge, a residential building site condominium located in the Township of York, Washtenaw County, Michigan, shall be administered by an association of owners which shall be a non-profit corporation, hereinafter called the "Association," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the common elements, easements and affairs of the Project in accordance with the Project documents and the laws of the State of Michigan. These By-Laws shall constitute both the By-Laws referred to in the Master Deed and required by Section 3(8) of the Act and the By-Laws provided for under the Michigan Non-Profit Corporation Act. Each owner shall be entitled to membership, and no other person or entity shall be entitled to membership. The share of an 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 Project documents for the Project available at reasonable hours to owners, prospective purchasers and prospective mortgagees of units in the Project. All owners in the Project and all persons using or entering upon or acquiring any interest in any unit therein or the common elements thereof shall be subject to the provisions and terms set forth in the aforesaid Project documents.

ARTICLE II**ASSESSMENTS**

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Project documents and the Act shall be levied by the Association against the units and the 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 arising within, caused by, or connected with the common elements or the administration of the Project, including fulfilling drainage responsibilities within individual units, shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of or pursuant to any



policy of insurance securing the interest of the owners against liabilities or losses arising within, caused by, or connected with the common elements or the administration of the Project, shall constitute receipts affecting the administration of the 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:

a. Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year, and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the 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 periodic 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 Board of Directors should carefully analyze the 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 and, in the event of such a determination, the Board of Directors shall be empowered to establish such greater or other reserves without owner approval. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each 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 owner shall not affect or in any way diminish the liability of any 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: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Project; (2) to provide replacements of existing common elements; (3) to provide additions to the common elements not exceeding Two Thousand Dollars (\$2,000.00) annually for the entire Project (adjusted for increases in the Consumers Price Index used by the United States Department of Labor, Bureau of Vital Statistics, Metropolitan Detroit area, since the date of recording of the initial Master Deed); or (4) that an emergency exists, then the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without owner consent, to levy assessments pursuant to the provisions of Article V, Section 3 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to



this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or 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 owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the common elements of a cost exceeding Two Thousand Dollars (\$2,000.00) per year for the entire Project (adjusted for increases in the Consumers Price Index used by the United States Department of Labor, Bureau of Vital Statistics, Metropolitan Detroit area, since the date of recording of the initial Master Deed); or (2) 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 sixty percent (60%) of all owners. 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 owners to cover expenses of administration shall be apportioned among and paid by the owners in accordance with the percentage of value allocated to each unit in Article V of the Master Deed. Any other unusual common expenses benefiting less than all of the units, or any expenses incurred as a result of the conduct of less than all those entitled to occupy the Project, or their tenants or invitees, shall be specifically assessed against the unit or units involved, in accordance with such reasonable rules and regulations as shall be adopted by the Board of Directors of the Association. Annual assessments as determined in accordance with Article II, Section 2a above shall be payable in advance by owners in one (1) annual or two (2) equal bi-annual installments, at the sole discretion of the Association, commencing with acceptance of a deed to or a land contract vendee's interest in a unit, or with the acquisition of fee simple title to a unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment.

Each installment in default for ten (10) or more days shall bear interest from the initial due date thereof at the rate of seven percent (7%) per annum, plus such additional interest rate surcharge and late payment charges as the Board of Directors shall approve, until each

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09/28/06

L-4584 P-293

installment is paid in full. Provided, however, that the interest rate and interest rate surcharge combined applying to delinquent amounts shall not exceed the limit set by usury laws in the State of Michigan. The Association may, pursuant to Article XIX, Section 4 hereof, levy fines for chronic late payment of assessments in addition to such interest and late payment charges. Each owner (whether one (1) or more persons) shall be, and remain, personally liable for the payment of all assessments pertinent to his unit which may be levied while such owner is the owner thereof. Payments on account of installments of assessments in default shall be applied as follows: First, to cost of collection and enforcement of payment, including actual attorney's fees (not limited to statutory fees); second, to any late charges, interest charges and fines for late payment 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 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. Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments, together with all applicable late charges, interest, fines, costs, advances paid by the Association to protect its lien, actual attorney's fees (not limited to statutory fees), and other costs, 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 owner in the payment of any installment of the annual assessment levied against his unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any Association paid services to an owner in default upon seven (7) days' written notice to such owner of its intention to do so. An owner in default shall not be entitled to utilize any of the general common elements of the Project and shall not be entitled to vote at any meeting of the Association, or be elected to or a voting member of the Board of Directors, so long as such default continues; provided, however, this provision shall not operate to deprive any owner of ingress or egress to and from his unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the unit from the owner thereof or any persons claiming under him and, if the unit is not occupied, to lease the unit and collect and apply the rental therefrom to any delinquency owed to the Association. All of these remedies shall be cumulative and not alternative and shall not preclude the Association from exercising such other remedies as may be available at law or in equity.



b. Foreclosure Proceedings. Each 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 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 owner of a unit in the Project acknowledges that, at the time of acquiring title to such unit, he was notified of the provisions of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject unit. The redemption period for a foreclosure is six (6) months from the date of sale unless the condominium unit is abandoned, in which event the redemption period is one (1) month from the date of sale.

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 ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent owner(s) at his or their last known address, of a written notice that one (1) or more installments of the annual assessment levied against the pertinent unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within 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: (1) the affiant's capacity to make the affidavit; (2) the statutory and other authority for the lien; (3) the amount outstanding (exclusive of interest, costs, actual attorney's fees (not limited to statutory fees), and future assessments); (4) the legal description of the subject unit(s); and (5) the name(s) of the owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan



law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

d. Expenses of Collection. The expenses incurred in collecting unpaid assessments, including interest, late charges, fines, 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 owner in default and shall be secured by the lien on his unit.

Section 6. Liability of Mortgagee. Notwithstanding any other provision of the Project documents, the holder of any first mortgage covering any unit in the Project which acquires title to 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 acquires title to the unit.

Section 7. Developer's Responsibility for Assessments. The Developer of the Project, although a member of the Association, shall not be responsible at any time for payment of the periodic Association assessments. The Developer, however, shall at all times pay all expenses of maintaining the units that it owns, including the dwellings and other improvements located thereon, together with a proportionate share of all current maintenance expenses actually incurred by the Association from time to time, except that the Developer shall not be responsible for a share of the expenses of professional management of the Project, and except for expenses related to maintenance and use of the units in the Project and of the dwellings and other improvements constructed within or appurtenant to the units that are not owned by Developer. For purposes of the foregoing sentence, the Developer's proportionate share of such expenses shall be based upon the ratio of all units owned by the Developer at the time the expense is incurred to the total number of units then in the Project. In no event shall the Developer be responsible for payment of any assessments with regard to the proposed public roads prior to their dedication to the Washtenaw County Road Commission or for deferred maintenance, reserves for replacement, for capital improvements, or other special assessments with regard to the general common elements, except with respect to units owned by it on which a completed residential dwelling is located. Further, the Developer shall in no event be liable for any assessment levied in whole or in part to purchase any unit from the Developer or to finance any litigation or other claim against the Developer, any cost of investigating and preparing such litigation or claim, or any similar or related costs. A "completed residential dwelling" shall mean a dwelling with respect to which a certificate of occupancy has been issued by the Township of York.



Section 8. 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 9. 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 Project owned or possessed in common by the owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 10. 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.

Section 11. 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. The Association may require the advance payment of a reasonable processing fee for the issuance of such written statement. 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 the sale thereof prior to all claims except real property taxes and first mortgages of record.

Section 12. Lawsuit Defense Expenses. Any owner bringing an unsuccessful lawsuit against the Association and/or its Board of Directors for the administration of the affairs of the Association, found to be consistent with the provisions contained in the Project documents, shall be chargeable for all expenses incurred by the Association. Such expenses may be collected by the Association in the same manner as an assessment.

ARTICLE III

ARBITRATION

Section 1. Scope and Election. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Project documents, or any disputes, claims or grievances arising among or between the owners and the Association, upon the election and written

ACS-5750732-DMA-2006-70
Lawrence Kestenbaum, Washtenaw03:51 P
03/28/06

L-4584 P-293

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. In the absence of an agreement between the parties to use other rules, 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 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 owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

Section 4. Mandatory Arbitration with Developer. The Developer, the Association and the owners (by taking ownership of a unit) acknowledge and agree that to the extent permitted by applicable law (Section 144 of the Act), any claim by an owner which might be the subject of a civil action against the Developer, which involves an amount of Two Thousand Five Hundred Dollars (\$2,500.00) or more, and arises out of or relates to the Project or a unit, or which involves any claim by the Association against the Developer in excess of Ten Thousand Dollars (\$10,000.00), and arises out of or relates to the common elements of the Project, shall be settled by binding arbitration conducted pursuant to the Commercial Arbitration Rules of the American Arbitration Association, as amended and in effect from time to time hereafter. The parties 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 property is involved. Judgment upon the award by arbitration may be entered in a circuit court of appropriate jurisdiction.

Section 5. Owner Authorization for Arbitration. The commencement of any arbitration proceedings against the Developer shall require the approval of two-thirds (2/3) in number and in value of all owners. This will ensure that the owners are fully informed regarding the prospects and any likely expenses of any arbitration proposed by the Association.



ARTICLE IV

INSURANCE

Section 1. Extent of Coverage. The Association shall, to the extent appropriate given the nature of the general common elements of the Project, carry property coverage for all risks of direct physical loss and liability insurance, fidelity coverage, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the general common elements of the Project, and such insurance shall be carried and administered in accordance with the following provisions:

a. Responsibilities of Association. All such insurance shall be purchased by the Association for the benefit of the Association and the 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 owners.

b. Insurance of Common Elements. All general common elements of the Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, if appropriate, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association.

c. Premium Expenses. All premiums for insurance purchased by the Association pursuant to these By-Laws shall be expenses of administration.

d. Proceeds of Insurance Policies. 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 owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Project shall be required as provided in Article V of these By-Laws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied to such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Project unless two-thirds (2/3) of all of the institutional holders of first mortgages on units in the Project have given their prior written approval.

Section 2. Authority of Association to Settle Insurance Claims. Each owner, by ownership of a unit in the 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 "all risk" property coverage, vandalism and malicious mischief, liability insurance, fidelity coverage and workmen's compensation insurance, if applicable,



pertinent to the Project and the common elements appurtenant thereto, and such insurer as may, from time to time, provide such insurance to the 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 therefor, to collect proceeds and to distribute the same to the Association, the owners and their respective mortgagees, as their interests may appear (subject always to the Project documents), to execute releases of liability, and to execute all documents and to do all things on behalf of such owner and the Project as shall be necessary or convenient to the accomplishment of the foregoing.

Section 3. Responsibility of Owners. Each owner shall be obligated and responsible for obtaining "all risk" property coverage and vandalism and malicious mischief insurance with respect to his residential dwelling and all other improvements constructed or to be constructed within the perimeter of his unit, and for his personal property located therein or thereon or elsewhere on the Project. All such insurance shall be carried by each owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs. Each owner also shall be obligated to obtain insurance coverage for his personal liability for his undivided interest as a tenant in common with all other owners in the common elements, for occurrences within the perimeter of his unit or the improvements located thereon, and also for alternative living expenses in the event of fire. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so.

Section 4. Waiver of Right of Subrogation. The Association and all owners shall use their best efforts to cause all property and liability insurance carried by the Association or any owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any owner or the Association.

Section 5. Indemnification. Each individual owner shall indemnify and hold harmless every other owner, the Developer and the Association for all damages and costs, including actual attorney's fees (not limited to statutory fees), which the other owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within an individual owner's unit. Each owner shall carry insurance to secure the indemnity obligations under this Section 5, if required by the Association, or if required by the Developer during the construction and sales period. This Section 5 is not intended to give any insurer any subrogation right or any other right or claim against any individual owner.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. If any part of the Project shall be damaged, the determination of whether or not it shall be reconstructed or repaired, and the responsibility therefor, shall be as follows:

a. General Common Elements. If the damaged property is a general common element, the damaged property shall be rebuilt or repaired by the Association unless two-thirds (2/3) of the owners and two-thirds (2/3) of the institutional holders of mortgages on any unit in the Project agree to the contrary, and the Township of York consents to such action.

b. Unit or Improvements Thereon. If the damaged property is a unit or any improvements thereon, the owner of such unit alone shall determine whether to rebuild or repair the damaged property, subject to the rights of any mortgagee or other person or entity having an interest in such property, and such owner shall be responsible for any reconstruction or repair that he elects to make. The owner shall in any event remove all debris and restore his unit and the improvements thereon to a clean and sightly condition satisfactory to the Association as soon as reasonably possible following the occurrence of the damage, and in any event, shall remove all debris within three (3) months from the date of loss.

Section 2. Repair in Accordance with Master Deed. Any such reconstruction or repair shall be substantially in accordance with the Master Deed unless the owners shall unanimously decide otherwise.

Section 3. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to 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 costs of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.

Section 4. Timely Reconstruction and Repair. If damage to the general common elements adversely affects the appearance of the project,