## THE VILLAGE AT PLUM GROVE

A Residential Condominium in the Township of Raisinville Monroe County, Michigan

February 2007

Developer: RSG Development, LLC 2864 Carpenter Road Ann Arbor, Michigan 48108

Licensed Residential Builder: Guenther Building Co. 2864 Carpenter Road Ann Arbor, Michigan 48108

#### PURCHASER INFORMATION BOOKLET

#### FOR

#### THE VILLAGE AT PLUM GROVE

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NOTE: The Documents are separated by numbered tabs. Page numbers are internal to each document and not consecutive throughout the book.

# THE VILLAGE AT PLUM GROVE INFORMATION BOOKLET (A RESIDENTIAL CONDOMINIUM) SECTION 84a RECEIPT AND STATEMENT

#### INFORMATION BOOKLET

Pursuant to Section 84a of the Michigan Condominium Act, as amended (the "Act"), we are furnishing to you at this time copies of the following Condominium Documents relating to The Village at Plum Grove (the "Condominium"):

- (a) Master Deed as recorded (including Condominium Bylaws and Subdivision Plan);
- (b) Disclosure Statement and projected budget in compliance with Section 84a of the Act;
- (c) Articles of Incorporation of The Village at Plum Grove Condominium
  Association. The Bylaws of the Association are the same as those attached to the
  Master Deed for the Condominium; and
- (d) Condominium Buyers Handbook prepared by the Michigan Department Labor & Economic Growth.
- (e) Purchase Agreement and Escrow Agreement.

As provided in Section 84 of the Act, your Purchase Agreement cannot become binding until the elapse of nine (9) business days after the date of receipt of the above-referenced documents, including the day of receipt if that day is a business day, unless you voluntarily elect to waive this withdrawal period or proceed to closing at an earlier date. During this period you should be sure to carefully read the accompanying documents which control the operation of the Condominium and explain the nature of the interest which you are purchasing and your relationship with the Condominium project, the Association, other Co-Owners and the Developer.

In the event that your Purchase Agreement is amended (either before or after it has been signed) or any of the other Condominium Documents delivered are subsequently amended, such an amendment will not give you any right or time to withdraw in addition to that originally provided in your Purchase Agreement and in the Michigan Condominium Act.

Please sign and return to us the additional copy of this Receipt and Statement to acknowledge that it and the described documents have been delivered to you.

Dated:	, 2007	RSG DEVELOPMENT, LLC
		By:
		Its:
Dated:	, 2007	Receipt of described documents acknowledged:
		(If more than one person, all must sign)

#### THE VILLAGE AT PLUM GROVE

#### INFORMATION STATEMENT

Notice to Purchasers: Paraphrased below are provisions of section 84a of the Michigan Condominium Act ("Act"), which is being submitted to Purchasers to comply with the requirements of the Act. By signing below, Purchasers acknowledge that they have reviewed this Statement and have received from RSG Development, LLC, as developer a copy of the recorded master deed of The Village at Plum Grove, and its exhibits (including the Condominium Bylaws and the Condominium Subdivision Plan), signed purchase agreement, escrow agreement, Condominium Buyer's Handbook and disclosure statements.

#### Section 84a of the Act provides in part:

- (1) The developer shall provide copies of all of the following documents to a prospective purchaser of a condominium unit, other than a business condominium unit:
  - (a) The recorded master deed.
- (b) A copy of a purchase agreement that conforms with section 84 (of the Act), and that is in a form in which the purchaser may sign the agreement, together with a copy of the escrow agreement.
- (c) A condominium buyer's handbook. The handbook shall contain, in a prominent location and in boldface type, the name, telephone number, and address of the person designated by the administrator to respond to complaints. The handbook shall contain a listing of the available remedies as provided in section 145 (of the Act).
  - (d) A disclosure statement relating to the project containing all of the following:
- (i) An explanation of the association of co-owners' possible liability pursuant to section 58 (of the Act).
- (ii) The names, addresses, and previous experience with condominium projects of each developer and any management agency, real estate broker, and residential builder, and residential maintenance and alteration contractor.
  - (iii) A projected budget for the first year of operation of association of co-owners.
  - (iv) An explanation of the escrow arrangement.
- (v) Any express warranties undertaken by the developer, together with a statement that express warranties are not provided unless specifically stated.
- (vi) If the condominium project is an expandable condominium project, an explanation of the contents of the master deed relating to the election to expand the project prescribed in section 32 (of the Act), and an explanation of the material consequences of expanding the project.
- (vii) If the condominium project is a contractible condominium project, an explanation of the contents of the master deed relating to the election to contract the project prescribed in section 33 (of the Act), an explanation of the material consequences of contracting the project, and a statement that any structures or improvements proposed to be located in a contractible area need not be built.
- (viii) If section 66(2)(j) (of the Act) is applicable, an identification of all structures and improvements labeled pursuant to section 66 (of the Act) "need not be built".

arrangements have bee (of the Act) "must be b	n provided for Completion of	(of the Act) is applicable, the extent to all structures and improvements labeled pursu	which financial ant to section 66
administrator requires l		ation about the condominium project and the d	eveloper that the
(e) If information:	a project is a conversion cond	lominium, the developer shall disclose the follo	wing additional
and plumbing systems;	indations; external and support	n, of the condition of the main components rting walls; heating, cooling, mechanical vention the condition of any of the components of the large disclose that fact.	lating, electrical,
the dates the premises v	(ii) A list of any outstand were last inspected for complia	ing building code or other municipal regulation ance with building and housing codes.	on violations and
project.	(iii) The year or years of	completion of construction of the building or	buildings in the
the agreement is signed withdraw in addition to effected in the manner	l. An amendment to the purcha that provided in section 84(2	ed by agreement of the purchaser and developed as a agreement does not afford the purchaser and 2) (of the Act). An amendment to the condomic provided by law does not afford the purchaser (2) (of the Act).	y right or time to nium documents
a separate form that ex	plains the provisions of this s	ocuments required in subsection (1) the development. The signature of the purchaser upon the cion (1) were received and understood by the purchaser.	is form is prima
[Subparagraph 4 inte	ntionally omitted.]		
statement of a material	ard to any documents requir fact or omit to state a materi es under which they were made	red under this section, a developer shall not ial fact necessary in order to make the statemede, not misleading.	make an untrue
	loper promptly shall amend a omission in the document.	a document required under this section to refl	lect any material
115 (of the Act. which	section imposes penalties upo	lties, a developer who violates this section is son a developer or any other person who fails to deed and may make a developer liable to a pu	comply with the
Dated:		PURCHASERS:	
Únit No			_

#### DISCLOSURE STATEMENT

#### **FOR**

#### THE VILLAGE AT PLUM GROVE

A Residential Condominium in the Township of Raisinville, Monroe County, Michigan

Developer: RSG Development, LLC

2864 Carpenter Road

Ann Arbor, Michigan 48108

Licensed Residential Builder: Guenther Building Co.

2864 Carpenter Road

Ann Arbor, Michigan 48108

The effective date of this Disclosure Statement is February 2007.

THE VILLAGE AT PLUM GROVE IS A 66 UNIT RESIDENTIAL CONDOMINIUM LOCATED IN THE TOWNSHIP OF RAISINVILLE, MONROE COUNTY, MICHIGAN.

THIS DISCLOSURE STATEMENT IS NOT REQUIRED TO BE FILED, AND CONSEQUENTLY HAS NOT BEEN FILED WITH THE MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH, 611 W. OTTAWA, P.O. BOX 30004, LANSING, MICHIGAN 48909, NOR HAS THE DEPARTMENT UNDERTAKEN TO PASS ON THE VALUE OR MERITS OF THE DEVELOPMENT OR TO MAKE ANY RECOMMENDATIONS AS TO THE PURCHASE OF UNITS IN THIS DEVELOPMENT.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED OR OTHER LEGAL DOCUMENTS, AND ALL BUYERS SHOULD READ ALL DOCUMENTS TO FULLY ACQUAINT THEMSELVES WITH THE PROJECT AND THEIR RIGHTS AND RESPONSIBILITIES.

IT IS RECOMMENDED THAT PROFESSIONAL ASSISTANCE BE SOUGHT PRIOR TO PURCHASING A CONDOMINIUM UNIT.

#### **DISCLOSURE STATEMENT**

#### THE VILLAGE AT PLUM GROVE

#### (A RESIDENTIAL CONDOMINIUM)

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#### DISCLOSURE STATEMENT

#### THE VILLAGE AT PLUM GROVE

#### (A RESIDENTIAL CONDOMINIUM)

#### 1. INTRODUCTION

Condominium development in Michigan is governed largely by Act 59 of the Michigan Public Acts of 1978, as amended, (together called the "Condominium Act" or "Act").

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of this Condominium Project, are furnished to each purchaser pursuant to the requirement of Michigan law that the Developer of a Condominium Project disclose to prospective purchasers the characteristics of the Condominium Units which are offered for sale. The terms used in this Disclosure Statement have the same meaning as the same terms used in the Master Deed.

#### 2. THE CONDOMINIUM CONCEPT

A Condominium is a method of subdividing, describing and owning real property. A Condominium Unit has the same legal attributes as any other form of real property under Michigan law and may be sold, mortgaged or leased, subject only to restrictions contained in the Condominium Documents or as otherwise may be applicable to the Project.

Each Owner receives a deed to the Owner's individual Condominium Unit. Each Owner owns, in addition to the Owner's Unit, an undivided interest in the common areas and facilities ("Common Elements") which comprise the Project. Title to the Common Elements is included as part of, and is inseparable from, title to the individual Condominium Units. Each Owner's proportionate share of the Common Elements is determined by the percentage of value assigned to the Owner's Unit in the Master Deed.

All portions of the Project not included within the Units constitute the Common Elements. Limited Common Elements are those Common Elements which are set aside for use by less than all Unit Owners. General Common Elements are all Common Elements other than Limited Common Elements. The General Common Elements are the land other than Units, private drives, unassigned common parking spaces, surface improvements, building improvements, easements, common utilities including electrical, street lighting, telephone and telecommunications system, gas, water, sanitary sewer, storm water drainage facilities, that portion of the Community Facilities (as defined below) located within the Condominium and other General Common Elements described in the Master Deed. The Limited Common Elements are the driveways, walkways,

adjacent landscape beds, patios, porches, decks, air conditioner compressors/condensers, sump pumps, water heaters, furnaces, garage doors, garage door openers, interior and exterior garage lighting, doors and windows, porch lighting, interior walls, ceilings, floors and surfaces, and other Limited Common Elements described in the Master Deed.

The Project is administered generally by a non-profit corporation of which all Owners are members (the "Association"). The nature and duties of the Association are described more fully in Section 7 of this Disclosure Statement.

Except for the year in which the Project is established, real property taxes and assessments are levied individually against each Unit in the Project. The separate taxes and assessments cover the Unit and its proportionate share of the Common Elements. No taxes or assessments are levied independently against the Common Elements. The year in which the Project is established, the taxes and assessments for Units covered by the Master Deed are billed to the Association and are paid by the Owners of such Units in proportion to the percentage of value assigned to the Units owned by them.

In The Village at Plum Grove, the Units consist of the air space enclosed within each of the dwelling Units. The Common Elements include the exterior structural components of the residential dwellings. Each Owner will be responsible for the cost of insurance, maintenance, repair and replacement of the Owner's Unit, all improvements, personal property and upgrades within or serving the Owner's Unit including utility improvements and certain Limited Common Elements as described in the Master Deed. The Association (or the Community Association as described below) is responsible for insurance, maintenance, repair and replacement of General Common Elements and certain Limited Common Elements as specified in the Master Deed.

The Village at Plum Grove, the adjacent condominium known as The Park at Plum Grove ("The Park") and the adjacent subdivision known as The Estates at Plum Grove ("The Estates") are part of the Plum Grove Community (the "Community") as described in the Declaration of Easements, Covenants, Conditions and Restrictions to be recorded in Monroe County records ("Community Declaration"). Common Elements are subject to common usage by all owners in the Community as set forth in the Community Declaration. These "Community Facilities" are described in detail in the Community Declaration and include the Common Storm Drainage Facilities, Plum Grove Drive, Signs, Landscaping and Entrance Way Improvements, the Club House, Pool and Share Facilities, Common Utilities, and other areas, utilities, easements or improvements designated as Community Facilities in the Community Declaration, as may be amended. The Community Facilities are to be insured, maintained, repaired and replaced by the Plum Grove Community Association ("Community Association"). The Co-Owners of The Village at Plum Grove will be assessed charges for maintenance of the Community Facilities directly by the Community Association. To the extent a Common Element of The Village at Plum Grove is also a Community Facility, the Community Association shall be responsible for the maintenance, insurance, repair and replacement of such Common Element.

Although the foregoing is generally accurate as applied to most residential Condominium developments, the details of each development may vary substantially. Accordingly, each purchaser is urged to review carefully all of the documents contained in The Village at Plum Grove Purchaser Information Booklet, as well as any other documents that have been delivered to the purchaser in connection with this development. Any purchaser having questions pertaining to the legal aspects of the Project is advised to consult a lawyer or other professional advisor.

#### 3. DESCRIPTION OF THE CONDOMINIUM PROJECT

- 3.1 Size, Scope and Physical Characteristics of Project. The Village at Plum Grove is located in the Township of Raisinville, Monroe County, Michigan. The Master Deed includes sixty six (66) Condominium Units. A more detailed description of the development is found in the Condominium Subdivision Plan which is attached to the Master Deed. Each Unit includes all the air space, improvements and upgrades contained within the interior finished unpainted walls and ceilings and from the finished subfloor, and includes an attached garage and parking within the garage as shown on the Condominium Subdivision Plan.
- 3.2 <u>Utilities</u>. The Village at Plum Grove is served by public water, sanitary and storm sewers, gas, electric and telephone service. Public water will be provided by Raisinville Township. Public sanitary sewer will be provided by Metropolitan Sanitary Sewer Control System. Gas service is furnished by Michigan Gas Utilities Network, electric service is furnished by DTE, cable television service is provided by Charter Communications and telephone service is provided by AT&T. All utilities will be metered to each Unit and all utilities will be paid for by the Owner of the Unit.
- 3.3 Private Drives. The private drives serving the Condominium are not required to be maintained by the Monroe County Road Commission ("MCRC"). All expenses of insurance, maintenance, repair and replacement of the private drives shall be paid by the Association and shall be assessed to the Co-Owners as set forth in the Master Deed and Bylaws. The portion of Plum Grove Drive which serves all owners of lots or units in the Community (including Co-Owners of Units in The Village at Plum Grove) is to be maintained by the Community Association except to the extent of dedication to the Monroe County Road Commission, and costs for such maintenance will be assessed to the Co-Owners under the Community Declaration. Each Co-Owner is responsible for the cost of insurance and maintenance (including snow removal) of the driveway, walkway, landscape bed along walkway, porch and any patio or deck appurtenant to the Co-Owner's Unit. The Association is responsible for repair and replacement of the driveways, walkways, landscape beds along the walkways, porches, patios and decks in the Project. If a porch or walkway serves two adjacent Units, then the Co-Owners of the Units served by the porch or walkway will share equally the cost of insurance and maintenance of the shared porch or walkway. No changes in design, material or color of the driveway, walkway, porch or any patio or deck shall be made without the prior written approval of the Association and the Developer.

The Township and emergency service providers have been granted easements for access over the private drives in the Condominium.

- 3.4 <u>Common Parking Spaces</u>. Use of the common parking spaces may be limited in accordance with the Rules and Regulations adopted by the Association. Each Unit Owner shall be entitled to use not more than one of the common parking spaces for parking by guests, visitors or invitees of a Unit Owner (but not the Unit Owner) on a "first come first served" basis with no guaranty of availability.
- 3.5 <u>Lighting Special Assessment District</u>. The Project will be part of a lighting special assessment district which will provide for assessments of Units in The Village and lots and units in The Park and The Estates for the cost of street lighting and private drive lighting in the Community.

#### 3.6 Reserved Rights of the Developer.

- 3.6.1 <u>Conduct of Commercial Activities; Use of Clubhouse by Developer.</u> The Developer has reserved the right, until all of the Units in the Project have been sold to maintain on the Condominium a sales office, a business office, a construction office, model Units, storage areas, reasonable parking incident to the use of such areas, and such access to, from and over the Condominium as may be reasonable to enable development and sale of the entire Project. The Developer has reserved the right to use and occupy the clubhouse and adjacent parking as a business and sales office during the period of construction and sale of residences in the Community.
- 3.6.2 Right to Amend. The Developer has reserved the right to amend the Master Deed and exhibits without approval from Owners and mortgagees for the purpose of correcting errors, including correction of Unit lines if any construction encroaches outside the Unit perimeter, and for any other purpose. Any such amendment that would materially change the rights of an Owner or a first mortgagee may be made only with the approval of sixty-six and two-thirds percent (66 2/3%) of the Owners and first mortgagees. The Developer has also reserved the right to amend the Master Deed to modify types and sizes of unsold Units, to amend the Bylaws, to correct arithmetic, survey or plan errors or deviations in construction, to clarify the Master Deed, to comply with the Act, rules or regulations, or requirements of governmental authorities or Lenders, to create or limit easements, to record "As Built" drawings and to contract or convert the Condominium as described in the Master Deed, even if such amendment is material, so long as the amendment does not change the method or formula used to determine the percentage of value of Units in the Project for other than voting purposes, or alter an Owner's Unit dimensions or any appurtenant Limited Common Elements, without that Owner's consent. Further, certain provisions of the Master Deed cannot be amended without the Developer's approval or approval of the Township.

#### 3.6.3 Easements.

3.6.3.1 For Maintenance, Repair and Replacement. The Developer has reserved easements over the Condominium Project (including all Units and Common

Elements) as may be required to perform any of Developer's maintenance, repair, decoration or replacement rights.

- 3.6.3.2 <u>For Use of Utilities</u>. The Developer has further reserved easements for utility purposes over the Project and the right to grant easements or dedicate utilities to appropriate governmental agencies or utility companies and transfer title of utilities to state, county or local governmental authorities.
- 3.6.3.3 <u>For Use of Roads</u>. The Developer has reserved easements and rights of use over the roads and any sidewalks in the Project for the purpose of ingress and egress to and from all or any portion of the Condominium.
- Storm Water Drainage Facilities; Common Storm Drainage Facilities. The Developer has reserved permanent non-exclusive easements over the Condominium for the Storm Water Drainage Facilities and the Common Storm Drainage Facilities for the benefit of the Owners of Units in the Condominium and the owners of lots and units in the Community. The Developer has also reserved the right to dedicate easements to the Monroe County Drain Commissioner for drainage purposes and to establish a drainage district over a portion of the Storm Water Drainage Facilities or Common Storm Drainage Facilities. The Storm Water Drainage Facilities shall be maintained, repaired and replaced by the Association, and the Common Storm Drainage shall be maintained, repaired and replaced by the Community Association in accordance with the Community Declaration and the requirements of the Monroe County Drain Commission, which costs will be assessed to the Co-Owners through the Association or the Community Association, as applicable.
- 3.6.3.5 <u>Community Facilities Easement</u>. The Developer has reserved easements for the benefit of all owners of the Community for operation, use, benefit, maintenance, repair and replacement of the Community Facilities as set forth in the Community Declaration.
- 3.6.4 <u>Sole Right to Approve Improvements</u>. No dwelling or other improvement in the Project may be constructed until the Developer approves the plans and specifications for the improvement.
- 3.6.5 <u>Contraction and Conversion</u>. Developer has reserved the right to contract the Condominium to withdraw Units and Common Elements with the consent of any affected Unit owner as set forth in Article 8 of the Master Deed, and to convert the convertible areas of the Condominium as set forth in Article 9 of the Master Deed.
- 3.7 <u>General</u>. In the Condominium Documents and in the Condominium Act, certain rights and powers are granted or reserved to the Developer to facilitate the development and sale of the Project as a Condominium, including the power to approve or disapprove a variety of proposed acts and uses and the power to secure representation on the Board of Directors of the Association.

#### 4. LEGAL DOCUMENTS

- 4.1 <u>General</u>. The Village at Plum Grove was established as a Condominium Project pursuant to the Master Deed recorded in the Monroe County Records and contained in The Village at Plum Grove Purchaser Information Booklet. The Master Deed includes the Bylaws as Exhibit A and the Condominium Subdivision Plan as Exhibit B.
- Master Deed. The Master Deed contains the definitions of certain terms used in 4.2 the Condominium Documents, the percentage of value assigned to each Unit in the Condominium Project, a general description of the Units and Common Elements included in the Project and a statement regarding the relative responsibilities for maintaining the Common Elements. Article 4 describes the General and Limited Common Elements. Article 5 describes the Units. Article 6 covers easements. Article 7 covers the provisions of amending the Master Deed. Article 8 provides for Contraction. Developer has reserved the right to withdraw from the Condominium and any present or future Units of the Condominium and any Common Element land areas of the Condominium. consent of any Unit owner to the contraction of such owner's Unit must be obtained prior to contraction of a Unit owned by an owner other than Developer. Article 9 provides for conversion of Convertible Areas. All present and future Common Elements and Units are designated as Convertible Areas and the land within which Units and Common Elements may be expanded and modified and within which Limited Common Elements may be erected. No additional Units may be created in the Convertible Area, and Units may be expanded, modified or decreased. No portion of a Unit owned by a Co-Owner other than Developer can be converted without such Co-Owner's consent. improvements constructed or installed within the Convertible Areas are restricted exclusively to residential use and to Common Elements compatible with residential use. Article 10 provides that the Developer may assign to the Association or to another entity any or all of its rights and powers granted or reserved in the Condominium Documents or by law.
- 4.3 <u>Bylaws</u>. The Bylaws contain provisions relating to the operation, management and fiscal affairs of the Condominium and, in particular, set forth the provisions relating to assessments of Association members for the costs of operating the Condominium Project. Article 6 contains certain restrictions upon the ownership, occupancy and use of the Condominium Project. Article 6 also contains provisions permitting the adoption of rules and regulations governing the Common Elements. The Bylaws are the bylaws of the Condominium and the Association.
- 4.4 <u>Condominium Subdivision Plan</u>. The Condominium Subdivision Plan is a survey and plan depicting the physical location and boundaries of each of the Units and all of the Common Elements in the Project.
- 4.5 <u>Community Declaration</u>. The Community Declaration empowers the Community Association to insure, manage, maintain, repair, replace, operate and administer the Community Facilities and obligates the Co-Owners of The Village at Plum Grove along with other owners in the Community to pay a pro rata share of the cost of maintenance, insurance, repair and replacement of the Community Facilities. To the extent any

amendment of the Master Deed by Developer including any contraction or conversion also creates, expands, converts, contracts or amends the Common Elements which are also Community Facilities, then the amendment shall also amend the Community Facilities as described in the Master Deed and the Community Declaration.

## 5. <u>RIGHTS AND OBLIGATIONS BETWEEN THE DEVELOPER AND</u> OWNERS

- 5.1 Before Closing. The obligations of Developer to Owners are set forth in the Master Deed, the Exhibits to the Master Deed and the Articles of Incorporation of the Association. The obligations of Developer and the purchaser of a Condominium Unit in the Project prior to closing are set forth in the Purchase Agreement and the accompanying Escrow Agreement. Those documents contain, among other provisions, the provisions relating to the disposition of earnest money deposits advanced by the purchaser prior to closing and the anticipated closing adjustments, and other important matters. The Escrow Agreement provides, pursuant to Section 103b of the Condominium Act, that the escrow agent shall maintain sufficient funds or other security to complete improvements shown as "MUST BE BUILT" on the Condominium Subdivision Plan until such improvements are substantially complete. Improvements that "MUST BE BUILT" in The Village at Plum Grove include Units 17 through 20 (Building 5) and the road improvements and utility mains to serve Units 17 through 20, as shown on Exhibit B. improvements "NEED NOT BE BUILT." Funds retained in escrow pertaining to the Unit are not to be released to the Developer (except in the event of purchaser's default) until issuance of a Certificate of Occupancy, if applicable, and conveyance of title to the Condominium Unit to a purchaser and confirmation by the escrow agent that all improvements labeled "MUST BE BUILT" are substantially complete, or adequate security provided therefore.
- 5.2 At Closing. Each purchaser will receive by warranty deed or land contract followed by warranty deed, fee simple title to the purchaser's Unit, subject to no liens or encumbrances other than those provided by the Condominium Documents and those other easements, rights-of-way, restrictions and other matters as are specifically set forth in the Condominium Documents and title insurance commitment.

#### 5.3 After Closing

- 5.3.1 General. Subsequent to the purchase of the Unit, relations between the Developer and the Owner are governed by the Master Deed and the Condominium Act, except to the extent that any provisions of the purchase agreement are intended to survive the closing.
- 5.3.2 Condominium Project Warranties. The Developer is warranting with respect to the Project only that the streets, utility and other improvements that are labeled "must be built" on the Condominium Subdivision Plan have been or will be installed to serve The Village at Plum Grove. Developer provides no other warranty of any sort with respect to the Units. Express warranties are not provided unless specifically stated in the Purchase Agreement.

#### 6. ESCROW AGREEMENT

The Developer has entered into an Escrow Agreement with Title Insurance Company through its representative American Title Company of Washtenaw. Escrow Agreement provides that all deposits made under Purchase Agreements for the purchase of a Unit be placed in escrow. The Escrow Agreement provides for the release of an escrow deposit to any purchaser who withdraws from a Purchase Agreement in accordance with the Purchase Agreement. Such a withdrawal is permitted by each Purchase Agreement if it takes place within nine (9) business days after the purchaser has received all of the Condominium Documents (unless the purchaser waives such withdrawal right), if the Purchase Agreement is conditional upon obtaining a mortgage and purchaser is unable to do so, or if the Purchase Agreement is conditional upon some other contingency which is not satisfied. The Escrow Agreement also provides that a deposit will be released to the Developer if the purchaser defaults on any obligation under the Purchase Agreement after the Purchase Agreement has become binding upon the purchaser. The Escrow Agreement also provides that deposits will be released to the Developer when the Escrow Agent has received certification from an engineer or architect that any structures or improvements on the Condominium Plan that are labeled "MUST BE BUILT" are substantially complete.

#### 7. <u>THE CONDOMINIUM ASSOCIATION; COMMUNITY ASSOCIATION;</u> SERVICE CONTRACTS

The common affairs of the Co-Owners and all matters relating to the Common Elements of the Condominium will be managed by The Village at Plum Grove Condominium Association, a Michigan non-profit corporation. As each individual purchaser acquires title to a Condominium Unit, the purchaser will also become a member of the Condominium Association and the Community Association (described in further detail below). The manner in which the Association will be run by its members, its officers and its Board of Directors is set forth in the Condominium Documents which are included with each purchaser's information package. The Association is governed by its Board of Directors, the initial members of which are designees of the Developer.

Within one hundred twenty (120) days after closing the sale of twenty-five percent (25%) of the Units which may be created, one of the directors will be selected by non-developer owners; and within one hundred twenty (120) days after closing the sales of seventy-five percent (75%) of the Units which may be created, and before conveyance of ninety percent (90%) of such Units, the non-developer owners will elect all of the directors, except that the Developer will have the right to designate at least one director as long as it owns at least ten percent (10%) of the Units which may be created in the project. Regardless of the number of Units conveyed, fifty-four (54) months after the first conveyance, non-developer owners may elect directors in proportion to the number of Units that they own.

The First Annual Meeting may be convened by the Developer any time after fifty percent (50%) of the Units that may be constructed have been sold and must be held on or before the expiration of one hundred (120) days after seventy-five percent (75%) of the

Units which may be created have been sold or within fifty-four (54) months after conveyance of the first Unit, whichever first occurs. At the First Annual Meeting, the members of the Association will elect directors, and the directors in turn will elect officers of the Association.

Voting rights are set forth in detail in Article 8 of the Condominium Bylaws, and these provisions should be carefully reviewed. All of the Co-Owners of a Unit are entitled to only one vote at meetings of the Association for each Unit owned, and the value of each vote is equal regardless of the percentage of value. Within one (1) year after the first conveyance of a Unit, or one hundred twenty (120) days after conveyance of one-third (1/3) of all the Units which may be created, whichever occurs first, an advisory committee of Co-Owners will be established to facilitate communication and aid transition of control of the Association to the Co-Owners.

The Community Association is responsible for administration, insurance, maintenance, repair or replacement of the Community Facilities, maintenance of any general common elements or units of a condominium in the Community in the event the owner or condominium association fails to do so, and maintenance of the common areas or lots of a subdivision in the Community if the owner or subdivision association fails to do so, and has the right to assess the Co-Owners of The Village at Plum Grove directly for each Co-Owner's pro rata share of such costs. In the event that the maximum number of units or lots are not created in one or both of the condominium projects or the subdivision, or in the circumstances where another condominium or subdivision is added to the Community, the share allocated to each Condominium may increase or otherwise change.

The Community Association and the Association may enter into a service contract under which the Community Association will act as collection agent for the Association, and under which the Community Association may perform various other services for the Association.

#### 8. BUDGET AND ASSESSMENTS

The budget required to conduct the business of the Association has been estimated by the Developer. A copy of the estimated budget for the first year of operation is attached to this Disclosure Statement. The initial Condominium assessments charged to members are based upon this budget; however, it must be kept in mind that this is an estimate only, and there can be no guarantee that the budget will be sufficient to meet the expenses of the Association. It is normal for Association expenses to increase on a regular basis. The Association's only source of revenue to fund its budget is the assessment of its members. Each Co-owner must pay to the Association an annual assessment which is determined in part by dividing the projected budget by the member's percentage of value which is stated in the Master Deed. The annual assessment must be paid to the Association by each Co-Owner in twelve (12) monthly installments in advance. In the event that the Association incurs expenses which are not anticipated in the budget, the Association may also levy special assessments to cover such expenses. Any special assessments would be allocated to the Co-Owners in accordance with the

percentages of value stated in the Master Deed. The Developer will not pay Association assessments but will pay for the maintenance and insurance of its own Units.

#### 9. RESTRICTIONS

Article 6 of the Condominium Bylaws contains comprehensive restrictions on the use of the Condominium Units and the Common Elements. It is impossible to paraphrase these restrictions without the risk of omitting some portion that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use.

The following is a list of certain of the most significant restrictions:

- 9.1 Residential Use. Units are to be used for private residential purposes only.
- 9.2 <u>Leasing</u>. No owner may lease a Unit for less than an initial term of six (6) months unless approved by the Association. An owner must disclose the intention to lease a Unit and provide a copy of the exact lease form to the Association at least ten (10) days before presenting a lease or otherwise agreeing to grant possession to a potential lessee. Developer may lease Units owned by it without compliance with these restrictions.

#### 9.3 Other Restrictions.

- 9.3.1 No Owner may make alterations in exterior appearance or make structural modifications to any Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, limited or general, without the prior written approval of the Board of Directors including but not limited to, exterior painting or the erection decks, antennas, lights, aerials, awnings, doors, shutters or other exterior attachments or modifications.
- 9.3.2 There are significant restrictions on changes to the Common Elements of the Condominium. Changes to Common Elements may not be made without approval of the Developer and applicable governmental agencies.
- 9.3.3 No animal or pet other than two cats or one dog may be kept in the Condominium without approval of the Board of Directors.
  - 9.3.4 No Co-Owner shall create a nuisance or annoyance.
- 9.3.5 No Co-Owner may enhance the General Common Element landscape area immediately adjacent to such Co-Owner's Unit without the approval of the Board of Directors. Provided, each Co-Owner may plant flowers only in the General Common Element lawn area adjacent to the Co-Owner's Unit.
- 9.3.6 No temporary structures, including trailers, tents, shacks, tool sheds, barns or any temporary buildings of any design may be permitted in the Condominium.

- 9.3.7 No vehicles other than automobiles may be parked or stored upon the Common Elements unless parked in an area specifically designated by the Board of Directors such as Common Parking spaces.
- 9.3.8 The garage portion of each Unit may only be used by the Co-Owner of such Unit, the Co-Owner's family members, guests, tenants or invitees.
- 9.3.9 All mail boxes in the Condominium must be of uniform size, location, color and same design in compliance with standards set forth by the Developer and the U.S. Postal Service.
- 9.3.10 Clear-cutting or removal of trees of greater than six inch (6") caliper at breast height by any person other than Developer requires the approval of the Developer and compliance with all applicable municipal ordinances.
- 9.3.11 No exterior antennas may be placed on any Unit or Limited Common Element without approval of the Board of Directors, subject to limited exceptions described in the Bylaws.
- 9.3.12 No external air conditioning unit may be placed in or attached to a window or wall of any Unit without approval of the Board of Directors.
- 9.3.13 The Association and the Community Association may impose reasonable regulations in addition to the regulations in the Condominium Bylaws.

None of the restrictions apply to the commercial activities or signs of the Developer or its designated builders

#### 10. THE DEVELOPER AND OTHER SERVICE ORGANIZATIONS

- 10.1 The Developer's Background and Experience. The Developer is the owner and developer of The Village at Plum Grove in Raisinville Township, The Park at Plum Groves in Raisinville Township and The Estates at Plum Grove in Raisinville Township. Developer has also developed North Meadows, a residential site condominium in Webster Township, the Harvest Ridge condominium projects in the Village of Clinton, and Huron Pines in Green Oak Township.
- 10.2 <u>Builder</u>. The licensed residential builder for The Village at Plum Grove is Guenther Building Co., a Michigan corporation, whose address is 2864 Carpenter Road, Ann Arbor, Michigan 48108. Builder is an affiliate of Developer and has developed or sold Units and residences in the following condominium projects: Foxfire, Arbor Hills, Oakbrook Condominium and Oakbrook Villages in the City of Ann Arbor, Hay Creek and Saddlebrook in Livingston County, Hidden Woods and Hickory Creek in Webster Township, Inverness Woods in Dexter Township, Brassow Woods in Lodi Township, and Island Hills Estates in Dexter and Lima Township.
- 10.3 <u>Management</u>. The Bylaws permit the Developer or the Association to enter into a management agreement, but professional management is not required by the

Condominium Documents. Developer may, but is not required, to enter into a management contract for the professional management of the Condominium and the Community. As set forth in the notes to the budget attached to this statement, there will be a one time administrative processing charge paid to the Community Association and a one time charge to capitalize the Association reserve fund which will be collected at the closing of the purchase of such Unit.

#### 11. INSURANCE

- 11.1 <u>Title Insurance</u>. The Purchase Agreement provides that the Developer will furnish title insurance from American Title Company of Washtenaw to Purchaser in the amount of the Purchase Price and showing marketable title. The Developer will pay the cost of the commitment and policy. Each purchaser should review the title insurance commitment with a qualified advisor of his or her choice prior to closing to make certain that it conforms to the requirements of the Purchase Agreement.
- 11.2 Other Insurance. The Condominium Documents require that, except as otherwise provided in the Community Declaration pertaining to the Community Facilities, the Association carry appropriate fire and extended coverage, vandalism and malicious mischief and liability insurance, and workers' compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements of the Condominium and such common areas and amenities located outside the Condominium. The insurance policies have deductible clauses and, to the extent thereof, losses will be borne by the Association. The Board of Directors is responsible for obtaining insurance coverage for the Association. Each Co-Owner's pro rata share of the annual Association insurance premiums is included in the monthly assessments. The Association's insurance policies are available for inspection during normal working hours. A copy of the certificate of insurance with respect to the Condominium Project will be furnished to each Co-Owner upon request. The Community Association is responsible for insurance on the Community Facilities.

Each Co-Owner is responsible for obtaining fire and extended coverage, vandalism and malicious mischief insurance coverage at Owner's expense upon Owner's Unit and any and all other improvements, personal property and upgrades located within or upon the Owner's Unit and the appurtenant Limited Common Elements. It is also each Owner's responsibility to determine by personal investigation or from such Co-Owner's insurance advisors the nature and extent of insurance coverage needed (generally Form H06), to obtain insurance coverage for the Owner's personal property and the upgrades, fixtures, appliances, equipment and trim located within the Owner's Unit or elsewhere on the Condominium, including appurtenant Limited Common Elements which are the Co-Owner's responsibility to maintain, and for the Owner's personal liability for occurrences within the Owner's Unit or upon Limited Common Elements appurtenant to the Unit. Each Owner is also obligated to obtain personal liability insurance and for alternative living expense in the event of a fire. The Association shall have no responsibility for obtaining such coverages.

### 12. <u>POSSIBLE LIABILITY FOR ADDITIONAL ASSESSMENTS BY THE ASSOCIATION</u>

It is possible for Co-Owners to become obligated to pay a percentage share of assessment delinquencies incurred by other Co-Owners. This can happen if a delinquent Co-owner defaults on a first mortgage and if the mortgagee forecloses. The delinquent assessments then become a common expense which is re-allocated to all the Co-Owners, including the first mortgagee, in accordance with the percentages of value in the Master Deed. Article 2, Section 2.8 of the Condominium Bylaws provides in part:

"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, and except for assessments that have priority over the first mortgage as provided in Section 108 of the Act."

#### 13. PURPOSE OF DISCLOSURE STATEMENT

This Disclosure Statement was prepared in compliance with the Michigan Condominium Act. This statement paraphrases various provisions of the Condominium Documents, including the Purchase Agreement, Escrow Agreement, and Master Deed. This statement only highlights certain provisions of such documents and by no means contains a complete statement of all of the provisions of those documents which may be important to purchasers. In an attempt to be more readable, this statement omits most legal phrases, definitions and detailed provisions of the other documents. This statement is not a substitute for the legal documents from which it draws information, and the rights of purchasers and other parties will be controlled by the other legal documents and not by this Disclosure Statement. All of the documents referred to in this statement should be carefully reviewed by prospective purchasers, and it is advisable to have professional assistance in making this review.

The Developer is required by law to prepare this statement. Developer has prepared this Disclosure Statement in good faith and in reliance on sources of information believed to be accurate in an effort to disclose material facts about The Village at Plum Grove. However, the Developer and Builder disclaim liability to any purchaser for misstatements herein (or for omissions which make statements herein appear misleading) if such misstatements were made by the Developer in good faith, or were immaterial in nature, or were not relied upon by the purchaser, or did not result in any damages to the purchaser. The Developer is required to give each purchaser a copy of The Condominium Buyers Handbook. This handbook was prepared by the Michigan

Department of Labor & Economic Growth, and the Developer accepts no responsibility for its contents.

Each purchaser is urged to engage a competent lawyer or other advisor in connection with the purchaser's decision to purchase a site. In accepting title to a site in The Village at Plum Grove, each purchaser shall be deemed to have waived any claim or right arising out of or relating to any immaterial defect, omission or misstatement in this Disclosure Statement. In preparing this Disclosure Statement and the other condominium documents, Developer's counsel has not undertaken professional responsibility to the Association or to any owners or mortgagees for the completeness, accuracy, or validity of the Condominium Documents.

14. <u>PROPOSED ANNUAL BUDGET</u> (BASED ON 66 UNITS) (See Attached Budget)

Condominium Association Assessment will be \$107 per month (\$1,284 per year)

NOTE: THERE WILL BE A SEPARATE ASSESSMENT BY THE COMMUNITY ASSOCIATION OF \$269 PER UNIT PER YEAR IN ADDITION TO THE CONDOMINIUM ASSOCIATION ASSESSMENT.

#### THE VILLAGE AT PLUM GROVE Proposed First Annual Budget (2007) Operating Budget

Income: Association Fees (\$107/month) Total Income:	\$ 84,744	\$ 84,744
		2 - 2,000
Expenses: Administrative:		
Permits/Licenses (State Non-Profit)	20	
Management (\$16.00/unit/month)	12,672	
Legal	500	
Accounting (Tax Return)	250	
Postage	150	
Printing/Copying	150	
Total Administrative:	\$ 13,742	
Taxes/Insurance:		
Income Taxes	100	
Liability Insurance	7,300	
Property Insurance	<u>13.300</u>	
Total Tax/Insurance:	20,700	
Utilities:		
Electricity	7,500	
Water (Common Area Irrigation)	4,000	
Total Utilities:	11,500	
Grounds Expenses:		
Grounds Services (bed care, leaf removal, etc.)	4,000	
Mowing Contract	8,000	
Snow Removal (drives/sidewalks)	10,000	
Sprinkler System Costs	1,000	
Lawn Fertilization	<u>2,000</u>	
Total Grounds Expenses:	25,000	
Maintenance:		
Repair Services (General Maintenance)	2,118	
Contracted Repairs (Specialty Contractors)	2,000	
Repair Supplies	900	
Extermination Contract	1,080	
Total Maintenance:	6,098	
Total Expenses:	<u>\$ 77,040</u>	
Replacement Reserve Funding (10% of Operating Budget)	): <u>7,704</u>	
Total Expenses and Reserve Funding		\$ 84,744

#### NOTES TO BUDGET:

- 1. This budget is based on sixty six (66) condominium units. Assessments are payable monthly unless otherwise determined by the Board of Directors. The Developer is not obligated to pay assessments on Units it owns but must pay expenses for maintaining completed Units. The Association may impose late charges on Co-Owners who fail to pay assessments when due. Co-Owners who are in arrears more than thirty (30) days may have a lien imposed upon their Unit and be subject to other penalties. For further information, please refer to the Master Deed and Bylaws.
- 2. The amount of insurance is the cost of the Association policies as required by the Condominium Bylaws. For a further discussion of insurance coverage and the type of insurance each Co-Owner should secure, see the Disclosure Statement and Bylaws.
- 3. Included within the budget is a general operating reserve to cover unanticipated expenses or increased costs of labor or supplies. A reserve for major repairs and replacement of common elements has been set at approximately ten percent (10%) of the yearly Association budget based upon estimates made by persons employed by the Developer.
- 4. There are no real estate taxes assessed separately against the general common elements or the Project. Each Co-Owner is responsible for real estate taxes assessed against his or her Unit which includes a proportionate share of the common elements of the project. Real estate taxes for the first year of the project will not be assessed separately until the tax records are changed and, as a result, the first taxes to become due may have to be paid through the Association as an expense of administration to be spread among the Co-Owners based on their percentage of value.
- 5. At Closing, Purchaser shall pay to the Association an amount equal to two (2) months of Association assessments for the Unit as a working capital reserve. In addition to proration of the Association assessment for the month of Closing, Purchaser shall also pay to the Association at Closing the assessment for the month following Closing.
- 6. At Closing, each Purchaser will pay to the Community Association a transfer fee to defray the costs incurred by the Community Association in establishing the new Owner's account and other administrative expenses.



11/09/2006 3:32:51 PM STATE OF MICHIGAN - MONROE COUNTY RECEIVED FOR RECORD GERI ALLEN - REGISTER OF DEEDS

RECEIPT# 97227, STATION 1 \$227.00 MASTER DEED



LIBER 3181

PAGE 674

#### MASTER DEED

#### The Village at Plum Grove

## MONROE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 85

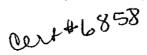
#### (A Residential Condominium)

This Master Deed is made and executed on \( \lambda \text{OV.} \( \text{Q} \), 2006 by RSG Development, LLC, a Michigan limited liability company ("Developer"), whose address is 2864 Carpenter Road, Suite 300, Ann Arbor, Michigan 48108, pursuant to the provisions of the Michigan Condominium Act (Act 59 of the Public Acts of 1978, as amended) (the "Act").

#### RECITALS

Developer desires by recording this Master Deed, together with the Bylaws attached as Exhibit A and together with the Condominium Subdivision Plan attached as Exhibit B (both of which are incorporated by reference and made a part of this Master Deed), to establish the real property described in Article 2 below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Condominium Project under the provisions of the Act.

Developer does, upon recording this Master Deed, establish The Village at Plum Grove as a Condominium Project under the Act and declares that The Village at Plum Grove (referred to as the "Condominium," the "Project" or the "Condominium Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner used subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits A and B hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium, their grantees, successors, transferees, heirs, personal representatives and assigns.





The Project consists of 66 Units which are contained in 14 residential buildings. Each Unit is capable of individual use because it has access to a private road or Common Element of the Condominium and the right to use Plum Grove Drive, which is the public road providing access to the Condominium and other adjacent land. Each Unit Owner will hold an absolute and undivided title to such Owner's Unit, and an undivided inseparable right to share with other Co-Owners the Common Elements of the Condominium.

Guenther Building Co. is the Residential Builder hired by Developer to construct residences on the Project.

This Condominium known as The Village at Plum Grove ("The Village"), the adjacent condominium known as The Park at Plum Grove ("The Park"), and the adjacent subdivision known as The Estates at Plum Grove ("The Estates") are each included within the Plum Grove Community. Some of the General Common Elements of The Village may also serve The Park and The Estates and some of the general common elements of The Park or common areas of The Estates may also serve The Village. These Community Facilities are further described in Section 4.3 below and are governed by The Plum Grove Community Association as described in the Community Declaration recorded in the Monroe County Records.

In furtherance of the establishment of the Condominium Project, it is provided as follows:

## ARTICLE 1 TITLE AND NATURE

The Condominium Project shall be known as The Village at Plum Grove, Monroe County Condominium Subdivision Plan No. \_\_\_\_\_\_\_\_. The engineering and architectural plans for the Project are on file with the Township of Raisinville. The Condominium Project is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each Unit, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each individual Unit has been created for residential purposes and each Unit is capable of individual use. Each Co-Owner in the Condominium Project shall have an exclusive right to such Co-Owner's Unit except to the extent of any Common Elements located thereon, and shall have an undivided and inseparable rights to share with the other Co-Owners the Common Elements of the Condominium Project as are designated by the Master Deed. Nothing in this Master Deed shall be construed to impose upon Developer any contractual or other legal obligation to build, install or deliver any structure or improvement which is labeled on the Condominium Subdivision Plan attached as Exhibit B as "need not be built."

#### ARTICLE 2 LEGAL DESCRIPTION

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

#### LEGAL DESCRIPTION - The Village at Plum Grove

Land situated in the Township of Raisinville, County of Monroe, State of Michigan, is described as follows:

Lot 1 of Plum Grove Plat One according to the Plat recorded in Liber 21 of plats, pages 90 through 99, inclusive, Monroe County Records.

Parcel ID No. 58-13-127-215-00 58-13-127-215-30 58-13-127-215-40

Together with and subject to the following:

- 1. Easement and covenants to the State of Michigan dated March 8, 1958 recorded May 13, 1958 in Liber 467 of Deeds, page 242, Monroe County Records.
- 2. Declaration of Covenants, Conditions and Restrictions of the Plum Grove Community to be recorded in the Monroe County Records, and as further described in Section 3.19 and Section 4.3 below.
- 3. Sixty foot Grant of Roadway Easement for Plum Grove Drive dated March 1, 2004 and recorded in Liber 2685, page 868, Monroe County Records.
- 4. Grant of Sign Easement dated March 1, 2004 and recorded in Liber 2685, page 845, Monroe County Records.
- 5. Terms, condition and provisions of Grant of Storm Drainage Easement as set forth in Liber 2685, page 857, Monroe County Records.
- 6. Terms, conditions and provisions of a Grant of Sign Easement as set forth in Liber 2685, page 845, Monroe County Records.
- 7. Terms, conditions and provisions of Grant of Easement as set forth in Liber 2691, page 112, Monroe County Records.
- 8. Rights of others in the 60 foot Plum Grove Drive right of way.
- 9. Terms, conditions and provisions of Subdivision Plat Agreement for Plum Grove Subdivision Plat One as set forth in Liber 3026, page 176, Washtenaw County Records.
- 10. Terms, conditions and provisions of the Plum Grove Plat One recorded in Liber 21 of plats, pages 90-99, inclusive, Monroe County Records ("Plat").
- 11. Any rights, title, interest or claim thereof to that portion of the land taken, used or granted for public streets, roads or highways.
- 12. Liens for taxes and assessments which are not yet due and payable.

#### 13. All governmental limitations.

## ARTICLE 3 DEFINITIONS

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

- Section 3.1 Act. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
- Section 3.2 <u>Adjacent Property</u>. The "Adjacent Property" means the residential condominium project known as The Park At Plum Grove and the subdivision known as Plum Grove Estates, as they may be established and expanded by Developer or Developer's successors or assigns, both of which are adjacent to the Condominium and part of the Community.
- Section 3.3 <u>Association</u>. "Association" means The Village at Plum Grove Condominium Association which is the non-profit corporation organized under Michigan laws of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.
- Section 3.4 <u>Bylaws</u>. "Bylaws" means Exhibit A hereto, being the By-laws 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 By-laws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.
- Section 3.5 <u>Clubhouse, Pool and Shared Facilities</u>. "Clubhouse, Pool and Shared Facilities" means any clubhouse, swimming pool, fitness center, tot lot, open space, adjacent parking areas, access drives, landscaping, signs, walkways and improvements installed by Developer to serve the Community as a whole. Developer has reserved the right to use and occupy the clubhouse and adjacent parking as a business and sales office during the period of construction and sale of residences in the Community as described in the Community Declaration.
- Section 3.6 <u>Common Elements</u>. "Common Elements", where used without modification, means both the General and Limited Common Elements described in Article 4 below.
- Section 3.7 <u>Common Storm Drainage Facilities</u>. "Common Storm Drainage Facilities" means the storm drainage facilities serving the Community as a whole, including the four areas denoted as ponds and parks on the Plat or designated by Developer for such purpose.

The Common Storm Drainage Facilities designated as "Private Park" on the Plat are subject to private easements to the Monroe County Drain Commissioner.

- Section 3.8 <u>Common Utilities</u>. "Common Utilities" means any utility lines, mains, facilities, easements or appurtenances that serve the Community as a whole, as they may be expanded, or designated by Developer for such purpose, subject to any ownership or other interest of a local public authority or a company providing the pertinent service.
- Section 3.9 <u>Community Association</u>. "Community Association" means the Plum Grove Community Association, a Michigan nonprofit corporation formed by Developer which shall have the authority set forth in the Community Declaration, including the obligations to administer, maintain, operate, repair and replace the Community Facilities.
- Section 3.10 <u>Community Facilities</u>. "Community Facilities" means the Common Storm Drainage Facilities, Plum Grove Drive, Signs, Landscaping and Entrance Way Improvements, the Club House, Pool and Shared Facilities, and Common Utilities located within or serving the Plum Grove Community as described in the Community Declaration and any other areas, utilities, easements or improvements designated by Developer as Community Facilities pursuant to the Community Declaration as it may be amended.
- Section 3.11 <u>Community or Plum Grove Community</u>. "Community" or "Plum Grove Community" means the property described on Exhibit A-1 of the Community Declaration, as it now exists or may be expanded by Developer presently consisting of The Estates, The Park and The Village.
- Section 3.12 <u>Condominium Documents</u>. "Condominium Documents" 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, as all of the same may be amended from time to time.
- Section 3.13 <u>Condominium Premises</u>. "Condominium Premises" means and includes the land described in Article 2 above and all easements, rights and appurtenances belonging to The Village at Plum Grove as described above.
- Section 3.14 <u>Condominium Project, Condominium or Project.</u> "Condominium Project", "Condominium" or "Project" means The Village at Plum Grove as a Condominium Project established in conformity with the provisions of the Act.
- Section 3.15 <u>Condominium Subdivision Plan</u>. "Condominium Subdivision Plan" means Exhibit B hereto.
- Section 3.16 <u>Consolidating Master Deed</u>. "Consolidating Master Deed" means the final amended Master Deed, if any, which shall describe The Village at Plum Grove as a completed Condominium Project and shall reflect the land area, if any, contracted pursuant to Article 8 below or converted pursuant to Article 9 below from time to time, and all Units and Common Elements therein, and which shall express percentages of value pertinent to each Unit as finally readjusted, if necessary. Such Consolidating Master Deed, if and when recorded in the office of the Monroe County Register of Deeds, shall supersede the previously recorded Master Deed for

the Condominium and all amendments thereto, but until such time, the terms of this Master Deed, as it may be amended, shall control. In the event the Units and Common Elements in the Condominium are constructed in substantial conformance with the Condominium Subdivision Plan attached as Exhibit B to the Master Deed, the Developer shall be able to satisfy the foregoing obligation by filing a certificate in the office of the Monroe County Register of Deeds confirming that the Units and Common Elements "as built" are in substantial conformity with the proposed Condominium Subdivision Plan and no Consolidating Master Deed need be recorded.

Section 3.17 <u>Construction and Sales Period</u>. "Construction and Sales Period," for the purposes of the Condominium Documents and the rights reserved to Developer thereunder, means the period commencing with the recording of the Master Deed and continuing as long as Developer owns any Unit which it offers for sale, and for so long as the Developer continues or proposes to construct or is entitled to construct additional Units.

Section 3.18 Co-Owner. "Co-Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or The term "Owner," wherever used, shall be more Units in the Condominium Project. synonymous with the term "Co-Owner." In the event of the conveyance of a Unit by land contract, the land contract vendees shall be the "Co-Owners" of the Unit and shall bear sole liability for all obligations arising with respect to the Unit to the exclusion of the land contract vendors; provided that the Developer or an affiliate of the Developer shall retain the rights and obligations of a Co-Owner with respect to any Unit sold under land contract by the Developer or an affiliate of the Developer. The foregoing provision regarding the rights and obligations of land contract vendors and vendees shall apply notwithstanding the definition of "Co-Owner" set forth in Section 6 of the Act, as amended by Public Act 379 of 2000. "Owner" or "Co-Owner" shall not include a mortgagee of a Unit unless and until such mortgagee acquires fee simple title to the Unit by foreclosure or other proceeding or conveyance in lieu of foreclosure and shall not include any interest in a Unit held as security for the performance of any obligation. In the event more than one person or entity owns an interest in fee simple title to any Unit, or has an interest as a land contract vendee (other than Units owned by Developer), the interests of all such persons collectively shall be that of one Co-Owner.

Section 3.19 <u>Declaration or Community Declaration</u>. "Declaration" or "Community Declaration" means the Declaration of Easements, Covenants, Conditions and Restrictions of the Plum Grove Community recorded in the Monroe County Records, which empowers the Community Association to manage, maintain, operate and administer the Community Facilities, among other matters, and which obligated the Owners of Units in The Village, owners of units in The Park, and the owners of lots in The Estates to pay a pro rata share of the cost of operation, maintenance, insurance, repair and replacement of the Community Facilities.

Section 3.20 <u>Developer</u>. "Developer" means RSG Development, LLC, 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 such terms are used in the Condominium Documents.

Section 3.21 Entrance Way, Landscaping and Perimeter Improvements. "Entrance Way, Landscaping and Perimeter Improvements" means any entrance way monuments, signs, landscaping and related improvements, and any perimeter landscaping, sidewalks (including

sidewalks leading to residential buildings) or fencing installed by Developer within the Condominium or in an easement area adjacent to the Condominium designed to serve only the Units in The Village.

- Section 3.22 <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 Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in Developer's sole discretion after fifty percent (50%) of the Units that may be created are sold, or (b) mandatorily 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 that may be created are sold, whichever first occurs.
- Section 3.23 Plum Grove Drive, Signs, Landscaping and Entrance Way Improvements. "Plum Grove Drive, Signs, Landscaping and Entrance Way Improvements" means that portion of Plum Grove Drive serving the Community as a whole, except to the extent of dedication to the Monroe County Road Commission, and any signs, monuments, landscaping and entrance way improvements located along Plum Grove Drive serving the Community as a whole or designated by Developer for such purpose, including the beneficial interest in the Sign Easement recorded in Liber 2685, page 845, Monroe County Records, and the signs, monuments, landscaping and entrance way improvements located at the intersection of Plum Grove Drive and Custer Road (M-50), and at the entrance to the Community.
- Section 3.24 <u>Private Drives, Signs, Landscaping and Perimeter Improvements</u>. "Private Drives, Signs, Landscaping and Perimeter Improvements" means the private roads, and related entranceway signs and monuments, landscaping, sidewalks, and unassigned common parking areas ("Common Parking Spaces") and any perimeter landscaping or fencing installed by Developer within the Condominium, as shown on Exhibit B.
- Section 3.25 <u>Residential Builder</u>. "Residential Builder" means any person licensed as a residential builder under Article 24 of the Occupational Code of Michigan, Public Act 299 of 1980, and who acquires title to one or more Units in the Condominium for the purpose of constructing a Residence on the Unit and subsequently reselling the Unit.
- Section 3.26 <u>Storm Water Drainage Facilities</u>. "Storm Water Drainage Facilities" means all storm water drainage facilities located on or adjacent to the Condominium, into which the Condominium has the right to drain storm water, and serving The Village only or designated by Developer for such purpose.
  - Section 3.27 Township. "Township" means the Township of Raisinville, Michigan.
- Section 3.28 <u>Transition 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 Developer.
- Section 3.29 <u>Unit or Condominium Unit</u>. "Unit" or "Condominium Unit" each means a single Unit in The Village at Plum Grove as such space may be described in Article 5, Section

- 5.1 hereof and on Exhibit B hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.
- Section 3.30 <u>Utilities</u>. "Utilities" means any utility lines, mains, facilities, easements or appurtenances serving The Village, only, and not the Community as a whole, or designated by Developer for such purposes but excluding any utility leads serving just one Unit.

## ARTICLE 4 COMMON ELEMENTS; USE OF COMMON ELEMENTS AND UNITS

The Common Elements of the Project as described herein and as described in Exhibit B attached hereto, as may be modified from time to time pursuant to certain other provisions of this Master Deed and the Bylaws attached as Exhibit A, and the respective responsibilities for maintenance, decoration, repair or replacement are as follows:

#### Section 4.1 <u>General Common Elements</u>. The General Common Elements are:

- 4.1.1 <u>Land</u>. The land described in Article 2 above, including riparian and littoral rights, if any, attributable to such land, including open space areas and other land areas designated as General Common Elements on attached Exhibit B.
- 4.1.2 Private Drives; Surface Improvements. The private drives throughout the Condominium, and other surface improvements not identified as Limited Common Elements and not located within the boundaries of a Unit, including the Entrance Way, Landscaping and Perimeter Improvements, Private Drives, Signs, Landscaping, and Perimeter Improvements (including Common Parking Spaces) as shown on Exhibit B. Plum Grove Drive, which serves the Condominium and Adjacent Property, will be dedicated to the Monroe County Road Commission as described in Section 6.5 below. The private drives shown on Exhibit B will not be dedicated to the public and will be maintained (including snow removal), repaired and replaced by the Association, including landscape islands, and any sidewalks, entry way signs, and unassigned parking areas.
- 4.1.3 <u>Building Improvements</u>. Foundations including the garage and ground floor building slabs, supporting walls and columns, Unit perimeter walls (excluding windows and doors and frames), floors, ceiling, roofs, attics, chimneys and other building improvements designated in Exhibit B as General Common Elements.
- 4.1.4 <u>Easements</u>. All beneficial utility, drainage, access, and other easements pertaining to the Project and the easement and beneficial interest in and the right of all Co-Owners to use the Community Facilities in common with the Adjacent Property.
- 4.1.5 <u>Utilities</u>. Some or all of the Utilities, including electricity, telephone and telecommunications, gas, water, sanitary sewer and storm sewer systems, and storm water detention areas and drainage facilities and equipment described below 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 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. Certain utilities as shown on Exhibit B may be conveyed or dedicated to the Township of Raisinville or other governmental authorities, and except to the extent of such conveyance or dedication, such Utilities shall be General Common Elements. Some of the Common Utilities located in the Project may also serve the Adjacent Property and some of the Common Utilities serving the Project may be located within the Adjacent Property. To such extent, such Common Utilities shall be Community Facilities governed by the Community Declaration.

- 4.1.6 <u>Electrical</u>; <u>Street Lighting</u>. Subject to Section 4.1.5, the electrical transmission system throughout the Project including street lighting and common site lighting up to but not including the electric meter for each Unit. Developer intends to petition the Township to establish a street lighting special assessment district which will provide for assessment of Unit Owners and the owners of lot and units in The Estates and The Park for the cost of street lighting along Plum Grove Drive, the Private Drives and elsewhere in the Community. All Unit Owners by accepting title to a Unit consent to the establishment of the street lighting special assessment district and agree to pay such special assessment.
- 4.1.7 <u>Telephone and Telecommunications System</u>. Subject to Section 4.1.5, the telephone or telecommunications equipment and system throughout the Project up to the point of lateral connection to each Unit.
- 4.1.8 <u>Gas</u>. Subject to Section 4.1.5, the gas distribution system throughout the Project up to but not including the gas meter for each Unit.
- 4.1.9 <u>Water</u>. Subject to Section 4.1.5, the water distribution system throughout the Project but not including the water meter for each Unit.
- 4.1.10 <u>Sanitary Sewer</u>. Subject to Section 4.1.5, the sanitary sewer system throughout the Project up to the point where service is stubbed for connection to each Unit.
- 4.1.11 <u>Storm Drainage Facilities</u>. Subject to Section 4.1.5, the Storm Water Drainage Facilities throughout the Project.
- 4.1.12 <u>Community Facilities</u>. To the extent any Community Facilities are located within the Project, such Community Facilities shall also be General Common Elements of the Condominium, but shall be administered, operated, insured, maintained, repaired and replaced by the Community Association pursuant to the Community Declaration.
- 4.1.13 Other. Such other elements of the Project not designated as Limited Common Elements which are not located within the perimeter of a Unit, and which are intended for common use or are necessary to the existence, upkeep and safety of the Project.

- Section 4.2 <u>Limited Common Elements</u>. Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-Owners of the Units to which the Limited Common Elements are appurtenant. The Limited Common Elements are:
  - 4.2.1 <u>Driveways</u>. Each driveway appurtenant to a Unit as shown on Exhibit B is limited in use to the Co-Owner of the Unit served thereby.
  - 4.2.2 <u>Walkways</u>; <u>Landscape Beds</u>. Each walkway and adjacent landscape bed appurtenant to a Unit as shown on Exhibit B, including the walkway from the driveway serving each Unit to the porch serving such Unit, is limited in use to the Co-Owner of the Unit or Units served thereby. If a walkway serves two adjacent Units, the walkway shall be appurtenant to the two Units served.
  - 4.2.3 <u>Patios, Porches and Decks</u>. Each individual porch and any patio or deck appurtenant to a Unit as shown on Exhibit B is limited in use to the Co-Owner of the Unit or Units served thereby. If a porch serves two adjacent Units, it shall be appurtenant to the two Units served.
  - 4.2.4 <u>Air Conditioner Compressor/Condenser; Sump Pump, Water Heater and Furnace</u>. Each individual air conditioner compressor/condenser, corresponding line set, and pad serving a Co-Owner's Unit and the ground surface immediately below the same and each individual sump pump, water heater and furnace serving a Co-Owner's Unit is limited in use to the Co-Owner of the Unit which is served thereby.
  - 4.2.5 <u>Garage Doors and Garage Door Openers</u>. Each garage door and its hardware including garage door openers shall be limited in use to the Co-Owner of the Unit served thereby.
  - 4.2.6 <u>Doors and Windows</u>. Doors, windows, screens and frames shall be limited in use to the Co-Owner of Unit served thereby.
  - 4.2.7 <u>Porch Lighting</u>. The porch light fixtures of each Unit shall be limited in use to the Co-Owner of the Unit served thereby.
  - 4.2.8 <u>Interior Walls, Ceilings, Floors and Surfaces</u>. The interior walls, ceilings, floors and surfaces of a Unit shall limited in use to the Co-Owner of the Unit served thereby.
- Section 4.3 <u>Community Facilities</u>. The Village at Plum Grove is part of the Plum Grove Community described in the Community Declaration. Certain General Common Elements of The Village at Plum Grove are also Community Facilities and are subject to common usage by all owners in the Community as set forth in the Community Declaration. These Community Facilities are described in detail in the Community Declaration and are the Common Utilities, Common Storm Water Drainage Facilities, Plum Grove Drive, Signs, Landscaping and Entrance Way Improvements, and the Club House, Pool and Shared Facilities. All such areas are referred to in this Master Deed and Bylaws as "Community Facilities." These Community Facilities are to be administered, insured, maintained, repaired and replaced by the Community Association. The Owners of Units in The Village will be members of the Community Association along with

owners of units in The Park and the owners of lots in The Estates. The Owners of Units in The Village will be assessed charges for maintenance of the Community Facilities through The Village at Plum Grove Condominium Association as collection agent for the Community Association or directly by the Community Association. To the extent a General Common Element of The Village is also a Community Facility, the Community Association shall be responsible for the operation, administration, maintenance, insurance, repair and replacement of such General Common Elements.

- Section 4.4 <u>Responsibilities</u>. Subject to Section 4.3, the respective responsibilities for the insurance, maintenance, repair and replacement of the Common Elements are as follows:
  - 4.4.1 <u>Co-Owner Responsibilities</u>. The responsibility for, and the costs of insurance, maintenance, decoration, repair and replacement of a Unit and any and all improvements, including fireplaces and flues, personal property and upgrades located within or upon or serving a Unit including utility improvements which are not General Common Elements or owned by a public utility and those Limited Common Elements set forth below shall be borne by the Co-Owner of the Unit served thereby.
  - 4.4.1.1 <u>Driveways</u>, <u>Walkways</u>, <u>Landscape Beds</u>, <u>Porches</u>, <u>Patios and Decks</u>. Each Co-Owner shall be responsible for the cost of insurance and maintenance (including snow removal) of the driveway, walkway, landscape bed along walkway, porch and any patio or deck appurtenant to the Co-Owner's Unit. The Association shall be responsible for repair and replacement of the driveways, walkways, landscape beds along the walkways, porches, patios and decks in the Project. If a porch or walkway serves two adjacent Units, then the Co-Owners of the Units served by the porch or walkway shall share equally the cost of insurance and maintenance of the shared porch or walkway. No changes in design, material or color of the driveway, walkway, porch or any patio or deck shall be made without the prior written approval of the Association (and the Developer during the Construction and Sales period).
  - 4.4.1.2 <u>Air Conditioner, Compressor/Condenser; Sump Pump, Water Heater and Furnace</u>. Each Co-Owner shall be responsible for the cost of insurance, maintenance, repair and replacement of the individual air conditioner, compressor/condenser and corresponding set line, and the pad serving a Co-Owner's Unit, and the sump pump, water heater and furnace serving the Co-Owner's Unit.
  - 4.4.1.3 Garage Doors; Garage Door Openers; Garage Lighting. Each Co-Owner shall be responsible for the cost of insurance, maintenance, repair and replacement of the garage door, garage door openers, interior garage light bulbs, and related equipment pertaining to the garage appurtenant to such Co-Owner's Unit. The materials and colors of garage doors must be approved in advance by the Association (and the Developer during the Construction and Sales Period.) The exterior garage lighting fixtures, including the exterior light bulbs, shall be General Common Elements insured, maintained, repaired and replaced by the Association. The cost of electricity serving the garages, including the interior and exterior garage lights and garage door operators, shall be paid by the Association and assessed to the Unit Owners as described in Article 2 of the Bylaws.

- 4.4.1.4 <u>Doors and Windows</u>. Each Co-Owner shall be responsible for insurance, repair, replacement and interior and exterior maintenance of all glass, screen and frame portions of doors and windows referred to in Section 4.2.6 above appurtenant to such Co-Owner's Unit. No changes in design, material or color of doors, windows glass or screens may be made without the prior written approval of the Association (and the Developer during the Construction and Sales Period).
- 4.4.1.5 <u>Porch Lighting</u>. Each Co-Owner shall be responsible for the insurance, maintenance, repair and replacement and cost of electricity pertaining to the exterior porch lighting fixtures and light bulbs serving such Co-Owner's Unit and metered to the Unit. The size and nature of light bulbs for the porch lighting fixtures shall be determined by the Association in its discretion. No Co-Owner shall modify or change the exterior porch lighting fixtures and shall not cause the electricity flow for operation thereof to be interrupted at any time.
- 4.4.1.6 <u>Interior Walls, Ceilings, Floors and Surfaces</u>. Each Co-Owner shall be responsible for the cost of insurance, decoration, maintenance, repair and replacement of all interior Unit interior surfaces, including walls, ceilings, and floors appurtenant to such Co-Owner's Unit.
- 4.4.1.7 <u>Utility Costs</u>. Each Co-Owner shall be responsible for the cost of utilities serving such Co-Owner's Unit and appurtenant Limited Common Elements, except as otherwise provided in Section 4.1.6 and in Section 4.4.1.3 above pertaining to garage lighting.
- 4.4.1.8 <u>Additional Responsibilities of Co-Owners</u>. In addition, each Co-Owner shall be responsible for the cost of insurance, decoration, maintenance, repair and replacement of the following property, fixtures, equipment, finishes, improvements, or decorations located within or serving a Co-Owner's Unit or appurtenant Limited Common Elements:
- 4.4.1.8.1 <u>Appliances and Equipment</u>. All appliances, equipment and supporting hardware, including, but not limited to any humidifier, air cleaner, or personal alarm system, garbage disposal, dishwasher, range, oven, refrigerator, vent fans and related ductwork, dryer venting, vent covers and filters, and doorbell systems within or serving a Co-Owner's Unit or appurtenant Limited Common Elements;
- 4.4.1.8.2 <u>Gas and Electric Wiring</u>. The gas and electric wiring, piping and fixtures within or serving the Co-Owner's Unit or appurtenant Limited Common Elements, including outlets, switches, electrical panel, breakers and boxes, and shut-off valves;
- 4.4.1.8.3 <u>Water Supply Lines</u>. All water supply lines within or serving a Co-Owner's Unit or appurtenant Limited Common Elements, including the water meter and shut-off valve;

- 4.4.1.8.4 <u>Cabinets, Counters</u>. All cabinets, counters, interior doors, closet doors, sinks, floor tile, wall tile, and related hardware within a Co-Owner's Unit or appurtenant Limited Common Elements;
- 4.4.1.8.5 <u>Damaged Improvements and Decorations</u>. All improvements, finishes or decorations, including, but not limited to, paint, wallpaper, window treatments, carpeting or other floor coverings and trim within or serving a Co-Owner's Unit and appurtenant Limited Common Elements that may be damaged, regardless of cause, including damage resulting from the failure or malfunction of a General Common Element or damage resulting from Association maintenance, repair or replacement of a General Common Element;
- 4.4.1.8.6 <u>Drain Lines</u>. Drain lines located within or serving a Co-Owner's Unit or appurtenant Limited Common Elements;
- 4.4.1.8.7 <u>Drywall</u>. All interior drywall repair, maintenance or painting within a Co-Owner's Unit or appurtenant Limited Common Elements regardless of cause;
- 4.4.1.8.8 <u>Porch, Patio or Deck Improvements</u>. Improvements installed or located within or upon the porch and any porch, patio or deck serving a Co-Owner's Unit;
- 4.4.1.8.9 <u>Fireplaces and Flues</u>. The fireplace, flue and damper serving a Co-Owner's Unit. The exterior of all chimneys shall be maintained by Association;
- 4.4.1.9 <u>Co-Owner Additions</u>, <u>Modifications</u>. Co-Owner improvements, additions or modifications, including those improvements, additions and modifications approved by the Association, shall not be considered Limited Common Elements or General Common Elements, and the cost of insurance, decoration, maintenance, repair and replacement of such improvements, additions and modifications shall be the sole responsibility of the Co-Owner. Should the Association require access to any General Common Element or Limited Common Element that requires moving, damage or destruction of any Co-Owner improvement, addition or modification, all costs and expenses related to such access, including costs of restoring the improvement, addition or modification, shall be borne by the Co-Owner.
- 4.4.1.10 <u>Co-Owner Fault</u>. Any and all costs for maintenance, repair and replacement of any General Common Element or Limited Common Element caused by the intentional or negligent act or omission of any Co-Owner, or any family member, guest, tenant, or invitee of a Co-Owner, shall be borne by such Co-Owner. The Association shall have the right to pay the cost of such maintenance, repair or replacement and shall assess the responsible Co-Owner in the manner provided in Article 2 of the Bylaws.
- 4.4.1.11 <u>Repair to Association Specifications</u>. All maintenance, repair and replacement obligations of the Co-Owners as described in this section 4.4.1 or elsewhere in this Master Deed and the Bylaws shall be pursuant to the Association's prior written

approval and shall be to the Association's specifications with respect to color, style, material and appearance.

4.4.2 <u>Association Responsibilities</u>. Subject to Sections 4.3 and 4.4.1 above, the Association, by its Board of Directors, shall be responsible for insurance, maintenance, repair and replacement of the General Common Elements and the Limited Common Elements which are not the responsibility of the Co-Owner or the Community Association, including street maintenance and snow plowing on the private drives and sidewalks and Common Parking Spaces. The cost of insurance, maintenance, repair and replacement of all General Common Elements and the Limited Common Elements for which the Association is responsible pursuant to this Section 4.4.2, shall be borne by the Association subject to any provisions of the Master Deed, Bylaws or the Community Declaration expressly to the contrary, and assessed to the Co-Owners as set forth in the Bylaws. Snow removal from driveways, walkways, porches, patios and decks is the responsibility of Unit Owners as described in Section 4.4.1.1 above.

The respective decoration, maintenance and replacement responsibilities set forth above shall be in addition to all such responsibilities set forth elsewhere in the Condominium Documents.

Section 4.5 <u>Use of Units, Common Elements, Units and Community Facilities</u>. Units shall be used for residential purposes only consistent with this Master Deed, the Bylaws and the Community Declaration. No Co-Owner shall use the Co-Owner's Unit, the Common Elements or the Community Facilities in any manner inconsistent with the purposes of the Project or the Community or in any manner which will interfere with or impair the rights of any other Co-Owner in the Project or owner in the Community.

# ARTICLE 5 UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 5.1 <u>Description of Units</u>. The Project consists of Units 1 through 66 inclusive as shown on Exhibit B. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of The Village at Plum Grove surveyed by The Mannik & Smith Group, Inc. and attached as Exhibit B. Each Unit shall include all the space, improvements and upgrades contained within the interior finished unpainted walls and ceilings and from the finished subfloor, all as shown on the floor plans and sections in attached Exhibit B and delineated with heavy outlines. Each Unit includes an attached garage and parking within such garage as shown on Exhibit B.

Section 5.2 <u>Percentage of Value</u>. The percentage of value assigned to each Unit shall be equal and the number obtained by dividing 100 by the number of Units in the Condominium.

The determination that the percentages of value of each Unit is equal was made after reviewing the comparative characteristics of each Unit in the Project which would affect maintenance costs and value and concluding that there are no material differences among the Units insofar as the allocation of percentage of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Unit's respective share of the Common Elements of the Condominium Project, and the proportionate share of each Unit in the proceeds and the expenses

of administration, and the vote attributed to each Unit at meetings of the Association. The total value of all of the Units of the Project is one hundred percent (100%).

#### ARTICLE 6 EASEMENTS, RESERVATIONS AND AGREEMENTS

Easement for Maintenance of Encroachments and Utilities. In the event Section 6.1 any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance, repair or reconstruction of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings and improvements for the continuing maintenance and repair of all utilities in the Condominium. Developer hereby reserves and declares permanent and perpetual non-exclusive easements to the Township, Monroe County and all other companies providing, operating and/or maintaining utility services and their respective successors, assigns and transferees for ingress and egress in, over, under and through all roads, sidewalks and the other General Common Elements and the Limited Common Elements identified in Article 4 for the operation, maintenance, repair and replacement of the water supply system, sanitary sewer system, gas and electrical lines and all other utility lines or systems, and permanent easements to use, tap into, enlarge or extend all roads, sidewalks and utility lines in the Condominium, including, without limitation, all water, gas, electric and sanitary sewer lines for the benefit of the Community, as it may be expanded, and all parties having any interest in any portion of the Community, including mortgagees of any portion of the Community. These easements shall run with the land in perpetuity. Developer has no financial obligation to support such easements.

Easement in Favor of the Association and Community Association. There Section 6.2 shall be easements to and in favor of the Association, the Community Association, and their officers, directors, agents, and designees, in, on and over all Units and Common Elements in the Project, for access to the Units, ponds, detention basins, drainage facilities, water and sewage disposal systems and other utilities, and the exterior and interior of each of the buildings that is now existing or hereafter constructed within the Project, to permit the maintenance, repair, replacement, and/or decoration thereof in accordance with this Master Deed and Community Declaration. Each Co-Owner shall be primarily responsible for maintenance of the improvements within a Co-Owner's Unit as set forth in Article 4 above. In the absence of performance by the Co-Owner involved, the Association or Community Association may undertake the maintenance of a Unit. If such work is performed upon a Unit by the Association or Community Association, the Co-Owner of the Unit shall reimburse the Association or Community Association for all costs incurred within fifteen (15) days of billing or the Association or Community Association shall have the right to recover its expenses in the same manner as established for the collection of assessments in the Bylaws or the Community Declarations. In no event shall the Association be liable for the decoration, maintenance, repair, or replacement of any portion of the interior of any Unit.

Section 6.3 <u>Grant of Easements by Association or Community Association</u>. The Association or Community Association, their respective Boards of Directors (including any Board of Directors acting prior to the Transitional Control Date), shall be empowered and

obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium or Community, for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium or Community, subject, however, to the approval of Developer so long as the Construction and Sales Period has not expired.

Section 6.4 <u>Easements for Maintenance, Repair and Replacement.</u> Developer, the Association and the Condominium Association and all public or private utility providers shall have such easements as may be necessary over the Condominium, including all Units and Common Elements to fulfill any responsibilities of maintenance, repair, decoration or replacement which they or any of them are required or permitted to perform under the Condominium Documents or Declaration. These easements include, without any implication of limitation, the right of the Association or Community Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler controls and valves and other Common Elements located within any Unit or any appurtenant Limited Common Elements of the Project.

Section 6.5 Roadway and Utility Easements; Dedication of Plum Grove Drive; Private Drives; Emergency Access. The private drives serving the Project are private roads and all expenses of insurance, maintenance, repair and replacement of the private drives shall be paid by the Association and assessed to the Co-Owners based on their percentage of value. Plum Grove Drive is a common entrance road for the use and benefit of all owners of the Community (including the Co-Owners of Units in The Village at Plum Grove) as set forth in the Community Declaration. Plum Grove Drive is to be maintained by the Community Association except to the extent of dedication to the Monroe County Road Commission, and costs associated with such maintenance shall be assessed to the Co-Owners pursuant to the Community Declaration. Developer reserves the right at any time during the Construction and Sales Period to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public or private utility companies and to dedicate or transfer title of road rights of way and utilities to state, county or local governments. Any such easement or transfer of title may be conveyed by Developer without the consent of any Co-Owner, mortgagee or other person and may be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Monroe County Records. All Co-Owners and mortgagees of Units and other persons interested in the Project from time to time are deemed to have irrevocably and unanimously consented to an amendment or amendments of this Master Deed to effect the foregoing easement or transfer of title. Developer reserves for itself, its successors and assigns, and all future owners of the land described in Article 2 and the Community or any portion or portions thereof, an easement for the unrestricted use of the roads in the Condominium for the purpose of ingress and egress to and from all or any portion of the Project and the Community. Developer also reserves easements over all of the Common Elements and the land described in Article 2 for the purpose of reasonable access from the roads to the Units.

There shall exist for the benefit of the Township or any emergency service agency, an easement over all roads and private drives in the Condominium, to the extent the roads and drives remain private, for use by the Township and/or emergency vehicles. Said easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulances and rescue services and other lawful governmental or private emergency services to the Condominium, the Community and Co-Owners. This grant of easement shall not be construed as a dedication of any streets, roads, or drives to the public.

The Association or Community Telecommunications Agreements. Section 6.6 Association, acting through its duly constituted Board of Directors and subject to Developer's approval during the Construction and Sales Period, 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, 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, earth antenna and similar services (collectively "Telecommunications") to the Project, the Community or any residence therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or 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. Any and all sums paid by any Telecommunications or 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 or Community, as the case may be, within the meaning of the Act and shall be paid over to and shall be the property of the Association or Community Association as the case may be.

Section 6.7 Storm Water Drainage Facilities. Developer hereby reserves permanent non-exclusive easements over the Condominium for the Storm Water Drainage Facilities and the Common Storm Drainage Facilities for the benefit of the owners, lots or units of the Condominium and the Community. The Storm Water Drainage Facilities shall be maintained, repaired and replaced in the first instance by the Association. The Common Storm Drainage Facilities shall be maintained, repaired and replaced in the first instance by the Community Association in accordance with the Community Declaration and the requirements of the Monroe County Drain Commission. The cost of such maintenance shall be assessed to the Co-Owners through the Association or Community Association as described in the Bylaws and the Community Declaration. Developer reserves the right to dedicate easements to the Monroe County Drain Commission for drainage purposes and to establish a Drainage District over all or a portion of the Storm Water Drainage Facilities or Common Storm Drainage Facilities in accordance with requirements of applicable governmental authorities, and all Co-Owners and Mortgagees consent to such dedication.

Section 6.8 <u>Utility Easements</u>. Easements for private and public Utilities and Common Utilities, including water mains, storm sewers and sanitary sewers, natural gas, electricity and telecommunication service are reserved and established across the Project and the Community. Developer has or may enter into separate easement agreements and dedication with the Township of Raisinville, other governmental authorities or utility companies for sewer, water and utility purposes, the terms of which are incorporated herein by reference. The Developer

further reserves the right at any time to grant easements for utilities over, under and across the Project, to facilitate development of the Community and to appropriate governmental agencies or to utility companies and to transfer title to 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 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 Monroe County Records or the recordings of a separate easement agreement. All of the Co-Owners and mortgagees of Units and other persons interested or to become interested in the Project, from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed or recording of a separate easement as may be required to effectuate the foregoing grant of easement or transfer of title.

Section 6.9 <u>Further Rights Reserved to Developer</u>. Developer reserves for the right of itself, the Association, the Community Association, their respective successors and assigns and all Co-Owners of the land described in Article 2, or portion or portions thereof, perpetual easements to use, tap, tie into, extend and enlarge all utility mains located in the Condominium Premises and Community, including, but not limited to, water, gas, telephone, electrical, cable television, storm and sanitary sewer mains and appurtenances as necessary to serve the Community. Developer further reserves easements over the land described in Article 2 above for the purpose of reasonable access from the roads to the residences in furtherance of the development of the Project or the Community.

Section 6.10 <u>Easement for Community Facilities</u>. Pursuant to the Community Declaration, easements are reserved and declared for the benefit of all owners of the Community for operation, use, benefit, maintenance, repair and replacement of the Community Facilities as set forth in the Community Declaration.

## ARTICLE 7 AMENDMENT

This Master Deed and the Condominium Subdivision Plan (Exhibit B to the Master Deed) may be amended with the consent of sixty-six and two-thirds percent (66 2/3%) of the Co-Owners, except as set forth below:

- Section 7.1 <u>Modification of Units or Common Elements</u>. No dimensions of any Unit or its appurtenant Limited Common Elements may be modified without the consent of the Co-Owner in any material manner without the written consent of the Co-Owner, except as otherwise expressly provided in this Master Deed including determining the exact location and dimensions of the Limited Common Elements as set forth in Article 4 above.
- Section 7.2 <u>Mortgagees Consent</u>. To the extent required by Section 90a(9) of the Act, wherever a proposed amendment would 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 first mortgagees of record allowing one vote for each first mortgage held.
- Section 7.3 <u>By Developer</u>. Pursuant to Section 90(1) of the Act, Developer hereby reserves the right, on behalf of itself and on behalf of the Association, to amend this Master Deed and the Condominium Documents without approval of any Co-Owner or mortgagee for the

purposes of correcting survey or other errors, including building location errors, and for any other purpose unless the amendment would materially alter or change the rights of a Co-Owner and of a mortgagee, in which event Co-Owner and mortgagee consent shall be required as above provided in the introductory paragraph of this Article 7, and in Section 7.2 of this Article, except as otherwise provided in this Article.

- Section 7.4 <u>Changes in Percentage of Value</u>. The method or formula used to determine the percentage of value of Units in the Project for other than voting purposes may not be modified without the Consent of the affected Co-Owner or Mortgagee. A Co-Owner's Unit dimensions or appurtenant Limited Common Elements may not be modified without the consent of each affected Co-Owner.
- Section 7.5 <u>Termination, Vacation, Revocation or Abandonment</u>. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of all Co-Owners.
- Section 7.6 <u>Developer Approval</u>. During the Construction and Sales Period Article 4, Article 5, Article 6, Article 7, Article 8, Article 9 and Article 10 shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of Developer.
- Section 7.7 <u>Further Amendment Rights Reserved to Developer</u>. Notwithstanding any contrary provisions of the Master Deed or Bylaws, but subject to the limitations set forth in Section 7.4 above and Section 90(3) of the Act, Developer reserves the right to materially amend the Master Deed or any of its exhibits for the following purposes:
  - 7.7.1 To modify the types and sizes of Units and the General Common Elements and any Limited Common Elements adjoining or appurtenant to Units prior to sale of such Unit to a Co-Owner so long as such modification complies with the requirements of applicable governmental authorities, and does not interfere with adjacent Units or their appurtenant Limited Common Elements which have been sold to a Co-Owner.
  - 7.7.2 To amend the Bylaws subject to any restriction on amendments stated in the Bylaws.
  - 7.7.3 To correct arithmetic errors, typographical errors, survey or plan errors, deviations in construction or any similar errors in the Master Deed, Condominium Subdivision Plan or Bylaws, or to correct errors in the boundaries or location of improvements.
    - 7.7.4 To clarify or explain the provisions of the Master Deed or Exhibits.
  - 7.7.5 To comply with the Act or rules promulgated thereunder, or any requirements of any governmental or quasi-governmental agency or any financing institution or entity providing mortgage loans for Units to the Condominium.
    - 7.7.6 To make, define or limit easements affecting the Condominium.

- 7.7.7 To record an "AS BUILT" Condominium Subdivision Plan and/or Consolidating Master Deed and/or designate any improvements shown in Exhibit B as "MUST BE BUILT", subject to any limitations or obligations imposed by the Act.
- 7.7.8 To contract the Condominium as set forth in Article 8 below and to convert the Condominium as set forth in Article 9.

The amendments described in this Section 7.7 may be made without the consent of Co-Owners or mortgagees. The rights reserved to Developer under this section may not be amended except with the consent of the Developer.

#### ARTICLE 8 CONTRACTION OF CONDOMINIUM

Section 8.1 <u>Units and Common Elements</u>. Developer reserves the right to withdraw from the Condominium any present or future Units of the Condominium and any Common Elements of the Condominium.

At the option of the Developer, within a period ending no later than six years from the date of recording this Master Deed, the land included in the Condominium may be contracted to withdraw from the Condominium, any present or future Units of the Condominium and any Common Elements of the Condominium ("Contractible Area"), when and if Developer determines in its sole discretion that the development of the Condominium would be best served by such contraction. Provided, however, the consent of any Unit owner to the contraction of such owner's Unit or appurtenant Limited Common Elements shall be obtained prior to contraction of a Unit owned by an owner other than Developer.

- Section 8.2 <u>Withdrawal of Land</u>. In connection with such contraction, Developer unconditionally reserves the right to withdraw from the Condominium, all or any portion of the Contractible Area described above. The withdraw of such land pursuant to this Article 8 shall be effected by an amendment of the Master Deed as provided in Section 8.4.
- Section 8.3 <u>Restrictions on Contraction</u>. Apart from satisfying any governmental conditions to contraction, there are no restrictions on Developer's right to contract the Condominium as provided in this Article 8, except as set forth in Section 8.1 above.
- Section 8.4 <u>Consent Not Required.</u> The consent of any Co-Owner shall not be required to contract the Condominium except as set forth in the last sentence of Section 8.1. All of the Co-Owners and mortgagees 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 contraction of the Condominium and any amendment or amendments to this Master Deed to effectuate the contraction. All such interested persons irrevocably appoint the Developer or its successors, as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. These provisions give notice to all Co-Owners, mortgagees and other persons acquiring interests in the Condominium that such

amendments of this Master Deed may be made and recorded, and no further notice of such amendment shall be required.

Section 8.5 Redefinition of Common Elements. The amendment or amendments to the Master Deed contracting the Condominium shall also contain such further definitions and redefinition of General Common Elements or Limited Common Elements and maintenance responsibilities as may be necessary adequately to describe, serve and provide access to the Project as reduced and otherwise comply with agreements and requirements of applicable governmental authorities for development of the Condominium. In connection with any such amendment(s), Developer shall have the right to change the nature of any Common Element or easement previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article 8.

Section 8.6 <u>Consolidating Master Deed</u>. A Consolidating Master Deed may be recorded pursuant to the Act when the Project is finally concluded as determined by Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, and as above provided in Section 3.16, shall supersede the previously recorded Master Deed and all amendments thereto.

#### ARTICLE 9 CONVERTIBLE AREAS

The Condominium is established as a convertible condominium in accordance with the provisions of this Article and the Act:

Section 9.1 <u>Convertible Area</u>. All present and future Common Elements and Units are designated as Convertible Areas and the land area within which Units and Common Elements may be added, removed, expanded and modified and within which Limited Common Elements may be created as provided in this Article. The Developer reserves the right, but not the obligation, to convert all or any portion of the Convertible Areas. The maximum number of Units that may be created in the Project as it may be expanded or converted is 66 Units. All Units shall be used for residential purposes. All structures and improvements within the Convertible Areas of the Condominium shall be compatible with residential uses and with the structures and improvements on other portions of the Project, as determined by Developer in its sole discretion.

Section 9.2 <u>Right to Convert</u>. The Developer reserves the right, in its sole discretion, during a period ending six years from the date of recording this Master Deed, to modify the number, size, location, and configuration of any Unit that it owns or Common Elements in the Condominium, and to make corresponding changes to the Common Elements or to create General or Limited Common Elements or Units within the Convertible Area and to designate Common Elements that may subsequently be assigned as Limited Common Elements.

Section 9.3 <u>Restrictions on Conversion</u>. All improvements constructed or installed within the Convertible Areas described above shall be restricted exclusively to those compatible with residential use. There are no other restrictions upon such improvements except as stated in this Article and those which are imposed by state law, local ordinances or building authorities. The extent to which any change in the Convertible Areas is compatible with the original Master Deed is not limited by this Master Deed but lies solely within the discretion of Developer,

subject only to the requirements of local ordinances and building authorities, including the Township.

Consent Not Required. The consent of any Co-Owner shall not be Section 9.4 required to convert the Convertible Areas. All of the Co-Owners and mortgagees 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 conversion of the Convertible Areas and any amendment or amendments to this Master Deed to effectuate the conversion and to any reallocation of Percentages of Value of existing Units which Developer may determine necessary in connection with such amendment or amendments. All such interested persons irrevocably appoint the Developer or its successors, as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording the entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. Nothing herein contained, however, shall in any way obligated Developer to convert the Convertible Areas. These provisions give notice to all Co-Owners, mortgagees and other persons acquiring interests in the Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of such amendments shall be required.

Amendment to Master Deed. All modifications to Units and Common Section 9.5 Elements made pursuant to this Article shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article 5 hereof shall be proportionately readjusted, if the Developer deems it to be applicable, in order to preserve a total value of 100% for the entire Condominium resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method and formula described in Article 5 of this Master Deed. Such amendments to the Master Deed shall also contain such further definitions and redefinition of General or Limited Common Elements as may be necessary to adequately describe and service the Units and Common Elements being modified by such amendments. In connection with any such amendments, Developer shall have the right to change the nature of any Common Element previously included in this Condominium for any purpose reasonably necessary to achieve the purposes of this Article.

#### ARTICLE 10 ASSIGNMENT

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

Dated: $\sqrt{2}$ , 2006	
DEVELOPER	
RSG DEVELOPMEN limited liability compared	TT, LLC, a Michigan
By: Todd W. Griffi	n '
Its: Authorized Agent	:
STATE OF MICHIGAN ) ss.	
COUNTY OF WASHTENAW )	
On this 2d day of Wember, 2006, the was acknowledged before me by Todd W. Griffin, the authorized agent LLC, a Michigan limited liability company, on behalf of the company.	of RSG Development,  Ser, Notary Public
DDED ADED DV AND DETUDNITO.	

PREPARED BY AND RETURN TO: Sandra Sorini Elser BODMAN LLP 110 Miller, Suite 300 Ann Arbor, Michigan 48104 (734) 761-3780

# EXHIBIT A BYLAWS

The Village at Plum Grove

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## ARTICLE 1 ASSOCIATION OF CO-OWNERS

The Village at Plum Grove, a traditional residential Condominium Project located in the Township of Raisinville, Monroe County, Michigan, shall be administered by The Village at Plum Grove Condominium Association, an organization of Co-Owners which is 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 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 Michigan Condominium Act, as amended, (the "Act") and the Bylaws of the Association provided for Each Co-Owner shall be entitled to under the Michigan Non-profit Corporation Act. membership and no other person or entity shall be entitled to membership in the Association. 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 the Co-Owner's Unit. Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium available at reasonable hours to Co-Owners, prospective purchasers and prospective mortgagees of Units in the Condominium. All Co-Owners in the Condominium and all persons using or entering upon or acquiring any interest in any Unit or the Common Elements of the Project shall be subject to the provisions and terms set forth in Condominium Documents.

Owners of Units in the Condominium are members of the Community Association along with owners of units in The Park and owners of lots in The Estates as described in the Master Deed. Each Owner's interest in the Community Association is appurtenant to and inseparable from ownership of the Owner's Unit. All Unit Owners are subject to the provisions of the Community Declaration and the jurisdiction of the Community Association.

## ARTICLE 2 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 Condominium Documents and the Act shall be levied by the Association against the Units and the Co-Owners in accordance with the following provisions:

Section 2.1 <u>Assessments for Common Elements</u>. All costs incurred by the Association in satisfaction of any improvement or maintenance costs or liability arising within, caused by, or connected with the Common Elements and easements for which the Association has improvement, repair, reconstruction, insurance or maintenance responsibility or the administration of the Condominium Project and charges relating to insurance, repairs, improvement, reconstruction or maintenance of the Common Elements and easement areas of the Condominium shall constitute expenditures affecting the administration of the Project, and shall be billed to the Co-Owners as set forth in the Master Deed and Bylaws, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-Owners against liabilities or losses arising within, caused by, or connected with the Common Elements or

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

- Section 2.2 <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:
  - The Board of Directors of the Budget and General Assessments. Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular monthly, annual, or other periodic assessment payments as determined by the Board of Directors, 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 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 periodic 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 periodic assessments. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors, that the periodic assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, to provide replacements of existing Common Elements, to provide additions to the Common Elements not exceeding Ten Thousand (\$10,000) Dollars or that an event of emergency exists, the Board of Directors shall have the authority to increase the general periodic assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-Owner consent, to levy assessments pursuant to the provisions of Article 5, Section 5.4 of these Bylaws. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.
  - 2.2.2 Special Assessments. Special assessments, in addition to those required in subparagraph 2.2.1 above, may be made by the Board of Directors from time to time and approved by the Co-Owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements or costs exceeding Ten Thousand (\$10,000) Dollars for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 2.5 hereof, (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph 2.2.2 (but not including those assessments referred to in subparagraph 2.2.1 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 Co-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.

Assessments of the Community Association. Each Owner of a Unit in the Condominium is also a member of the Community Association. The Village, The Park and The Estate are the neighborhoods in the Community. The Community Association has responsibility for administration, insurance, maintenance, repair and replacement of Community Facilities as described in the Community Declaration. The Community Association shall assess the Owners of Units in the Condominium through the Association as collection agent, along with owners of units in The Park and owners of lots in The Estates through their respective associations, pro rata for the costs of such administration, insurance, maintenance, repair and replacement of the Community Facilities, which assessments shall be a cost of administration of the Project and collected from the Owners as set forth in these Bylaws and the Community Declaration. The Community Association shall have a lien for such charges against each Owner's Unit as set forth in the Community Declaration. By acceptance of a title to a Unit, each Co-Owner covenants and agrees to pay to the Association or the Community Association for the benefit of the Community Association: (a) all annual assessments or charges when due under the Community Declaration; (b) special assessments, if any, for capital improvements to be established and collected as set forth in the Community Declaration; and (c) any other charges or assessments as set forth in the Community Declaration.

Section 2.3 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 5 of the Master Deed, without increase or decrease for the existence of any rights to the use of any Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with subsection 2.2.1 above shall be payable by Co-Owners monthly unless otherwise determined by the Board of Directors, commencing with acceptance of a deed to a Unit 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 until each installment is paid in full. The Association may, pursuant to Article 19, Section 19.4, levy fines for the late payment in addition to such interest. Each Co-Owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to such Co-Owner's Unit which may be levied while such Co-Owner is the Owner thereof, except a land contract purchaser from any Co-Owner including from Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessments levied up to and including the date upon which such 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 attorneys' fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 2.4 <u>Waiver of Use or Abandonment of Unit</u>. No Co-Owner is exempt from liability for contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of the Co-Owner's Unit.

#### Section 2.5 Enforcement

- Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien and the lien created by the Condominium Documents that secures payment of assessments. In the event of default by any Co-Owner in the payment of any installment of the annual assessment levied against such Co-Owner's 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 utilities or other services to a Co-Owner in default upon seven (7) days' written notice to such Co-Owner of the Association's intention to do so. A Co-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 so long as such default continues; provided, however, this provision shall not operate to deprive any Co-Owner of ingress or egress to and from such Co-Owner's Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-Owner thereof or any persons claiming under such Co-Owner. 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.
- Foreclosure Proceedings. Each Co-Owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or 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 of a Unit in the Project acknowledges that at the time of acquiring title to such Unit such Co-Owner was notified of the provisions of this subparagraph and that the Co-Owner 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.

- 2.5.3 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 Co-Owner(s) at the last known address of such Co-Owner(s), a written notice that one or more installments of the general periodic or special assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder. 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, attorneys' fees and future assessments), (4) the legal description of the subject Unit(s), and (5) the name(s) of the Co-Owner(s) of record. If the delinquency is not cured within the ten-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law.
- 2.5.4 Expenses of Collection. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-Owner in default and shall be secured by the lien on such Co-Owner's Unit.

Section 2.6 <u>Liability of Mortgagee</u>. 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 and except for assessments that have priority over the first mortgage as provided in Section 108 of the Act).

Section 2.7 <u>Developer's Responsibility for Assessments</u>. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the Association assessments. Developer, however, shall at all times pay all expenses of maintaining the Units that it owns and a proportionate share of all current expenses of administration actually incurred by the Association from time to time, except expenses related to maintenance and use of the Units in the Project and other improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, Developer's proportionate share of such expenses shall be based upon the ratio of Units owned by Developer at the time the expense is incurred to the total number of Units then in the Project. In no event shall Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments.

Section 2.8 <u>Property Taxes and Special Assessments</u>. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 2.9 <u>Personal Property Tax and Special Tax Assessment of Association Property</u>. 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 2.10 <u>Construction Lien</u>. 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 2.11 Statements 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 and Related Costs described below. 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 and Related Costs as may exist or a statement that none exists, which statement shall be binding upon the Association for the period stated therein. The written statement from the Association shall also disclose the amount of interest, late charges, fines, costs and attorneys' fees due and owing with respect to the Unit ("Related Costs"). Upon the payment of that sum set forth in the Association's written statement within the period stated, the Association's lien for assessments and Related Costs as to such Unit shall be deemed satisfied. Provided, however, 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 Related Costs and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments and Related Costs constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record

## ARTICLE 3 ARBITRATION / JUDICIAL ACTIONS AND CLAIMS

Section 3.1 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 or among or between a Co-Owner 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 and judgment on such decision shall be entered by any court of competent jurisdiction, 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. In the absence of agreement to the contrary, the arbitration shall be conducted by the American Arbitration Association. The costs of the arbitration shall be paid equally by the parties to the arbitration proceedings.

Section 3.2 <u>Judicial Relief</u>. In the absence of the election and written consent of the parties pursuant to Section 3.1 above, no Co-Owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

Section 3.3 <u>Election of Remedies</u>. Such election and written consent by Co-Owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

#### ARTICLE 4 INSURANCE

Section 4.1 Extent of Coverage. Except as otherwise provided in the Community Declaration pertaining to Community Facilities, the Association shall, to the extent appropriate given the nature of the General Common Elements and Limited Common Elements which are the Association's responsibility to maintain pursuant to Article 4 of the Master Deed, and such common amenities or areas as may be located outside of the Condominium but placed under the management and control of this Association, carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workers compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the such Common Elements of the Condominium Project and such common areas and amenities located outside of the Condominium, and such insurance shall be carried and administered in accordance with the following provisions. The Co-Owner of a Unit shall be responsible for insurance on such Co-Owner's Unit and its appurtenant Limited Common Elements which are such Co-Owner's responsibility to maintain pursuant to Article 4 of the Master Deed.

- 4.1.1 <u>Responsibilities of Association</u>. All such insurance which the Association is required to purchase shall be purchased by the Association for the benefit of the Association, 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.
- Insurance on Common Elements. Except as otherwise provided in the Community Declaration pertaining to Community Facilities, all Common Elements of the Condominium Project if insurable 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 in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium Project with appropriate inflation riders in order that no co-insurance provisions shall be invoiced 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.

- 4.1.3 <u>Liability Insurance</u>. The Association shall carry liability insurance on the General Common Elements and the assets of the Association, and, to the extent reasonably available, shall carry officer's and director's liability insurance insuring its officers and directors.
- 4.1.4 <u>Premium Expenses</u>. All premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- 4.1.5 <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 5 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 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 the institutional holders of first mortgages on Units in the Project have given their prior written approval.

Section 4.2 <u>Authority of Association to Settle Insurance Claims</u>. Each Co-Owner, by ownership of a Unit in the Condominium Project, shall be deemed to have appointed the Association as such Co-Owner's 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 workers compensation insurance, if applicable, pertinent to the Condominium Project and the General Common Elements thereof, and 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 therefor, 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 4.3 <u>Responsibility of Co-Owners</u>. Each Co-Owner shall obtain fire, extended coverage, vandalism and malicious mischief insurance coverage at such Co-Owner's expense upon the Co-Owner's Unit and any and all improvements, personal property and upgrades located within or upon such Unit, and its appurtenant Limited Common Elements. It shall be each Co-Owner's responsibility to determine by personal investigation or from such Co-Owner's insurance advisors the nature and extent of insurance coverage needed (generally form H06) to obtain insurance coverage for such Co-Owner's personal property and the upgrades, fixtures, appliances, equipment and trim located within the Co-Owner's Unit or elsewhere on the Condominium, including appurtenant Limited Common Elements which are the Co-Owner's responsibility to maintain as set forth in Article 4 of the Master Deed, and for the Co-Owner's personal liability for occurrences within the Co-Owner's Unit or upon Limited Common Elements appurtenant to the Unit, and also for alternative living expense in the event of fire or other casualty, and the Association shall have absolutely no responsibility for obtaining such coverages. All such insurance shall be carried by each Co-Owner in an amount equal to the

maximum insurable replacement value. In the event of the failure of a Co-Owner to obtain such insurance, the Association may obtain such insurance on behalf of such Co-Owner and the premiums therefor shall constitute a lien against the Co-Owner's Unit, which may be collected from the Co-Owner in the same manner that Association assessments are collected in accordance with Article 2. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 4.3 or any liability to any person for failure to do so.

Section 4.4 <u>Waiver of Right of Subrogation</u>. 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 4.5 <u>Indemnification</u>. Each individual Co-Owner shall indemnify and hold harmless every other Co-Owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-Owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-Owner's Unit or appurtenant Limited Common Elements and shall carry insurance to secure this indemnity if so required by the Developer (and thereafter the Association). This Section 4.5 shall not, however, be construed to give any insurer any subrogation right or other right or claim against any individual Co-Owner.

## ARTICLE 5 RECONSTRUCTION OR REPAIR

- Section 5.1 <u>Determination to Reconstruct or Repair</u>. If any part of the Condominium Project shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:
  - 5.1.1 <u>Partial Damage</u>. If the damaged property is a Common Element or Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by unanimous vote of eighty (80%) percent of the Co-Owners in the Condominium that the Condominium shall be terminated.
  - 5.1.2 <u>Total Destruction</u>. If the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt unless eight (80%) percent or more of the Co-Owners agree to reconstruction by vote or in writing within ninety (90) days after the destruction.
- Section 5.2 Repair in Accordance with Master Deed. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications on file with the City of Milan unless eighty (80%) percent of the Co-Owners shall decide otherwise.

#### Section 5.3 Co-Owner Responsibility for Repair.

5.3.1 <u>Definition of Co-Owner Responsibility</u>. If the damage is only to a part of the contents of a Unit or Limited Common Elements which are the responsibility of a Co-Owner to maintain, repair or replace, it shall be the responsibility of the Co-Owner to maintain, repair and replace such damage in accordance with Section 5.3.2 below. In all

other cases, the responsibility for maintenance, repair and replacement shall be that of the Association.

5.3.2 Damage of Unit or Limited Common Elements. Each Co-Owner shall be responsible for the maintenance, repair and replacement of the contents of such Co-Owner's Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls including appurtenant Limited Common Elements that are the Co-Owner's responsibility to maintain, interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event damage to pipes, wires, conduits, ducts or other General Common Elements, or to any fixtures and equipment which are standard items covered by insurance held by the Association, then the replacement or repair shall be the responsibility of the Association in accordance with Section 5.4 below. If any other items located within a Unit are covered by insurance held by the Association for the benefit of the Co-Owner, the Co-Owner shall be entitled to receive the proceeds of such insurance, and if there is a mortgagee's endorsement, the proceeds shall be payable to the Co-Owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 5.4 <u>Association Responsibility for Repair</u>. Except as otherwise provided in Section 5.3 above and in the Master Deed, the Association shall be responsible for the reconstruction, repair and maintenance of the General Common Elements and the Limited Common Elements. Immediately after 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 replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, special 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 5.5 <u>Timely Reconstruction and Repair</u>. If damage to Common Elements or of a Unit adversely affects the appearance of the Project, the Association or Co-Owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property without delay.
- Section 5.6 Eminent Domain. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:
  - 5.6.1 <u>Taking of Unit</u>. In the event of any taking of an entire Unit 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. After acceptance of such award by the Co-Owner and the Co-Owner's mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-Owner whose Unit is not taken by eminent domain, then such award shall be

paid by the condemning authority to the Co-Owner and the Co-Owner's mortgagee, as their interest may appear.

- 5.6.2 <u>Taking of Common Elements</u>. If there is any taking of any portion of the Condominium other than any Unit, 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 two-thirds (2/3) of the Co-Owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.
- 5.6.3 Continuation of Condominium After Taking. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article 5 of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-Owners based upon the continuing value of the Condominium as one hundred percent (100%). Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-Owner or other person having any interest whatever in the Project, as mortgagee or otherwise.
- 5.6.4 <u>Notification of Mortgagees</u>. In the event any Unit (or improvements located within the perimeter thereof) 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 first mortgagee lien on any of the Units in the Condominium.
- Section 5.7 <u>Notification of FHLMC</u>. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") or the Federal National Mortgage Association ("FNMA"), then upon request by FHLMC or FNMA, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds Ten Thousand Dollars (\$10,000.00) in amount, or if damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC or FNMA exceeds One Thousand Dollars (\$1,000.00).
- Section 5.8 <u>Priority of Mortgagee Interests</u>. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgages of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

# ARTICLE 6 RESTRICTIONS / ARCHITECTURAL CONTROL

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

Section 6.1 <u>Residential Use</u>. All Units shall be used for private residential purposes only in accordance with the Master Deed, Bylaws, Community Declaration, and ordinances and restrictions of applicable governmental authorities. Notwithstanding the foregoing, Developer may erect and maintain models on Units owned by Developer until such time as all Units which Developer owns are sold and closed. The Common Elements shall be used only for purposes consistent with such residential use.

Section 6.2 <u>Alterations and Modifications</u>. No Co-Owner shall make alterations in exterior appearance or make structural modifications to any Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, limited or general, without the prior written approval of the Board of Directors including but not limited to exterior painting or the erection decks, antennas, lights, aerials, awnings, doors, shutters or other exterior attachments or modifications; nor shall any Co-Owner damage or make modifications or attachments to Common Element walls between Units which in any way impair sound conditioning qualities of the walls. The Board of Directors may approve only such modifications as do not impair the soundness, safety, utility or appearance of the Condominium.

Section 6.3 Home Occupations, Nuisances and Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-Owners of the Condominium, nor shall any unreasonably noisy activity be carried on in or on the Common Elements or within any Unit at any time. No home occupation or profession or commercial activity shall be conducted in any dwelling located in the Condominium unless permitted by and in compliance with applicable laws and ordinances. Model homes owned by, and the sales activities of, the Developer or builders, developers and real estate companies which own or hold any Units for resale to customers in the ordinary course of business are permitted. No Co-Owner shall do or permit anything to be done or keep or permit to be kept in the Co-Owner's Unit or in the Common Elements anything 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 even if approved, which increased cost may be assessed to and collected from the Co-Owner in the manner provided in Article 2 hereof.

Section 6.4 <u>Aesthetics</u>. The Common Elements shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in the Master Deed or in duly adopted rules and regulations of the Associations. All rubbish, trash, garbage and other waste shall be regularly removed from each Unit and shall not be allowed to accumulate therein. Unless special areas are designated by the Association, trash receptacles shall not be permitted on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. The Common Elements shall not be used in any way for the drying, shaking, or airing of clothing or other fabrics. No clothes or outside drying of laundry shall be permitted. Vehicles may only be washed in areas approved by the Board of Directors. In general, no activity shall be carried on nor condition maintained by a Co-Owner, either in a Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

Section 6.5 <u>Garages</u>; <u>Common Elements</u>; <u>Common Parking Spaces</u>. The garage portion of each Unit may only be used by the Co-Owner of the garage or the Co-Owner's family members, guests, tenants or invitees. The Common Elements shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No Co-Owner may leave personal property of any description (including by way of example and not limitation play equipment or structures, bicycles, vehicles, chairs and benches) unattended on or about the Common Elements. Use of all General Common Elements including the Common Parking Spaces may be limited to such times and in such manner as the Board of Directors shall determine by duly adopted regulations pursuant to these Bylaws. Each Unit Owner shall be entitled to use not more than one of the Common Parking Spaces for parking by guests, visitors or invitees of such Unit Owner (but not the Unit Owner) on a "first come first served basis" with no guaranty that any Common Parking Spaces will be available.

Section 6.6 <u>Vehicles</u>. No house trailers, motor homes, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers, or recreational vehicles other than automobiles may be parked or stored upon the Common Elements, unless parked in an area specifically designated by the Board of Directors. No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently. Use of motorized vehicles anywhere on the Condominium Premises, other than passenger cars, authorized maintenance vehicles and commercial vehicles as provided in this Section 6.6 is absolutely prohibited.

Section 6.7 <u>Weapons</u>. No Co-Owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or family member of any firearms, air rifles, pellet guns, B-B guns, bows and arrows, sling shots, or other similar weapons, projectiles or devices anywhere on or about the Condominium.

Section 6.8 <u>Signs</u>. No signs or any kind shall be displayed to the public view on any Unit excepting one (1) professional sign of not more than five (5) square feet advertising the Unit for sale or rent. All signs must comply with applicable laws and ordinances. Such signs must be maintained in good condition at all times and removed when the object of their use has terminated.

Section 6.9 <u>Tree Removal</u>. Clear-cutting or removal of trees greater than six (6") inch caliper at breast height by any person other than Developer is not be permitted unless such clear-cutting or tree removal is in compliance with all applicable municipal ordinances, and approved by Developer.

Section 6.10 Storm Water Drainage Facilities. Storm water drainage facilities shall not be modified in any manner and no use or occupation shall occur by any person or entity other than Developer or its authorized representatives unless permits and approvals for such modification, use or occupation have been granted by Developer and all governmental units or agencies having jurisdiction over such area.

#### Section 6.11 Leasing and Rental.

6.11.1 Right to Lease. A Co-Owner may lease a Co-Owner's Unit for the same purposes set forth in Section 6.1 of these Bylaws and Section 4.5 of the Master Deed,

provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified below. With the exception of a lender in possession of a Unit following a default of the first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-Owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least six (6) months unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer, or its assigns, may lease any number of Units in the Condominium in its discretion and shall not be subject to the foregoing, or the leasing procedures set forth below, except for disclosure of the leasing arrangement to the Association. These leasing provisions may not be revised prior to the Transitional Control Date without Developer's prior written consent and may not be materially amended without Developer's prior written consent so long as Developer owns a Unit.

- 6.11.2 <u>Leasing Procedures</u>. The leasing of Units in the Project shall conform to the following provisions:
  - 6.11.2.1 A Co-Owner desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form or otherwise agreeing to grant possession of a Condominium Unit to a potential lessee of the Unit and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If no lease form is to be used, then the Co-Owner shall supply the Association with the name and address of the potential lessee, along with the rental amount and the due dates under the proposed agreement.
  - 6.11.2.2 Tenants or non-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements shall so state.
  - 6.11.2.3 If the Association determines that the tenant or non-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
    - 6.11.2.3.1 The Association shall notify the Co-Owner by Certified Mail advising of the alleged violation by the tenant.
    - 6.11.2.3.2 The Co-Owner 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.
  - 6.11.2.4 If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-Owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Co-Owner and

tenant or non-owner occupant for breach of the condition of the Condominium Documents. The relief provided 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 Co-Owner or tenant in connection with the Unit or Condominium Project.

- 6.11.2.5 When a Co-Owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to the tenant occupying a Co-Owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-Owner the arrearage and further 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. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Co-Owner to the Association, then the Association may do the following:
  - 6.11.2.5.1 Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.
    - 6.11.2.5.2 Initiate proceedings pursuant to 6.11.2.4 above.

Section 6.12 <u>Changes in Common Elements</u>. No Co-Owner shall make changes in any of the Common Elements, Limited or General, without the prior written approval of the Board of Directors.

Section 6.13 <u>Rules and Regulations</u>. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-Owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-Owners. The Community Association has the right to establish rules and regulations related to the Community Facilities as set forth in the Community Declaration.

Section 6.14 <u>Associations' Rights of Access</u>. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-Owner thereof as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agent shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Co-Owner to provide the Association with a means of access to the Co-Owners' Unit and any Limited Common Elements appurtenant thereto during all periods of absence and in the event of the failure of such Co-Owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-Owner for any necessary damage to any Unit or any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of such damage. Subject to the foregoing and other provisions in the Master Deed and these Bylaws,

each Co-Owner shall be entitled to exclusive occupancy and control over the Co-Owner's Unit and all Limited Common Elements appurtenant thereto.

Section 6.15 <u>Landscaping</u>. Each Co-Owner may plant flowers, only, in the General Common Element lawn area adjacent to the Co-Owner's Unit. If a Co-Owner desires to enhance the General Common Element landscape area immediately adjacent to such Co-Owner's Unit, the Co-Owner must submit a written request to the Board of Directors which the Board may approve or disapprove in its discretion. Any landscaping enhancement approved by the Board will be installed and maintained by and at the Co-Owner's expense, and if not properly installed or maintained, may be removed by the Association at the Co-Owner's expense. Other than this limited right to plant flowers and landscaping, no Co-Owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements.

Section 6.16 <u>Co-Owner Maintenance</u>. Each Co-Owner shall maintain the Co-Owner's Unit and appurtenant Limited Common Elements for which the Co-Owner has maintenance responsibility in a safe, clean and sanitary condition. Each Co-Owner shall also use due care to avoid damaging any of the Common Elements including but not limited to the telephone, telecommunications, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-Owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by the Co-Owner family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which the case there shall be no such responsibility, unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-Owner shall be the expense to the extent of the deductible amount. Any costs or damages to the Association may be assessed to and collected from the responsible Co-Owner in the manner provided in Article 2 hereof.

#### Section 6.17 Reserved Rights of Developer.

Prior Approval by Developer. As long as Developer owns any Unit which Developer offers for sale, no buildings, fences, walls, retaining walls, decks, drives, walks or other structure or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alternation 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 hedges, trees or substantial plantings or landscaping modifications be made, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color, scheme, location and approximate cost of such structure or improvement an the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole, the Master Development, and any adjoining properties under development or proposed to be developed by Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-Owners.

- 6.17.2 <u>Developer's Rights in Furtherance of Development and Sales</u>. None of the restrictions contained in this Article 6 shall apply to the commercial activities or signs or billboards of the Developer with respect to unoccupied Units owned by the Developer, or of the Association in furtherance of its powers and purposes. Notwithstanding anything to the contrary elsewhere herein contained, until all Units in the entire planned Condominium are sold by Developer, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Condominium as may be reasonable to enable development and sale of the entire Condominium by the Developer.
- 6.17.3 Enforcement of Bylaws. The Condominium shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private residential community for the benefit of the Co-Owners and all persons having interests 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 entity to which it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws so long as Developer owns any Unit which Developer offers for sale, which right of enforcement shall include without limitation an action to restraint the Association or any Co-Owner form any activity prohibited by these Bylaws.

Section 6.18 <u>Unsightly Conditions</u>. It shall be the responsibility of each Unit Owner to prevent any unclean, unsightly or unkempt conditions of the Owner's Unit or appurtenant Limited Common Elements that tend to substantially decrease the beauty of the Development as a whole or any specific area thereof.

Section 6.19 <u>Temporary Structures</u>. Trailers, tents, shacks, tool sheds, barns or any temporary buildings of any design whatsoever are expressly prohibited within the Development and no temporary dwelling shall be permitted in an unfinished residential building. This shall not prevent the erection of a temporary storage building for materials and supplies to be used in the construction of a Unit, and which shall be removed from the premises on completion of the structure, and shall not prevent use by any builder or contractor of trailers for material storage or model offices during the period of construction in the Development, provided the same shall be removed at the completion of such construction.

Section 6.20 <u>Animals or Pets</u>. Without prior written consent of the Board of Directors, no animal or pet other than two cats or one dog shall be kept in the Condominium by a Co-Owner. Any pets kept in the Condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. No animal may be permitted to run loose upon the Common Elements, and any

animal shall at all times be attended by a responsible person while on the Common Elements. Any person who causes or permits an animal to be brought or kept on the Condominium property shall indemnify, defend (with counsel approved by the Association), and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result of the presence of such animal on the Condominium. All pets must be registered with the Board of Directors of the Association. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. Each Co-Owner shall be responsible for the collection and disposition of all fecal matter deposited by any pet maintained by such Co-Owner or their guest(s). The Association may charge all Co-Owners maintaining animals a reasonable assessment to be collected in the manner provided in Article 2 of the Bylaws in the event the Association determines such assessment necessary to defray the maintenance cost to the Association or accommodating animals with the Condominium. The Board may adopt such reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violations in accordance with these Bylaws and in accordance with duly adopted rules and regulations of the Association. The term "animal or pet" as used in this Section shall not include small animals which are constantly caged, such as a small bird or fish. Dog kennels or runs or other exterior enclosed shelters for animals are expressly prohibited.

Section 6.21 <u>Refuse and Stored Materials</u>. No Unit or appurtenant Limited Common Elements shall be used for extended storage for rubbish, trash, garbage or other materials. Other waste shall be kept in a sanitary container, properly concealed from public view. The Board of Directors of the Community Association (or the Association should the Community Association fail to make a designation) may designate a day of the week on which all trash pick-up in the Development shall occur. No trash shall be put out earlier than the morning of the day designated for pick-up and all containers shall be removed by the end of such day.

Section 6.22 <u>Mail Boxes</u>. All mail boxes of the Project shall be of uniform size, location, color and same design in compliance with the standards set forth by the Developer, and the U.S. Postal Service.

Section 6.23 <u>Television Antenna and Similar Devices</u>. No outside television antenna or other antenna, or aerial, saucer, dish, receiving device, signal capture and distribution device or similar device shall be placed, constructed, altered or maintained on any Unit or Limited Common Element, unless the location, type and screening of the device has been approved by the Board of Directors of the Association. The provisions of this subsection shall not apply to those devices covered by 47 C.F.R. § 1.4000, promulgated pursuant to the Telecommunications Act of 1996, Pub. L. No. 104. 110, § 207 Stat. 56 (1996), as amended.

Section 6.24 <u>Air Conditioning Units</u>. No external air conditioning unit shall be placed in or attached to a window or wall of any Unit unless the location, type and screening has been approved in writing by the Board of Directors.

Section 6.25 <u>Public Utilities</u>. All public utilities such as water mains, sanitary sewers, storm sewers, gas mains, electric and telephone or telecommunication distribution lines, cable television lines, and all connections to same, either private or otherwise, shall be installed underground. However, above-ground transformers, pedestals and other above-ground electric

and telephone utility installations and distribution systems and surface and off-site drainage channels and facilities, as well as street lighting stanchions, shall be permitted.

Section 6.26 <u>Restrictions in Community Declaration</u>. The Project is subject to restrictions related to the Community Facilities as set forth in the Community Declaration.

# ARTICLE 7 MORTGAGES

Section 7.1 Notice to Association. Any Co-Owner who mortgages such Co-Owner's Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgagees 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 7.2 <u>Insurance</u>. The Association shall notify each mortgagee appearing in the book of Mortgagees of Units of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage, to the extent the Association is required by these Bylaws to obtain such coverage.

Section 7.3 <u>Notification of Meetings</u>. 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 8 VOTING

Section 8.1 <u>Vote</u>. Except as limited in these Bylaws, all of the Co-Owners of a Unit shall be entitled to only one vote for each Unit owned, and the value of the vote attributed to each Unit shall be equal.

Section 8.2 Eligibility to Vote. No Co-Owner, other than Developer, shall be entitled to vote at any meeting of the Association until such Co-Owner has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Sections 9.2 and 11.2 of these Bylaws, no Co-Owner, other than Developer, shall be entitled to vote prior to the date of the First Annual Meeting held in accordance with Sections 9.2 and 11.2. 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 8.3 of this Article 8 or by a proxy given by such individual representative. Until the First Annual Meeting Developer shall be entitled to vote notwithstanding the fact that Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting Developer shall be entitled to one vote for each Unit which Developer owns.

Section 8.3 <u>Designation of Voting Representative</u>. 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 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-Owners of a Unit at any time by filing a new notice in the manner herein provided.

Section 8.4 Quorum. Those Co-Owners present in person or by proxy at the First Annual Meeting held in accordance with Sections 9.2 and 11.2 shall constitute a quorum for such meeting. At all other meetings of Co-Owners, the presence in person or by proxy of thirty-five percent (35%) of the Co-Owners 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 have 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 8.5 <u>Voting</u>. 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 8.6 <u>Majority</u>. A majority, except where otherwise provided herein, shall consist of more than fifty percent (50%) 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 where a quorum is present. Whenever provided specifically in the Condominium Documents, a majority may be required to exceed the simple majority herein above set forth 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 9 MEETINGS

Section 9.1 <u>Place of Meeting</u>. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-Owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure as selected by the Board of Directors, when not otherwise in conflict with the Condominium Documents or the laws of the State of Michigan.

Section 9.2 <u>First Annual Meeting</u>. The First Annual Meeting may be convened only by the Developer and may be called at any time after more than fifty percent (50%) of the Units that may be created have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to non-developer Co-Owners of

seventy-five percent (75%) in number of all Units that may be created or fifty-four (54) months after the first conveyance of legal or equitable title to a non-developer Co-Owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting and no such meeting shall be construed as the First Annual Meeting. The date, time and place of such meeting shall be set by the Board of Directors, and at least ten (10) days' written notice thereof shall be given to each Co-Owner. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which Developer is permitted, under the Condominium Documents as they may be amended, to include in the Condominium.

Section 9.3 <u>Annual Meetings</u>. Annual meetings of the Association shall be held on the last Thursday of October 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 eight (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 11 of these Bylaws. The Co-Owners may also transact at the annual meetings such other business of the Association as may properly come before them.

Section 9.4 <u>Special Meetings</u>. 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 (1/3) 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 9.5 Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as of the time and place where it is to be held, upon each Co-Owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-Owner at the address shown in the notice required to be filed with the Association by Article 8, Section 8.3 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 9.6 <u>Adjournment</u>. 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 forty-eight (48) hours from the time the original meeting was called.

Section 9.7 Order of Business. The order of business at all meetings of the members shall be as follows: (1) roll call to determine the voting power represented at the meeting; (2) proof of notice of meeting or waiver of notice; (3) reading of minutes of preceding meeting; (4) reports of officers; (5) reports of committees; (6) appointment of inspector of elections (at annual meetings or special meetings held for purpose of election of Directors or officers); (7) election of Directors (at annual meeting or special meetings held for such purpose); (8) unfinished business; and (9) 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 and Treasurer.

Section 9.8 <u>Action Without Meeting</u>. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members, which ballots are signed within no more than a sixty (60) day period, as determined by the Board of Directors. Ballots shall be solicited in the same manner as provided in Section 9.5 for the giving of notice of meetings of members. Such solicitations shall specify (1) the number of responses needed to meet the quorum requirements; (2) the percentage of approvals necessary to approve the action; and (3) 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 (1) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (2) 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 9.9 <u>Consent of Absentees</u>. 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 be present either in person or by proxy and if, either before or after the meeting, each of the members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall he filed with the corporate records or made a part of the minutes of the meeting.

Section 9.10 <u>Minutes</u>, <u>Presumption of Notice</u>. 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. 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 10 ADVISORY COMMITTEE

Within one (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the total number of Units that may be created, whichever first occurs, Developer shall cause to be established an Advisory Committee consisting of at least three (3) non-developer Co-Owners. The Committee shall be established and perpetuated in any manner Developer deems advisable, except that if more than fifty percent (50%) 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 Board of Directors and the non-developer Co-Owners and to aid the transition of control of the Association from Developer to non-developer 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. Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected by the Co-Owners.

# ARTICLE 11 BOARD OF DIRECTORS

Section 11.1 <u>Number and Qualification of Directors</u>. The Board of Directors shall be comprised of three (3) members all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association. Directors shall serve without compensation.

#### Section 11.2 Election of Directors

- of three (3) persons and such first Board of Directors or its successors as selected by Developer shall manage the affairs of the Association until the appointment of the first non-developer Co-Owners to the Board. Thereafter, elections for non-developer Co-Owner Directors shall be held as provided in subsections 11.2.2 and 11.2.3 below. The Directors shall hold office until their successors are elected and hold their first meeting.
- Annual Meeting. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-Owners of twenty-five percent (25%) of the Units that may be created, one (1) of the three (3) Directors shall be selected by non-developer Co-Owners. When the required percentage level of conveyance has been reached, Developer shall notify the non-developer Co-Owners and request that they hold a meeting and elect the required Director. Upon certification to Developer by the Co-Owners of the Director so elected, Developer shall then immediately appoint such Director to the Board to serve until the First Annual Meeting unless such Director is removed pursuant to Section 11.7 of this Article or such Director resigns or becomes incapacitated.

## 11.2.3 Election of Directors At and After First Annual Meeting

- 11.2.3.1 Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-Owners of seventy-five percent (75%) of the Units that may be created, and before conveyance of ninety percent (90%) of such Units, the non-developer Co-Owners shall elect all Directors on the Board except that Developer shall have the right to designate at least one (1) Director as long as the Units that remain to be created and sold equal at least ten percent (10%) of all Units that may be created in the Project. Whenever the seventy-five percent (75%) 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.
- 11.2.3.2 Regardless of the percentage of Units which have been conveyed, upon the expiration of fifty-four (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 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 Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection 11.2.3.1. Application of this subsection does not require a change in the size of the Board of Directors.

- 11.2.3.3 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 11.2.3.2, 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 11.2.2 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 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 Developer to designate one (1) member as provided in subsection 11.2.3.1.
- 11.2.3.4 At the First Annual Meeting two (2) Directors shall be elected for a term of two (2) years and one (1) Director shall be elected for a term of one (1) year. At such meeting all nominees shall stand for election as one (1) slate and the two (2) persons receiving the highest number of votes shall be elected for a term of two (2) years and the one (1) person receiving the next highest number of votes shall be elected for a term of one (1) year. After the First Annual Meeting, the term of office (except for one (1) of the Directors elected at the First Annual Meeting for a one year term) of each Director shall be two (2) years. At each annual meeting held after the first, either one (1) or two (2) Directors shall be elected depending upon the number of Directors whose terms expire. The Directors shall hold office until their successors have been elected and hold their first meeting.
- 11.2.3.5 Once the 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 9, Section 9.3 above.
- 11.2.3.6 Status of Units Conveyed to Residential Builders. For purposes of calculating the timing of events described in Article 10 above and this Section 11.2, the conveyance by the Developer of a Unit to a Residential Builder, whether or not the Residential Builder is affiliated with the Developer as defined by the Act, shall not be considered a sale to a non-Developer Co-Owner until such time as the Residential Builder conveys the Unit with a completed Residence on it or until the Unit contains a completed and occupied Residence.

Section 11.3 <u>Powers and Duties</u>. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and

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

- Section 11.4 Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:
  - 11.4.1 To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.
  - 11.4.2 To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
    - 11.4.3 To carry insurance and collect and allocate the proceeds thereof.
  - 11.4.4 To rebuild improvements to the Common Elements after casualty (subject to the provisions of the Condominium Documents).
  - 11.4.5 To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
  - 11.4.6 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.
  - 11.4.7 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 also be approved by affirmative vote of seventy-five percent (75%) of all of the members of the Association.
    - 11.4.8 To make rules and regulations in accordance with these Bylaws.
  - 11.4.9 To establish such committees as the Board of Directors deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the 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.
    - 11.4.10 To enforce the provisions of the Condominium Documents.
- Section 11.5 <u>Management Agent</u>. The Board of Directors may employ for the Association a professional management agent (which may include Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 11.3 and 11.4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to

be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by Developer, in which the maximum term is greater than three (3) years or which is not terminable by the Association upon ninety (90) days written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act.

Section 11.6 <u>Vacancies</u>. 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 Developer shall be solely entitled to fill the vacancy of any Director whom Developer is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. Vacancies among non-developer Co-Owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-Owners and shall be filled in the manner specified in Section 11.2.2 of this Article.

Section 11.7 <u>Removal</u>. 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 fifty percent (50%) of all the Co-Owners, not just of those present, 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 thirty-five percent (35%) requirement set forth in Article 8, Section 8.4. 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 11.8 <u>First Meeting</u>. The first meeting of a newly elected Board of Directors shall be held within ten (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 of Directors shall be present.

Section 11.9 <u>Regular Meetings</u>. 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 (2) 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 facsimile at least ten (10) days prior to the date named for such meeting.

Section 11.10 <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, by mail, telephone or facsimile 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 (2) Directors.

Section 11.11 <u>Waiver of Notice</u>. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be deemed a waiver of notice by the Director of the time and place thereof. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11.12 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, less than a quorum is present, the majority of those present may adjourn the meeting to a subsequent time upon twenty-four (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 11.13 <u>First Board of Directors</u>. 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 11.14 <u>Fidelity Bonds</u>. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds, insuring against theft, dishonesty, and other standard coverage of fidelity bonds. The premiums on such bonds shall be expenses of administration.

## ARTICLE 12 OFFICERS

Section 12.1 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 (2) offices except that of President may be held by one person.

- 12.1.1 <u>President</u>. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the association and of the Board of Directors and shall have all 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 the President may in the President's discretion deem appropriate to assist in the conduct of the affairs of the Association.
- 12.1.2 <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;

the Secretary shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all duties incident to the office of the Secretary.

12.1.3 <u>Treasurer</u>. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer 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 12.2 <u>Election</u>. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 12.3 <u>Removal</u>. 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 such officer's successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors 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 12.4 <u>Duties</u>. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

## ARTICLE 13 SEAL

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

## ARTICLE 14 FINANCE

Section 14.1 Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-Owners. Such accounts and all other Association records shall be open for inspection by the Co-Owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-Owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

Section 14.2 <u>Fiscal Year</u>. 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 14.3 <u>Bank</u>. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.

# ARTICLE 15 INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon such Director or officer in connection with any proceeding to which the Director or officer may be a party or in which the Director or officer may become involved by reason of being or having been a Director or officer of the Association, whether or not such office is held at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the Director 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 rights 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 Board of Directors shall notify all Co-Owners thereof. Further, the Board of Directors is authorized to carry officers' and Directors' liability insurance covering acts of the officers and Directors of the Association in such amounts as it shall deem appropriate.

# ARTICLE 16 AMENDMENTS

These Bylaws may be amended by the Association or by the Developer in the manner provided in the Master Deed. Any amendment to these Bylaws shall become effective upon recording in the office of the register of deeds in the county in which the Condominium is located. A copy of each amendment to these Bylaws shall be made available to every member of the Association after adoption; provided, however, that any amendment adopted in accordance with this Article shall be binding upon all persons who have an interest in the Condominium irrespective of whether such persons actually receive a copy of the amendment. These Bylaws may not be amended in any manner to eliminate or conflict with any mandatory provision of the Act or any applicable law or provision of the Master Deed; nor may they be amended to materially reduce or eliminate the rights of any first mortgagees without the consent of the mortgagees affected.

# ARTICLE 17 COMPLIANCE

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

# ARTICLE 18 DEFINITIONS

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

# ARTICLE 19 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 19.1 <u>Legal Action</u>. 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 19.2 <u>Recovery of Costs</u>. 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 attorneys' fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-Owner be entitled to recover such attorneys fees.

Section 19.3 <u>Removal and Abatement</u>. 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, Limited or General, or into any Unit and the improvements thereon, where reasonably necessary, and summarily remove and abate, at the expense of the Co-Owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-Owner arising out of the exercise of its removal and abatement power authorized herein.

Section 19.4 <u>Assessment of Fines</u>. 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 rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-Owners in the same manner as prescribed in Article 9, Section 9.5 of these Bylaws. Thereafter, fines

may be assessed only upon notice to the offending Co-Owners as prescribed in said Article 9, Section 9.5, and an opportunity for such Co-Owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article 2 of these Bylaws. No fine shall be levied for the first violation. No fine shall exceed Twenty-Five Dollars (\$25.00) for the second violation, Fifty Dollars (\$50.00) for the third violation or One Hundred Dollars (\$100.00) for any subsequent violation.

Section 19.5 <u>Collection</u>. The fines levied pursuant to Section 19.4 above shall be assessed against the Co-Owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-Owner to all liabilities set forth in the Condominium Documents.

Section 19.6 <u>Developer Exempt from Fines</u>. The Association shall not be entitled to assess fines against the Developer during the Construction and Sales Period for any alleged violations of the Condominium Documents but shall be rely solely to its other legal remedies for redress of such alleged violations.

Section 19.7 Non-Waiver of Right. The failure of the association or of any Co-Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-Owner to enforce such right, provision, covenant or condition in the future.

Section 19.8 <u>Cumulative Rights</u>, <u>Remedies and Privileges</u>. 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 19.9 Enforcement of Provisions of Condominium Documents. A Co-Owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-Owner may maintain an action against any other Co-Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

## ARTICLE 20 RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to Developer. Any rights and powers reserved or retained by Developer or its successors shall expire and terminate, if not sooner

assigned to the Association, at the conclusion of the Construction and Sales Period as defined in Article 3 of the Master Deed. The immediately preceding sentence dealing with the expiration and termination of certain rights and powers granted or reserved to Developer is intended to apply, insofar as Developer is concerned, only to Developer's rights to improve and control the administration of the Condominium and shall not under any circumstances be construed to apply to or cause the termination and expiration of any real property rights granted or reserved to 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 be governed only in accordance with the terms of their creation or reservation and not hereby).

## ARTICLE 21 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 Condominium Documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

#### **DEVELOPER**

RSG DEVELOPMENT, LLC, a Michigan limited liability company

Todd W Griffin

Its: Authorized Agent

Dated: 10V-2, 2006

## SUPPLEMENT TO DISCLOSURE STATEMENT AND SUPPLEMENTAL RECEIPT

#### **VILLAGE AT PLUM GROVE**

Developed by: RSG Development LLC, a Michigan limited liability company

2864 Carpenter Road, Suite 300 Ann Arbor, Michigan 48108

#### **Supplemental Disclosure:**

**First and Second Amendment to Master Deed**: Since the date of the Disclosure Statement, the Master Deed for the Village at Plum Grove has been amended by a certain First Amendment to Master Deed and Bylaws for the Village at Plum Grove recorded on January 17, 2007 as Instrument No.: 2007R01334, Monroe County Records, and by a certain Second Amendment to Master Deed recorded on March 19, 2021 as Instrument No.: 2021R07229, Monroe County Records.

The First Amendment to Master Deed and Bylaws for the Village at Plum Grove provided (i) the exterior garage lights are limited common elements, and (ii) the Association may enter into service contracts with the Community Association or a third party to serve as collection agent to provide services to the Association.

The Second Amendment to Master Deed clarifies dimensions of certain units in the Condominium and updates certain provisions of the Master Deed regarding re-allocation of delinquent assessments on Co-Owner Units in accordance with updates to the Act.

Pursuant to the Second Amendment and in accordance with Section 108 of the Act, in the event of a foreclosure of any Unit, delinquent assessments on the foreclosed Unit shall not be re-allocated to other Co-Owners. There shall be no obligation for Co-Owners to pay the delinquent assessments for other Units

#### Receipt:

Please acknowledge your receipt of this Supplemental Disclosure Statement, the First, and Second Amendments to the Master Deed of the Village at Plum Grove by signing in the space provided below, or provide an email response to your sales representative acknowledging receipt.

#### SUPPLEMENT TO DISCLOSURE STATEMENT AND AMENDMENTS RECEIVED

By:		
Printed Name: _		
Date:		

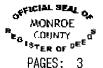
## EXHIBIT A

First Amendment and Second Amendment to Master Deed and Bylaws (see attached)



AMENDMENT

RECORDED ON 01/17/2007 11:57:37AM
GERI ALLEN - REGISTER OF DEEDS
HONROE COUNTY, NI
RECORDING: 20.00



# FIRST AMENDMENT TO MASTER DEED AND BYLAWS THE VILLAGE AT PLUM GROVE

This First Amendment to Master Deed is made on January  $1\underline{\cancel{b}}$ , 2007 by RSG Development, LLC, a Michigan limited liability company, whose address is 2864 Carpenter Road, Suite 300, Ann Arbor, Michigan 48108 ("Developer").

#### **RECITALS**

- A. Developer established The Village at Plum Grove ("Condominium"), Monroe County Condominium Subdivision Plan No. 85, by recording a Master Deed, Bylaws and Condominium Subdivision Plan on November 9, 2006 in Liber 3181, Page 674, Monroe County Records ("Master Deed").
- B. Pursuant to the provisions of the Master Deed and the Michigan Condominium Act, Developer as Co-Owner of all of the Units of the Condominium wishes to amend the Master Deed and the Bylaws to provide that (i) the exterior garage lights including but not limited to fixtures and light bulbs are Limited Common Elements, and (ii) the Association may enter into a service contract with the Community Association or a third party to serve as collection agent and to provide other services to the Association.

**NOW, THEREFORE**, the Master Deed and Bylaws are hereby amended as follows:

- 1. Garage Doors; Garage Door Openers; Garage Lighting. Section 4.2.5 of the Master Deed is deleted and restated in its entirety as follows:
  - 4.2.5 <u>Garage Doors; Garage Door Openers; Garage Lighting</u>. Each garage door and its hardware including garage door openers and all garage lighting including fixtures and light bulbs shall be limited in use to the Co-Owner of the Unit served thereby.
- 2. **Community Facilities.** The second to last sentence of Section 4.3 of the Master Deed is deleted and restated as follows: "The Owners of Units in The Village will be assessed charges for maintenance of the Community Facilities directly by the Community Association."
- 3. Garage Doors; Garage Door Openers; Garage Lighting. Section 4.4.1.3 of the Master Deed is deleted and restated in its entirety as follows:

- 4.4.1.3 <u>Garage Doors; Garage Door Openers; Garage Lighting</u>. Each Co-Owner shall be responsible for the cost of insurance, maintenance, repair and replacement of the garage door, garage door openers, interior and exterior garage lighting including fixtures and light bulbs, and all other related fixtures and equipment pertaining to the garage appurtenant to such Co-Owner's Unit. The materials and colors of garage doors must be approved in advance by the Association (and the Developer during the Construction and Sales Period).
- 4. **Utility Costs.** Section 4.4.1.7 of the Master Deed is deleted and restated in its entirety as follows:
  - 4.4.1.7 <u>Utility Costs</u>. Each Co-Owner shall be responsible for the cost of utilities serving such Co-Owner's Unit and appurtenant Limited Common Elements, except as otherwise provided in Section 4.1.6.
- 5. **Association Responsibilities.** Section 4.4.2 of the Master Deed is amended to add the following provision at the end of the original Section 4.4.2:

The Association may enter into a service contract with either the Community Association or a third party for performance of all or a portion of the administration, operation, repair, replacement and maintenance responsibilities of the Association. In such event the Association shall reimburse the Community Association or third party for the cost of such administration, operation, repair, replacement and maintenance as set forth in the service contract, which cost shall be an expense of administration of the Project and assessed to the Co-Owners as described in Article 2 of the Bylaws. The Association may also include in the service contract designation of the Community Association or such third party as the collection agent for the Association. In that case, the Community Association or third party shall collect on behalf of the Association the assessments of Units provided in this Master Deed and the Bylaws, and shall remit the amount collected to the Association less any administration fee provided in the service contract.

- 6. **Assessments of the Community Association**. Section 2.2.3 of the Bylaws is deleted and restated in its entirety as follows:
  - 2.2.3 Assessments of the Community Association; Service Contract. Each Owner of a Unit in the Condominium is also a member of the Community Association. The Village, The Park and The Estates are the neighborhoods in the Community. The Community Association has responsibility for administration, insurance, maintenance, repair and replacement of Community Facilities as described in the Community Declaration. The Community Association shall assess the Owners of Units in the Condominium directly, along with owners of units in The Park and owners of lots in The Estates, pro rata for the costs of such administration, insurance, maintenance, repair and replacement of the Community Facilities, which assessments shall be a cost of administration of the Project and collected from the Owners as set forth in these Bylaws and the Community Declaration.

The Community Association shall have a lien for such charges against each Owner's Unit as set forth in the Community Declaration. By acceptance of a title to a Unit, each Co-Owner covenants and agrees to pay to the Association or the Community Association for the benefit of the Community Association: (a) all annual assessments or charges when due under the Community Declaration; (b) special assessments, if any, for capital improvements to be established and collected as set forth in the Community Declaration; and (c) any other charges or assessments as set forth in the Community Declaration. The Association and either the Community Association or a third party may enter into a service contract pertaining to administration of the Project as described in Section 4.4.2 of the Master Deed.

7. **Effect of Amendment**. The Master Deed and Bylaws as amended by this Amendment continue in full force and effect. Capitalized terms not otherwise defined in this Amendment shall have the meaning set forth in the Master Deed and the Bylaws, as applicable. The provisions of this Amendment shall supersede any contrary provisions in the Master Deed and the Bylaws.

> RSG Development, LLC, a Michigan limited liability company

Its: Authorized Agent

STATE OF MICHIGAN **COUNTY OF WASHTENAW** 

Acknowledged before me on January/ 2007, by Todd W. Griffin, Authorized Agent of RSG Development, LLC, a Michigan limited liability company, on behalf of the company.

Sandra Sorini Elser Notary Public

Washtenaw County, Michigan

Acting in Washtenaw County, Michigan My Commission Expires: \_\_\_\_

PREPARED BY AND WHEN **RECORDED RETURN TO:** Sandra Sorini Elser (P36305) **BODMAN LLP** 401 East Liberty, Suite 400 Ann Arbor, Michigan 48104 (734) 761-3780



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ANNAMARIE OSMENT
OFFICIAL SEAL OF
MONROE COUNTY, MI
PAGES: 16

## SECOND AMENDMENT TO MASTER DEED THE VILLAGE AT PLUM GROVE

This Second Amendment to Master Deed ("Amendment") is made on February /2, 2021 by RSG Development, LLC, a Michigan limited liability company ("Developer"), whose address is 2864 Carpenter Road, Suite 300, Ann Arbor, Michigan 48108, pursuant to the provisions of the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended (the "Act").

#### RECITALS

- A. Developer established The Village at Plum Grove, Monroe County Condominium Subdivision Plan No. 85 ("Condominium"), by recording a Master Deed, Bylaws and Condominium Subdivision Plan on November 9, 2006 in Liber 3181, Page 674, Monroe County Records, as amended by First Amendment to Master Deed recorded on January 17, 2007 as Instrument No.: 2007RO1334, Monroe County Records (collectively, the "Master Deed").
- B. Developer has reserved the right pursuant to Article 7 of the Master Deed to amend the Master Deed.
- C. Developer desires to amend the Master Deed to clarify the dimensions of certain units in the Condominium and update certain provisions of the Master Deed regarding re-allocation of delinquent assessments on Co-Owner Units in accordance with updates to the Act.

#### **AMENDMENT**

The Master Deed is amended as follows:

- 1. **First Amendment**. Exhibit B to the Master Deed is hereby amended to substitute and incorporate new and revised sheets 1, 6, 7, 13, 14, 15 and 16 attached to this Amendment as <u>Exhibit B</u> entitled "Exhibit B Second Amendment to the Master Deed, First Amendment to The Village at Plum Grove"
- 2. Liability of Mortgagee. Section 2.6 of the Bylaws is hereby deleted and replaced with the following:
- "Section 2.6 <u>Liability or Mortgagee and Co-Owners</u>. Notwithstanding any other provision 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. Pursuant to Section 108 of the Act, in the event of a foreclosure of any Unit, delinquent assessments on the foreclosed Unit shall

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not be re-allocated to other Co-Owners. There shall be no obligation for Co-Owners to pay the delinquent assessments for other Units."

3. **Effect of Amendment**. The Master Deed as amended by this Amendment continues in full force and effect. The terms of this Amendment supersede any contrary provisions in the Master Deed. Capitalized terms not otherwise defined in this Amendment shall have the meaning set forth in the Master Deed.

No Land or Units are being added or withdrawn by this Amendment, therefore no tax certification by Monroe County is required.

[signatures on following page]

#### **DEVELOPER**

RSG DEVELOPMENT, LLC, a Michigan limited liability company

By: Alle Ceuolini
Its: Managel

STATE OF MICHIGAN

)ss.

COUNTY OF Washteraw

Acknowledged before me on February 17, 2021 by Natalie Cecanin, the of RSG Development, LLC, a Michigan limited liability company, on behalf of the

Robert Eugene Gullekson, Notary Public Wayne County, Michigan Acting in Washtenaw County, Michigan

My Commission Expires: Tone 10, 2024

PREPARED BY AND WHEN RECORDED RETURN TO:

Alexandra E. Dieck Bodman PLC 201 S. Division Street, Suite 400 Ann Arbor, MI 48104 ROBERT EUGENE GULLEKSON NOTARY PUBLIC, STATE OF MI COUNTY OF WAYNE MY COMMISSION EXPIRES Jun 10, 2024 ACTING IN COUNTY OF Wastellaw

# EXHIBIT B (see attached)

# MONROE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. \_85\_ EXHIBIT B SECOND AMENDMENT TO THE MASTER DEED, FIRST AMENDMENT TO THE VILLAGE AT PLUM GROVE

	INDEX OF SHEETS		
SHEET NO.	DESCRIPTION		
3			
*/	TITLE SHEET		
2	SURVEY PLAN		
3	WATER MAIN EASEMENT		
4	SANITARY SEWER EASEMENT		
5	PUBLIC UTILITY EASEMENT		
¥6	SITE PLAN		
*7	UTILITY PLAN		
*8	BASEMENT PLANS		
*9-*10	FLOOR PLANS		
*11-*12	BUILDING SECTIONS		
*13	BASEMENT PLANS (BLOG. 2 & 4)		
*14	FLOOR PLANS (BLDG. 2 & 4)		
#15-16	BUILDING SECTIONS (BLDG. 2 & 4)		

#### \* INDICATES REVISED OR ADDED SHEETS

#### LEGAL DESCRIPTION - PHASE ONE

LOT I OF PLUM GROVE PLAT ONE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 21 OF PLATS, PAGES 90-99, MONROE COUNTY RECORDS.

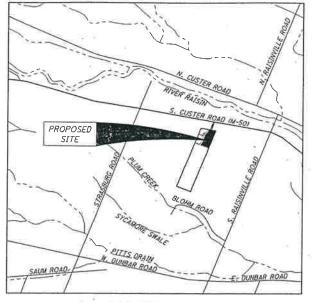
#### NOTE:

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THIS CONDOMINIUM SUBDIVISION PLAN IS NOT REQUIRED TO CONTAIN DETAILED PROJECT DESIGN PLANS PREPARED BY THE APPROPRIATE LICENSED DESIGN PROFESSIONAL. SUCH PROJECT DESIGN PLANS ARE FILED, AS PART OF THE CONSTRUCTION PERMIT APPLICATION, WITH THE ENFORCING AGENCY FOR THE STATE CONSTRUCTION CODE IN THE RELEVANT GOVERNMENTAL SUBDIVISION. THE ENFORCING AGENCY MAY BE A LOCAL BUILDING DEPARTMENT OR THE STATE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS.

## RAISINVILLE TOWNSHIP MONROE COUNTY, MICHIGAN



LOCATION MAP

#### DEVELOPER

GUENTHER BUILDING COMPANY 2864 CARPENTER RD. SUITE 300 ANN ARBOR, MICHIGAN 48108

#### ENGINEER

THE MANNIK & SMITH GROUP, INC. 1771 N. DIXIE HIGHWAY MONROE, MICHIGAN 48162

#### SURVEYOR

THE MANNIK & SMITH GROUP, INC. 237 NORTH MAIN ST. ADRIAN, MICHIGAN 49221

#### ARCHITECT

\* MEIER ARCHITECTS, PC 3467 WEST DELHI ROAD ANN ARBOR, MICHIGAN 48103

#### PLAN CERTIFICATION

I, KEVIN L. PICKFORD, HEREBY STATE THAT I AM A LICENSED PROFESSIONAL SURVEYOR OF THE STATE OF MICHIGAN, AND THAT THE SUBDIVISION PLAN KNOWN AS MONROE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 85, AS SHOWN ON THE ACCOMPANYING DRAWINGS, WAS PREPARED UNDER MY DIRECTION, AND THAT THE ATTACHED DRAWINGS OF THE BUILDINGS AND IMPROVEMENTS ARE AS PROPOSED.

0-2-12-2021 DATE

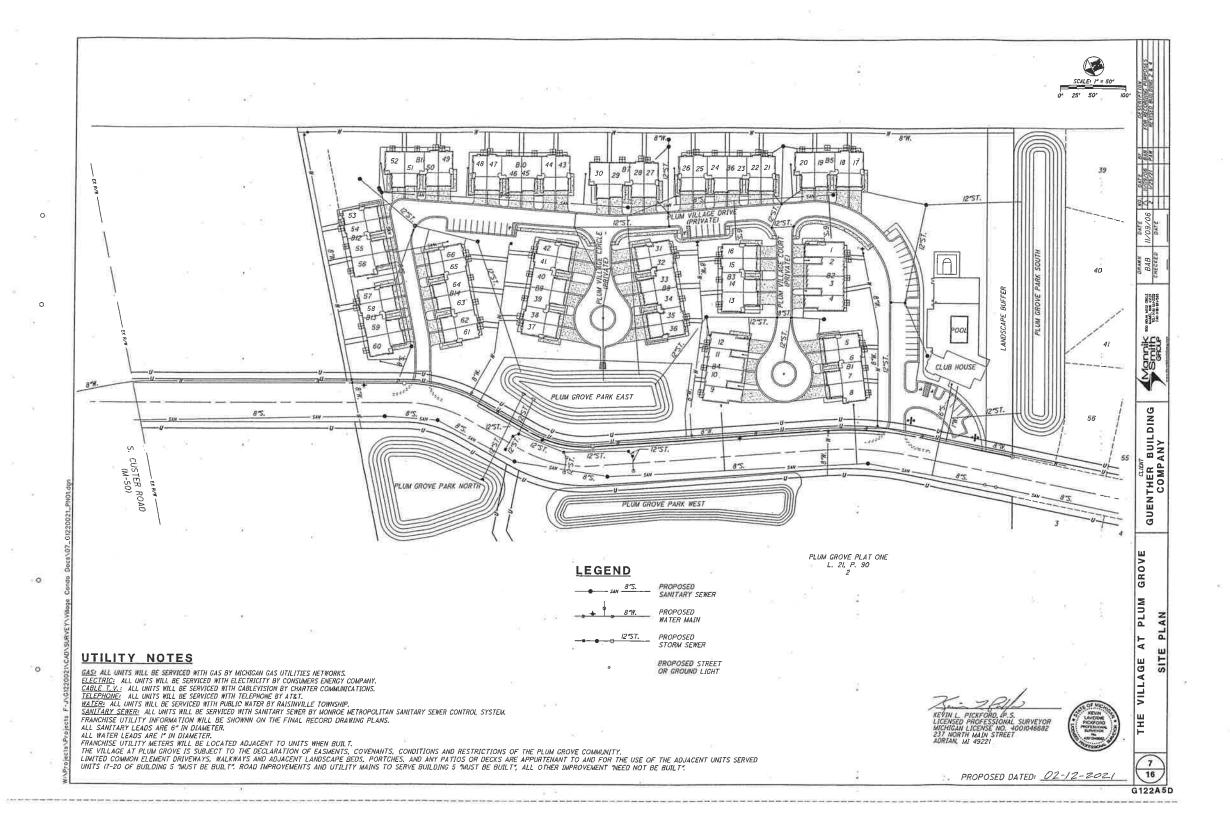
KEVIN L. PICKFORD, P.S. LICENSED PROFESSIONAL SURVEYOR MICHIGAN LICENSE NO.4001046682 237 NORTH MAIN STREET ADRIAN, MI 49221

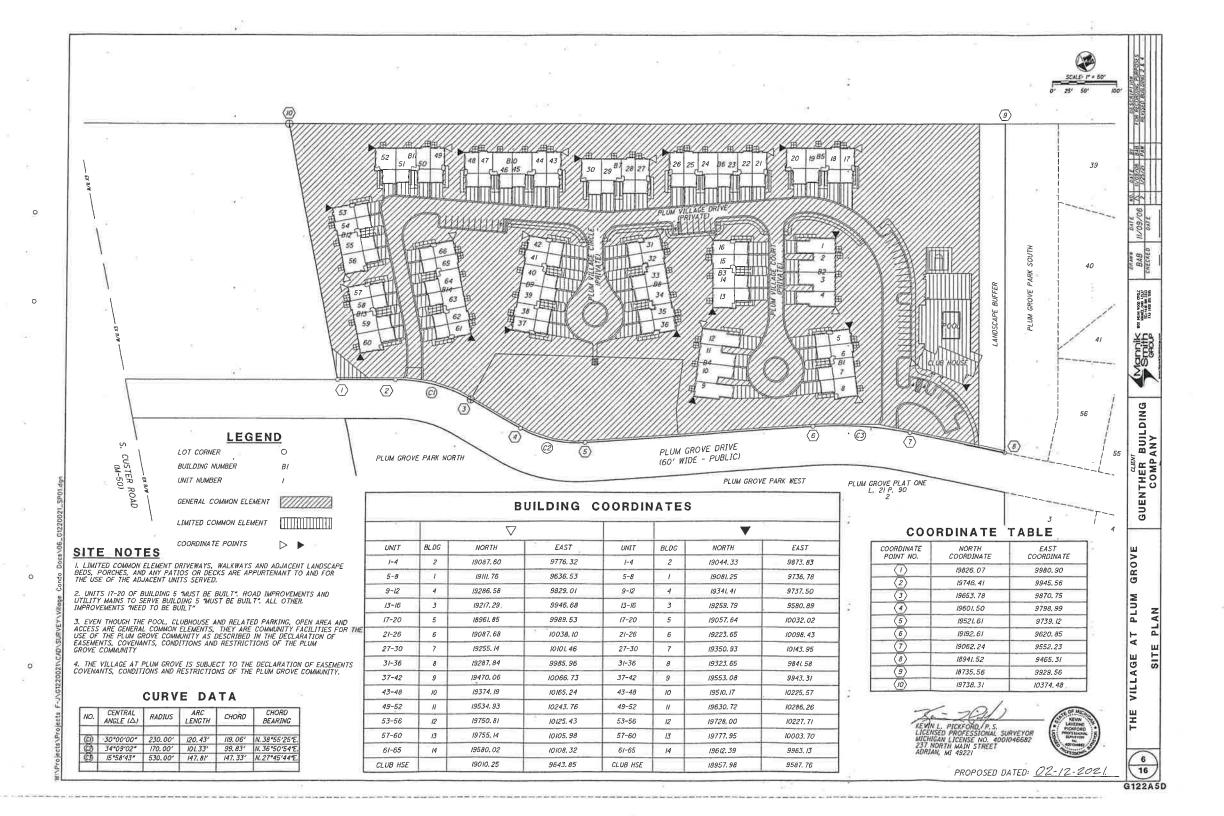
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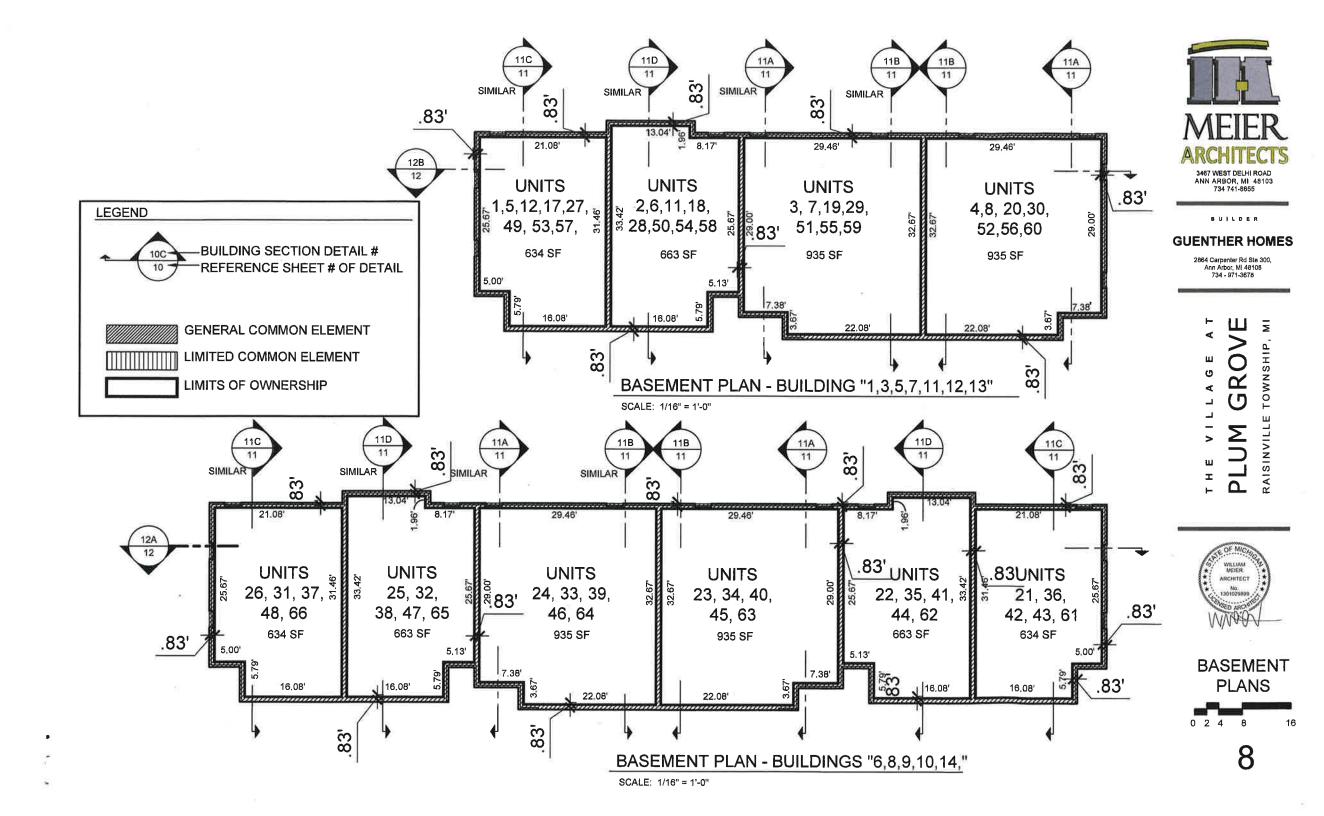
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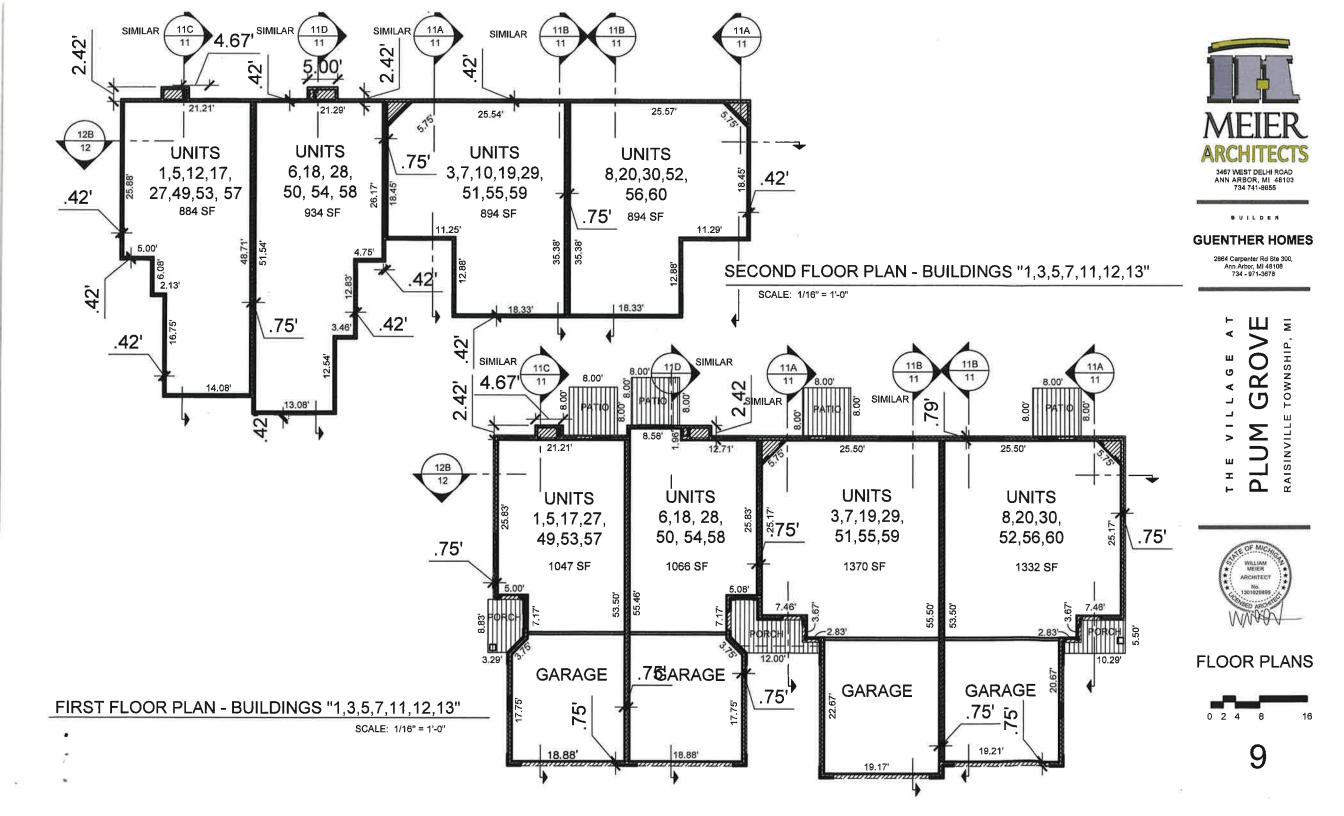
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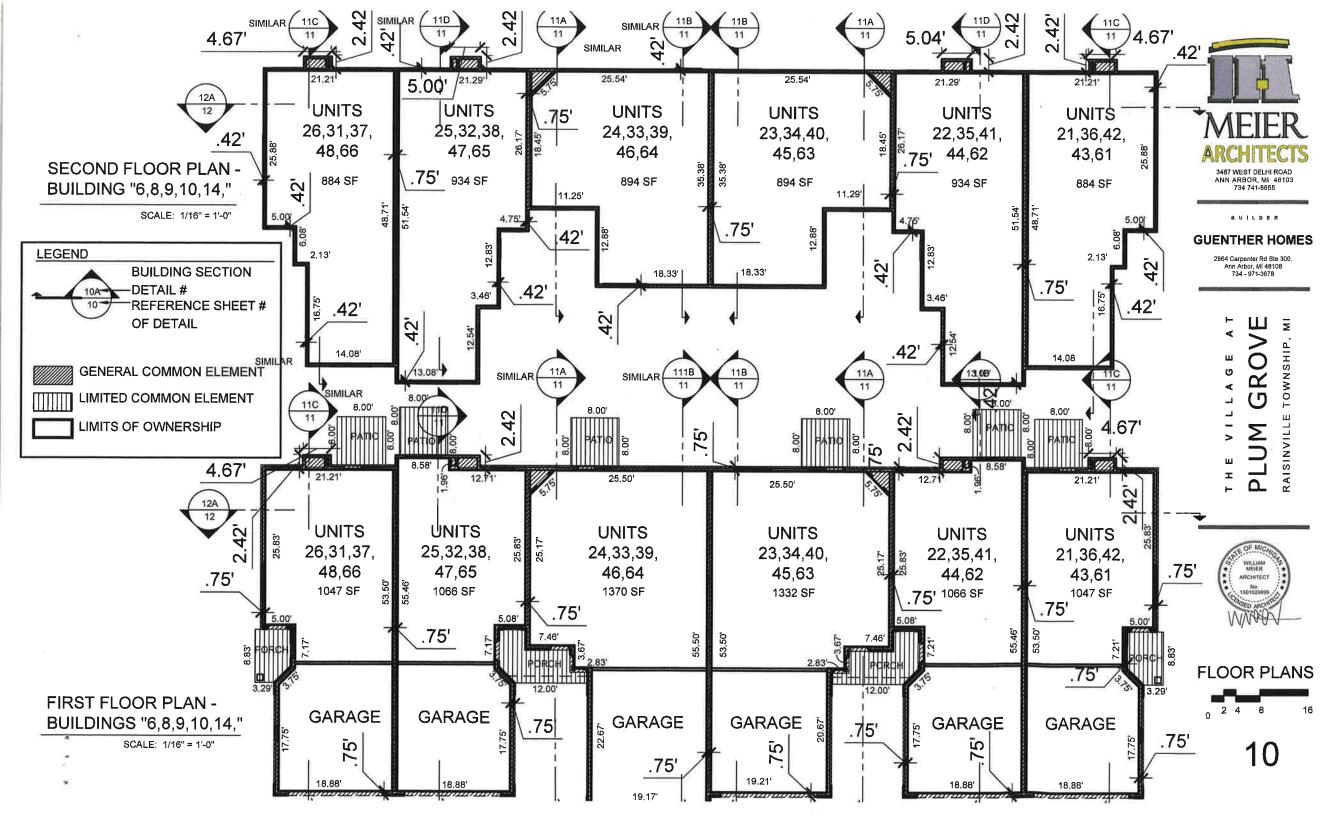
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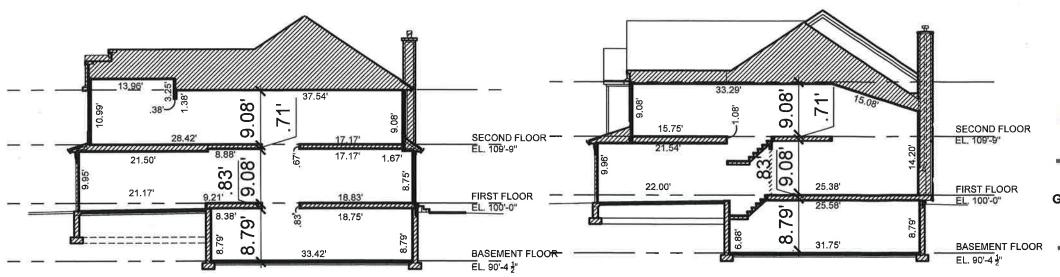


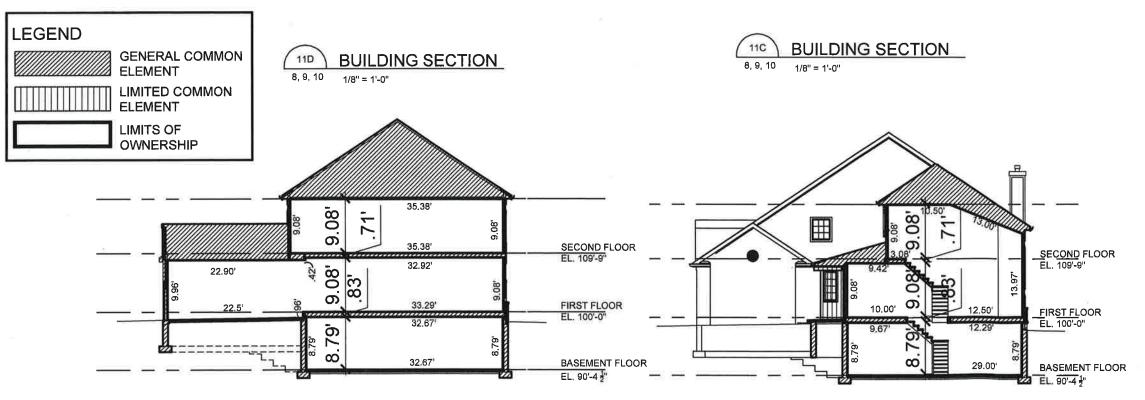


















BUILDER

#### **GUENTHER HOMES**

2864 Carpenter Rd Ste 300, Ann Arbor, MI 48108 734 - 971-3678

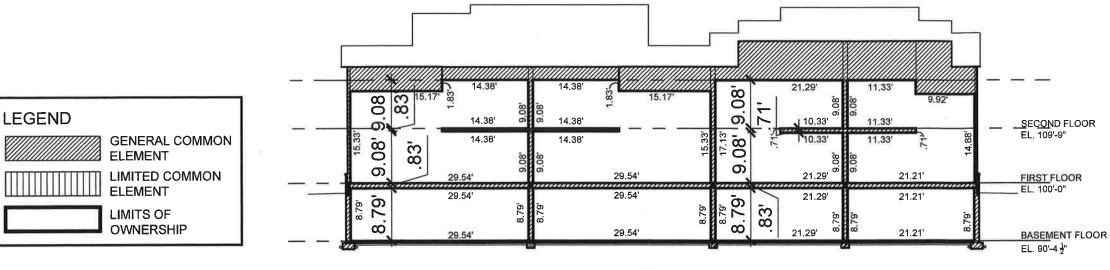
PLUM GROVE



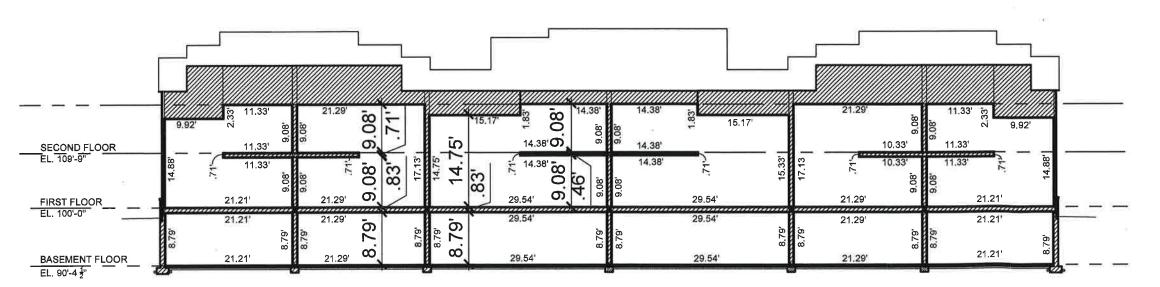
SECTIONS



1



BUILDING SECTION
8, 9, 10 1/16" = 1'-0"







BUILDER

#### **GUENTHER HOMES**

2864 Carpenter Rd Ste 300, Ann Arbor, Mi 48108 734 - 971-3678

PLUM GROVE



BUILDING SECTIONS



12



BUILDER

#### **GUENTHER HOMES**

2864 Carpenter Rd Ste 300, Ann Arbor, MI 48108 734 - 971-3678

734 - 971-3678

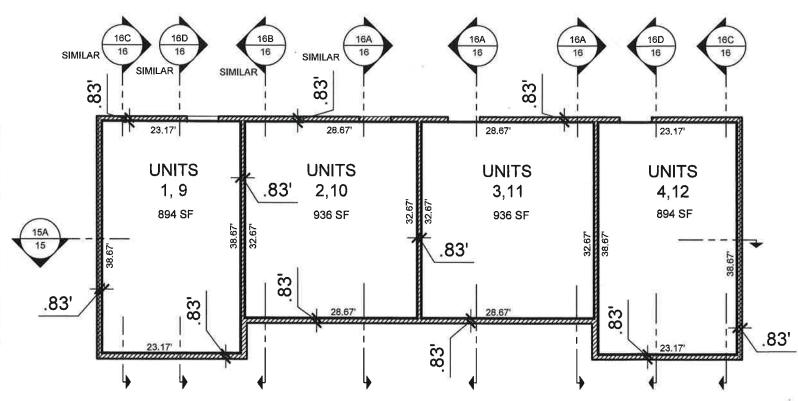
UM GROVE



4







BASEMENT PLAN - BUILDING "1,2,3,4,9,10,11,12"

SCALE: 1/16" = 1'-0"

**LEGEND** 

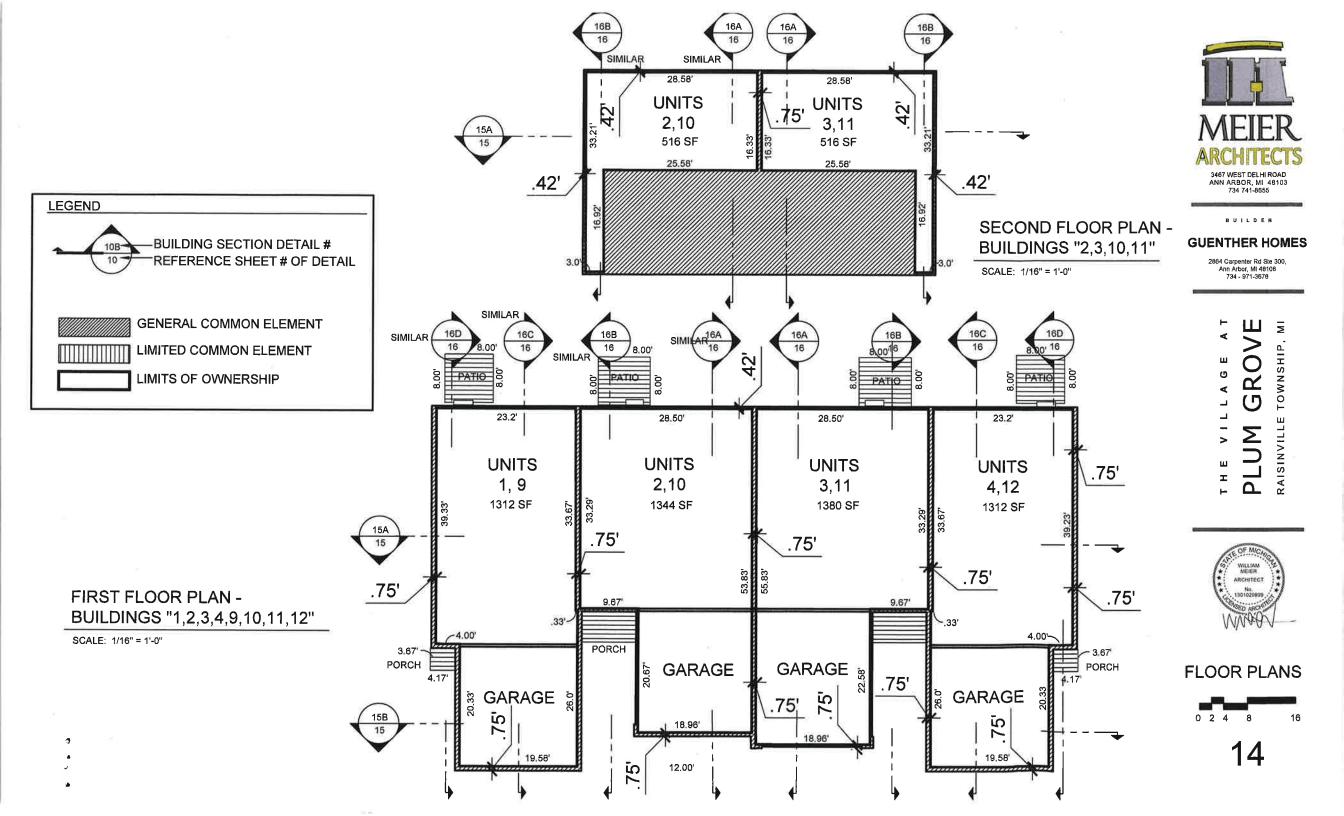
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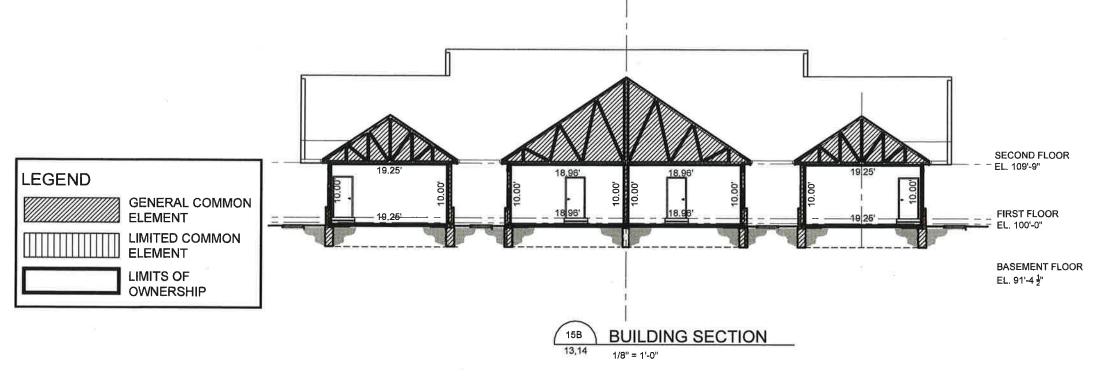
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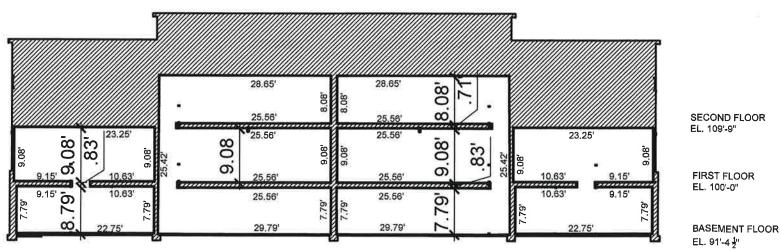
LIMITED COMMON ELEMENT

LIMITS OF OWNERSHIP

REFERENCE SHEET # OF DETAIL











3467 WEST DELHI ROAD ANN ARBOR, MI 48103 734 741-8655

# GUENTHER HOMES

2864 Carpenter Rd Ste 300, Ann Arbor, MI 48108 734 - 971-3678

PLUM GROVE

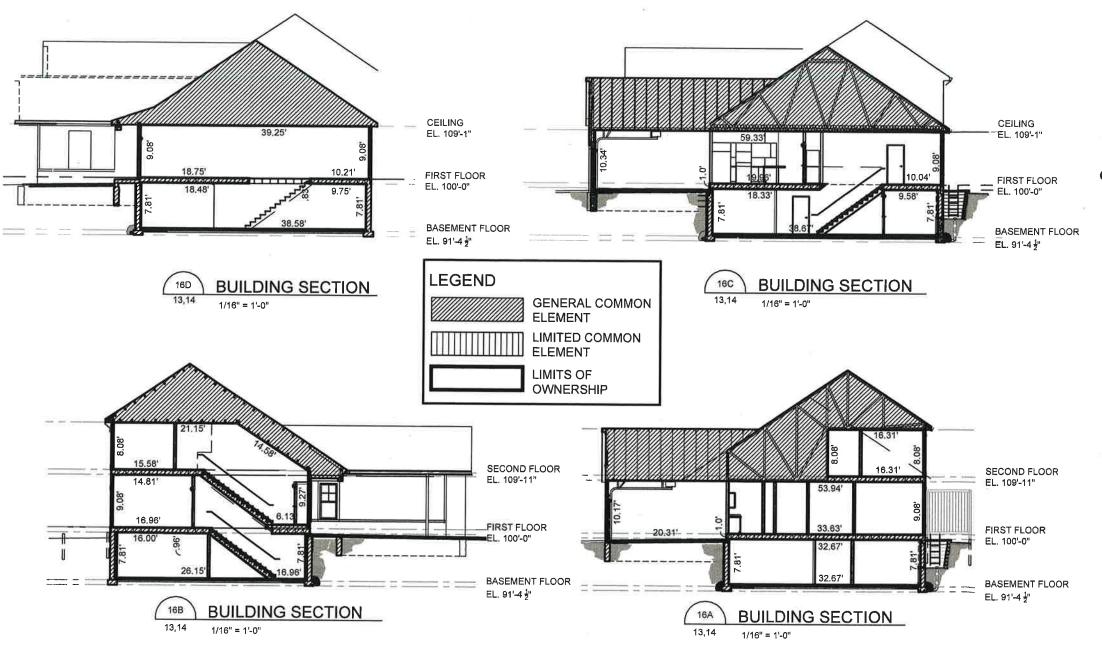
NMOL



BUILDING SECTIONS



15





BUILDER

#### **GUENTHER HOMES**

2864 Cerpenter Rd Ste 300, Ann Arbor, MI 48108 734 - 971-3678

PLUM GROVE
RAISINVILLE TOWNSHIP, MI



BUILDING SECTIONS





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OFFICIAL SEAL OF
MONROE COUNTY, MI
PAGES: 16

# SECOND AMENDMENT TO MASTER DEED THE VILLAGE AT PLUM GROVE

This Second Amendment to Master Deed ("Amendment") is made on February /2, 2021 by RSG Development, LLC, a Michigan limited liability company ("Developer"), whose address is 2864 Carpenter Road, Suite 300, Ann Arbor, Michigan 48108, pursuant to the provisions of the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended (the "Act").

# RECITALS

- A. Developer established The Village at Plum Grove, Monroe County Condominium Subdivision Plan No. 85 ("Condominium"), by recording a Master Deed, Bylaws and Condominium Subdivision Plan on November 9, 2006 in Liber 3181, Page 674, Monroe County Records, as amended by First Amendment to Master Deed recorded on January 17, 2007 as Instrument No.: 2007RO1334, Monroe County Records (collectively, the "Master Deed").
- B. Developer has reserved the right pursuant to Article 7 of the Master Deed to amend the Master Deed.
- C. Developer desires to amend the Master Deed to clarify the dimensions of certain units in the Condominium and update certain provisions of the Master Deed regarding re-allocation of delinquent assessments on Co-Owner Units in accordance with updates to the Act.

# **AMENDMENT**

The Master Deed is amended as follows:

- 1. **First Amendment**. Exhibit B to the Master Deed is hereby amended to substitute and incorporate new and revised sheets 1, 6, 7, 13, 14, 15 and 16 attached to this Amendment as <u>Exhibit B</u> entitled "Exhibit B Second Amendment to the Master Deed, First Amendment to The Village at Plum Grove"
- 2. Liability of Mortgagee. Section 2.6 of the Bylaws is hereby deleted and replaced with the following:
- "Section 2.6 <u>Liability or Mortgagee and Co-Owners</u>. Notwithstanding any other provision 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. Pursuant to Section 108 of the Act, in the event of a foreclosure of any Unit, delinquent assessments on the foreclosed Unit shall

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not be re-allocated to other Co-Owners. There shall be no obligation for Co-Owners to pay the delinquent assessments for other Units."

3. **Effect of Amendment**. The Master Deed as amended by this Amendment continues in full force and effect. The terms of this Amendment supersede any contrary provisions in the Master Deed. Capitalized terms not otherwise defined in this Amendment shall have the meaning set forth in the Master Deed.

No Land or Units are being added or withdrawn by this Amendment, therefore no tax certification by Monroe County is required.

[signatures on following page]

# **DEVELOPER**

RSG DEVELOPMENT, LLC, a Michigan limited liability company

By: Alle Ceuolini
Its: Managel

STATE OF MICHIGAN

)ss.

COUNTY OF Washteraw

Acknowledged before me on February 17, 2021 by Natalie Cecanin, the of RSG Development, LLC, a Michigan limited liability company, on behalf of the

Robert Eugene Gullekson, Notary Public Wayne County, Michigan Acting in Washtenaw County, Michigan

My Commission Expires: Tone 10, 2024

PREPARED BY AND WHEN RECORDED RETURN TO:

Alexandra E. Dieck Bodman PLC 201 S. Division Street, Suite 400 Ann Arbor, MI 48104 ROBERT EUGENE GULLEKSON NOTARY PUBLIC, STATE OF MI COUNTY OF WAYNE MY COMMISSION EXPIRES Jun 10, 2024 ACTING IN COUNTY OF Wastellaw

# EXHIBIT B (see attached)

# MONROE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. \_85\_ EXHIBIT B SECOND AMENDMENT TO THE MASTER DEED, FIRST AMENDMENT TO THE VILLAGE AT PLUM GROVE

	INDEX OF SHEETS
SHEET NO.	DESCRIPTION
3	
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*13	BASEMENT PLANS (BLDG, 2 & 4)
*14	FLOOR PLANS (BLDG. 2 & 4)
#15-16	BUILDING SECTIONS (BLDG. 2 & 4)

#### \* INDICATES REVISED OR ADDED SHEETS

#### LEGAL DESCRIPTION - PHASE ONE

LOT I OF PLUM GROVE PLAT ONE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 21 OF PLATS, PAGES 90-99, MONROE COUNTY RECORDS.

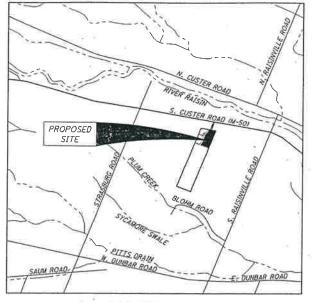
#### NOTE:

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THIS CONDOMINIUM SUBDIVISION PLAN IS NOT REQUIRED TO CONTAIN DETAILED PROJECT DESIGN PLANS PREPARED BY THE APPROPRIATE LICENSED DESIGN PROFESSIONAL. SUCH PROJECT DESIGN PLANS ARE FILED, AS PART OF THE CONSTRUCTION PERMIT APPLICATION, WITH THE ENFORCING AGENCY FOR THE STATE CONSTRUCTION CODE IN THE RELEVANT GOVERNMENTAL SUBDIVISION. THE ENFORCING AGENCY MAY BE A LOCAL BUILDING DEPARTMENT OR THE STATE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS.

# RAISINVILLE TOWNSHIP MONROE COUNTY, MICHIGAN



LOCATION MAP

## DEVELOPER

GUENTHER BUILDING COMPANY 2864 CARPENTER RD. SUITE 300 ANN ARBOR, MICHIGAN 48108

#### ENGINEER

THE MANNIK & SMITH GROUP, INC. 1771 N. DIXIE HIGHWAY MONROE, MICHIGAN 48162

#### SURVEYOR

THE MANNIK & SMITH GROUP, INC. 237 NORTH MAIN ST. ADRIAN, MICHIGAN 49221

## ARCHITECT

\* MEIER ARCHITECTS, PC 3467 WEST DELHI ROAD ANN ARBOR, MICHIGAN 48103

#### PLAN CERTIFICATION

I, KEVIN L. PICKFORD, HEREBY STATE THAT I AM A LICENSED PROFESSIONAL SURVEYOR OF THE STATE OF MICHIGAN, AND THAT THE SUBDIVISION PLAN KNOWN AS MONROE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 85, AS SHOWN ON THE ACCOMPANYING DRAWINGS, WAS PREPARED UNDER MY DIRECTION, AND THAT THE ATTACHED DRAWINGS OF THE BUILDINGS AND IMPROVEMENTS ARE AS PROPOSED.

0-2-12-2021 DATE

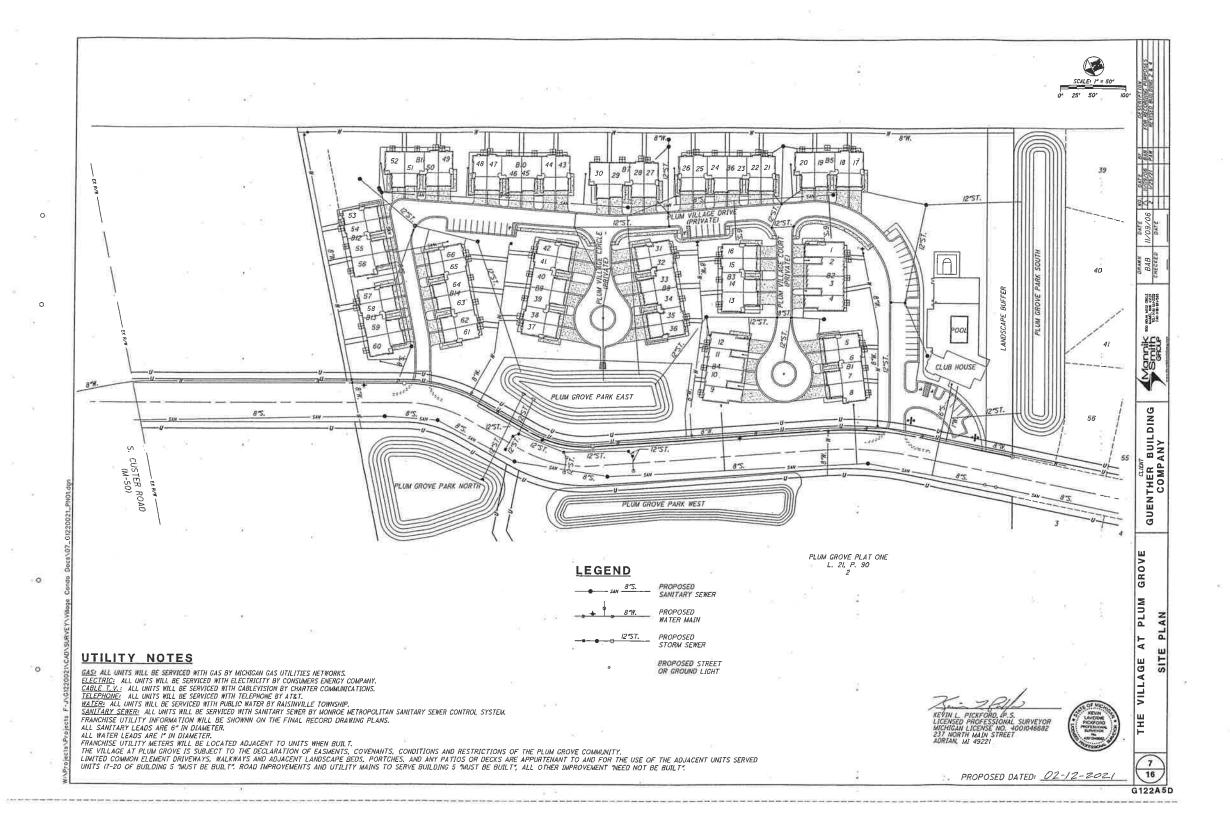
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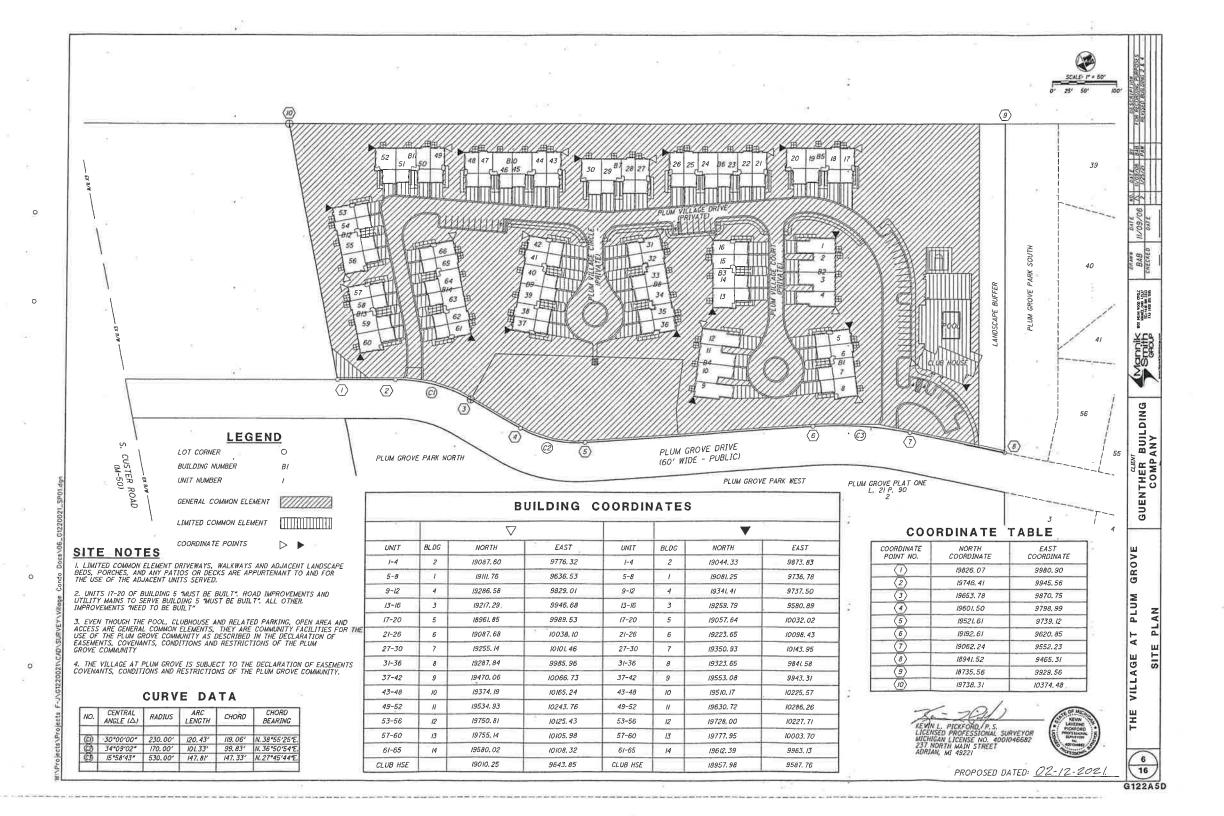
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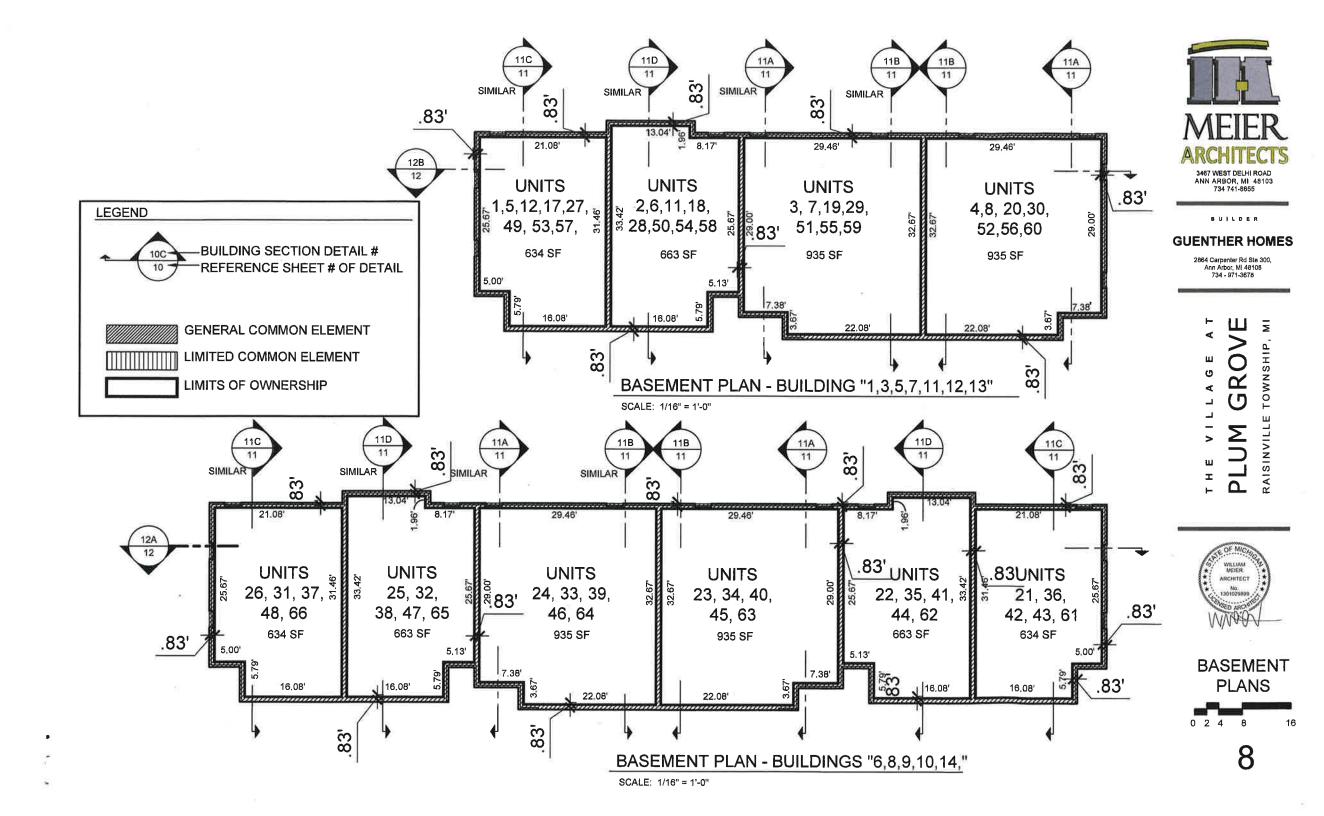
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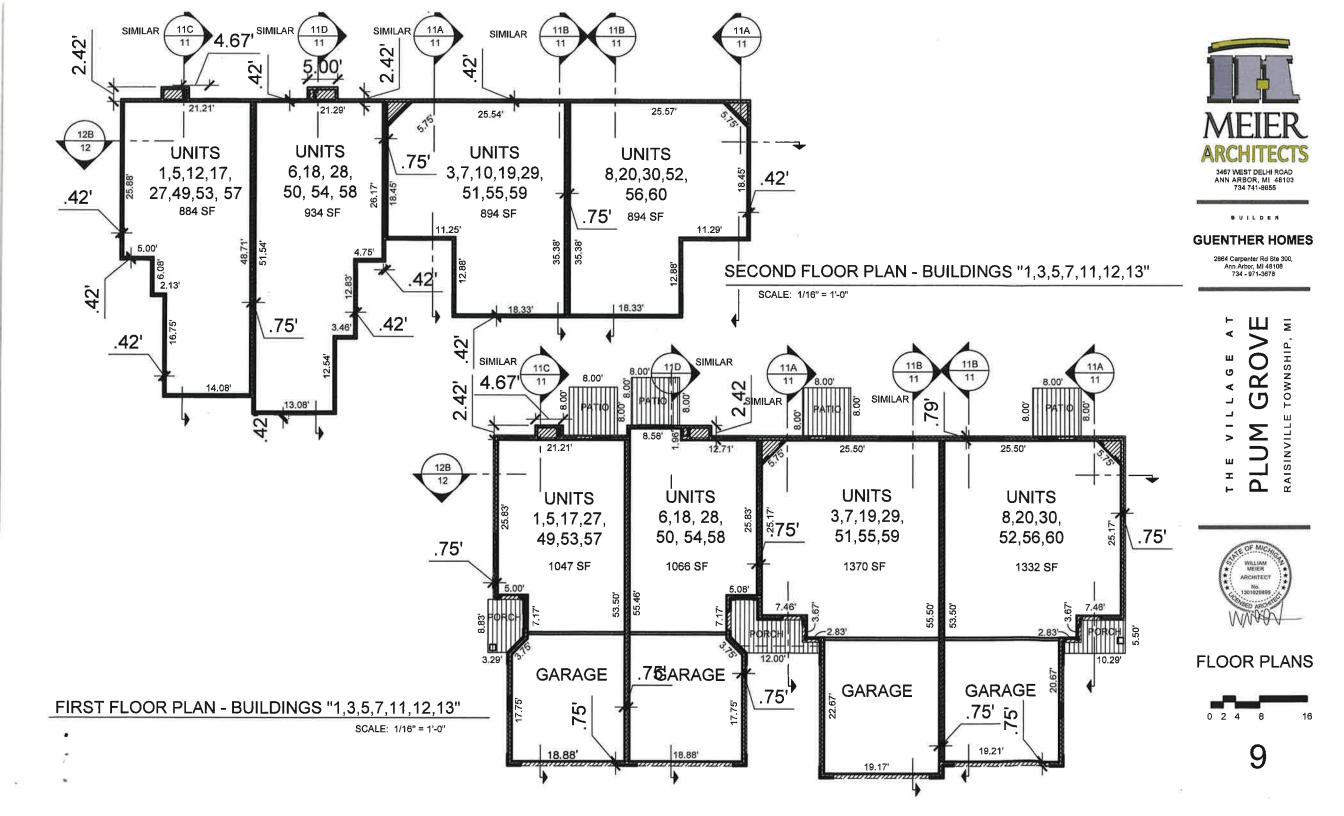
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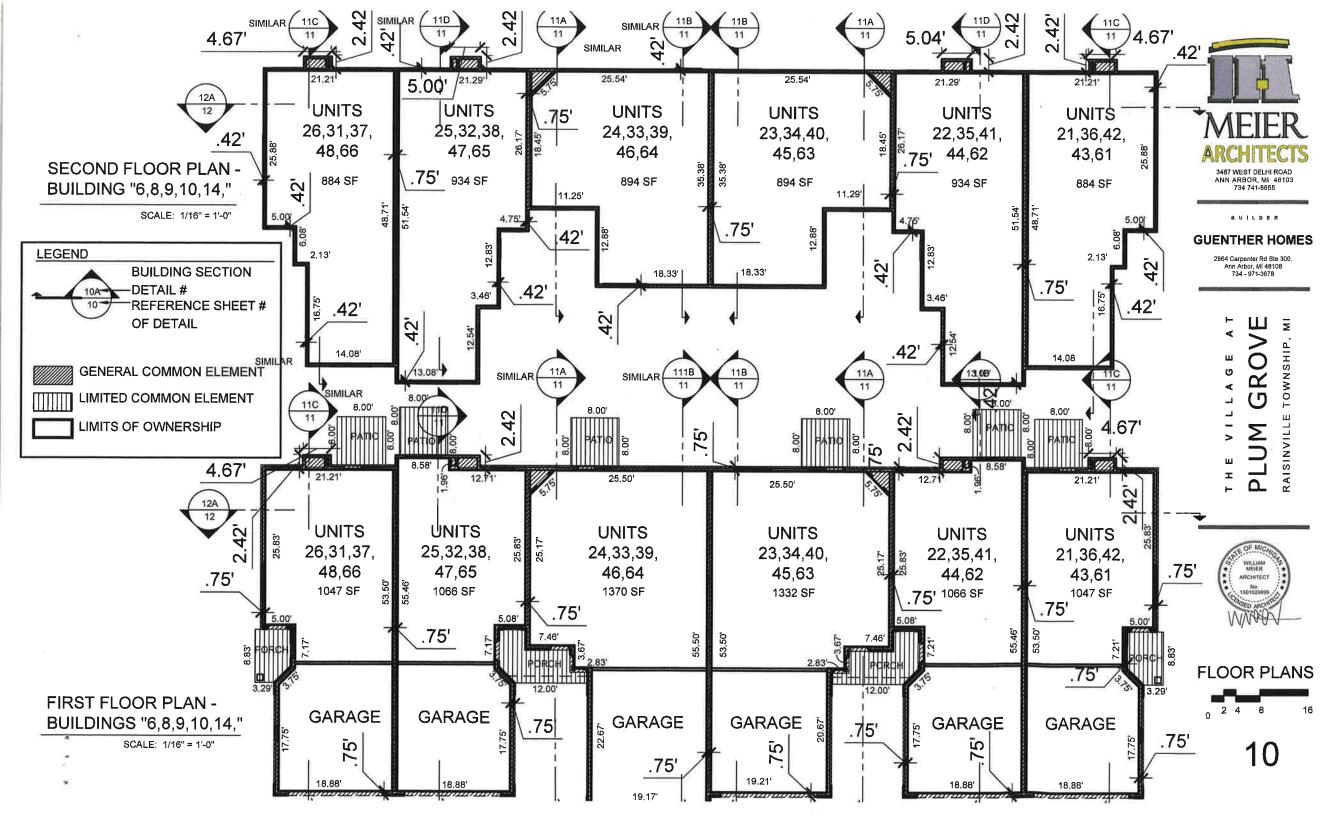
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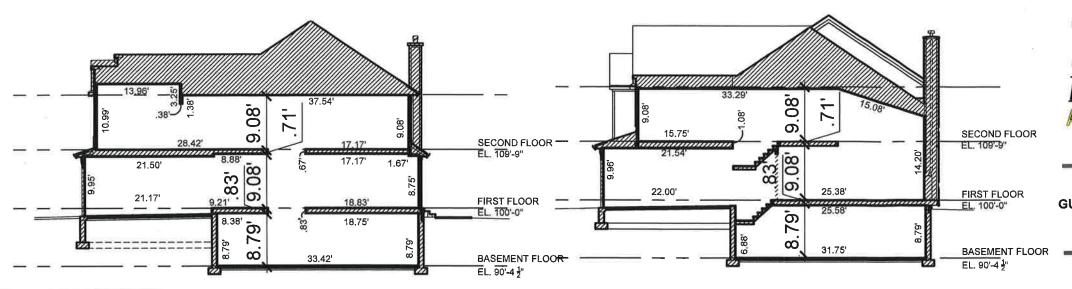


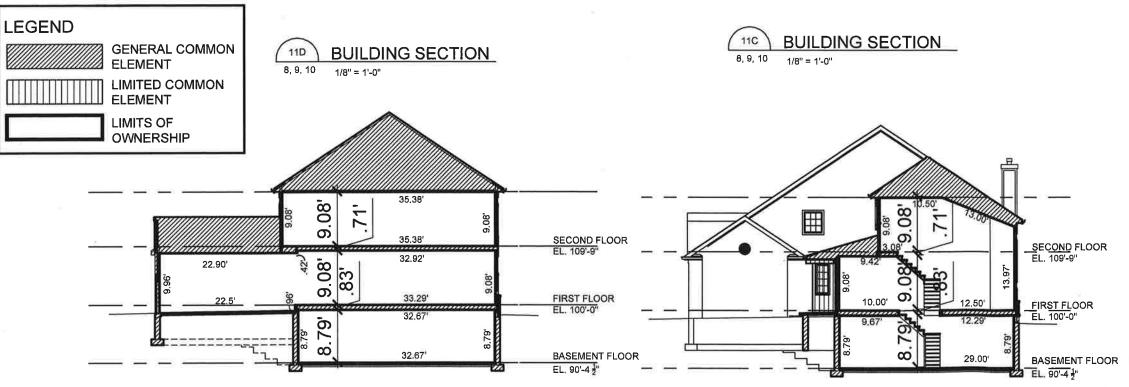












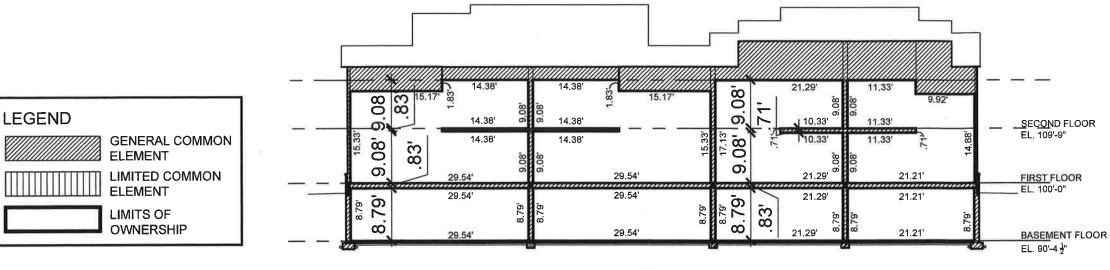




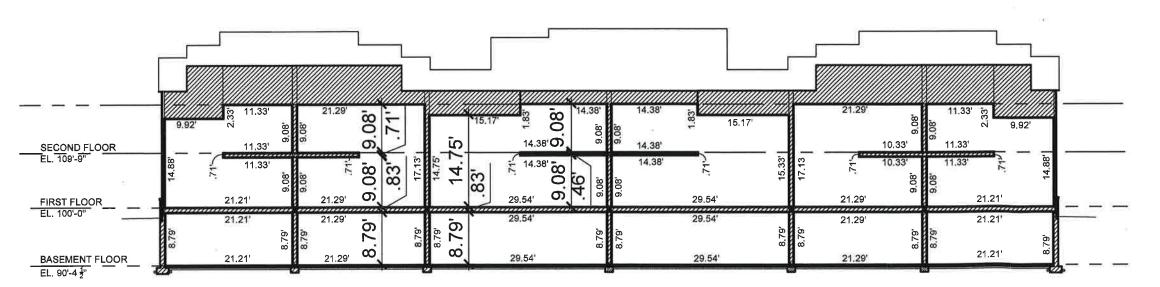




Δ.



BUILDING SECTION
8, 9, 10 1/16" = 1'-0"







BUILDER

# **GUENTHER HOMES**

2864 Carpenter Rd Ste 300, Ann Arbor, Mi 48108 734 - 971-3678

PLUM GROVE



BUILDING SECTIONS



12



BUILDER

# **GUENTHER HOMES**

2864 Carpenter Rd Ste 300, Ann Arbor, MI 48108 734 - 971-3678

734 - 971-3678

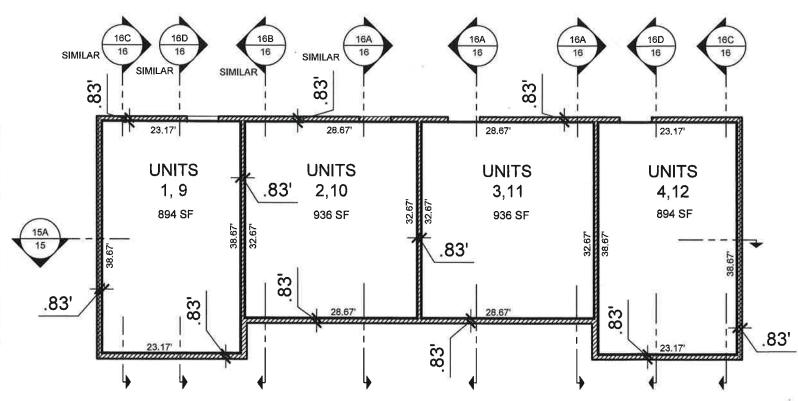
UM GROVE



4







BASEMENT PLAN - BUILDING "1,2,3,4,9,10,11,12"

SCALE: 1/16" = 1'-0"

**LEGEND** 

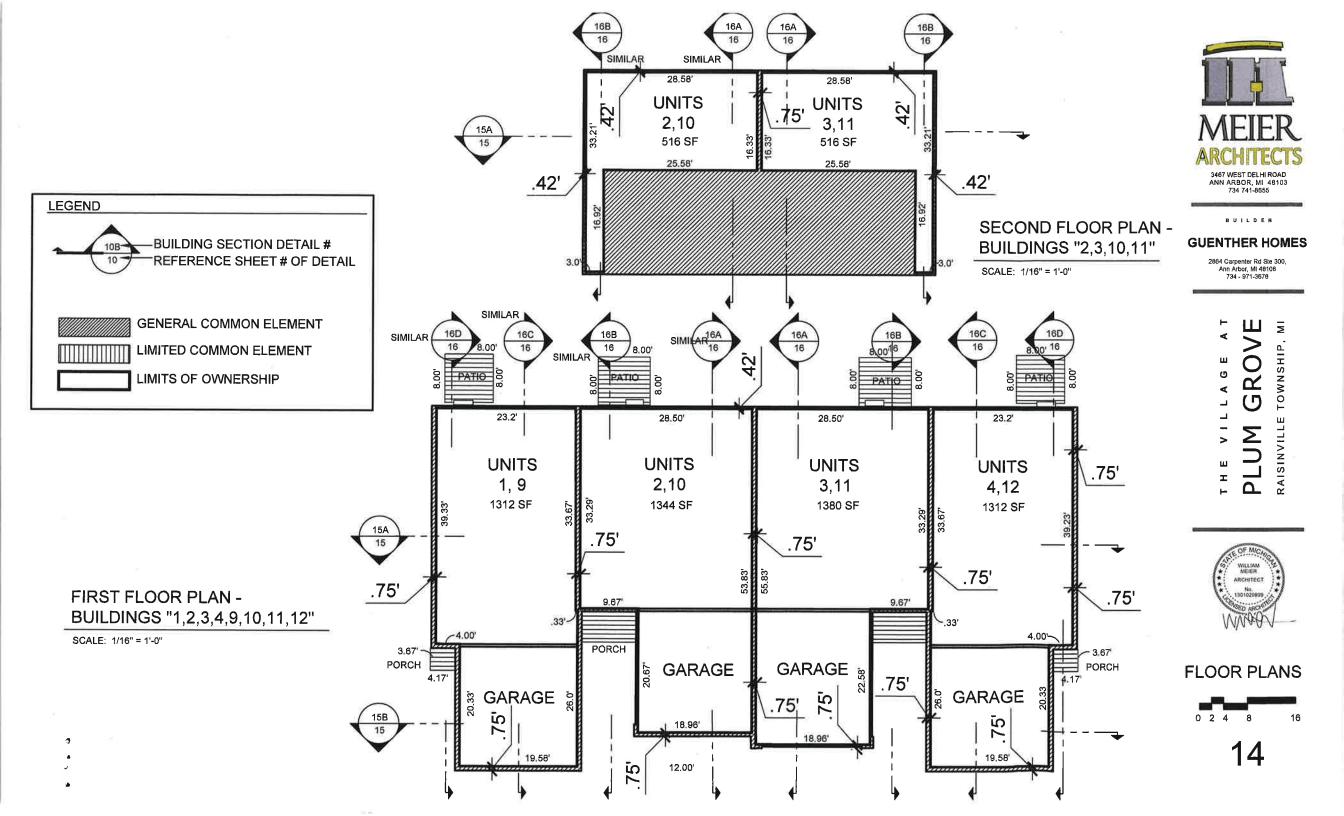
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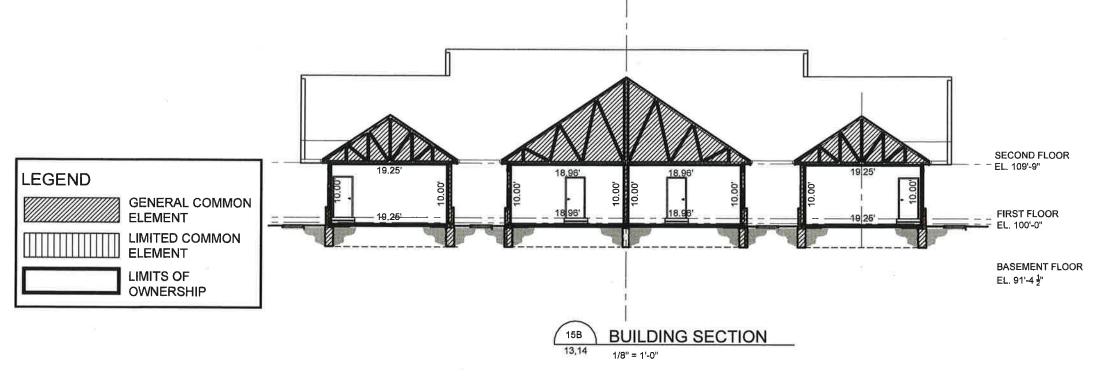
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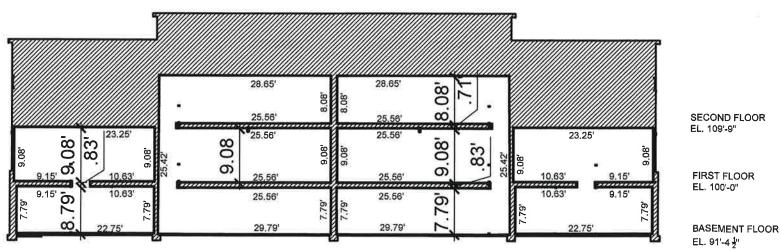
LIMITED COMMON ELEMENT

LIMITS OF OWNERSHIP

REFERENCE SHEET # OF DETAIL











3467 WEST DELHI ROAD ANN ARBOR, MI 48103 734 741-8655

# GUENTHER HOMES

2864 Carpenter Rd Ste 300, Ann Arbor, MI 48108 734 - 971-3678

PLUM GROVE

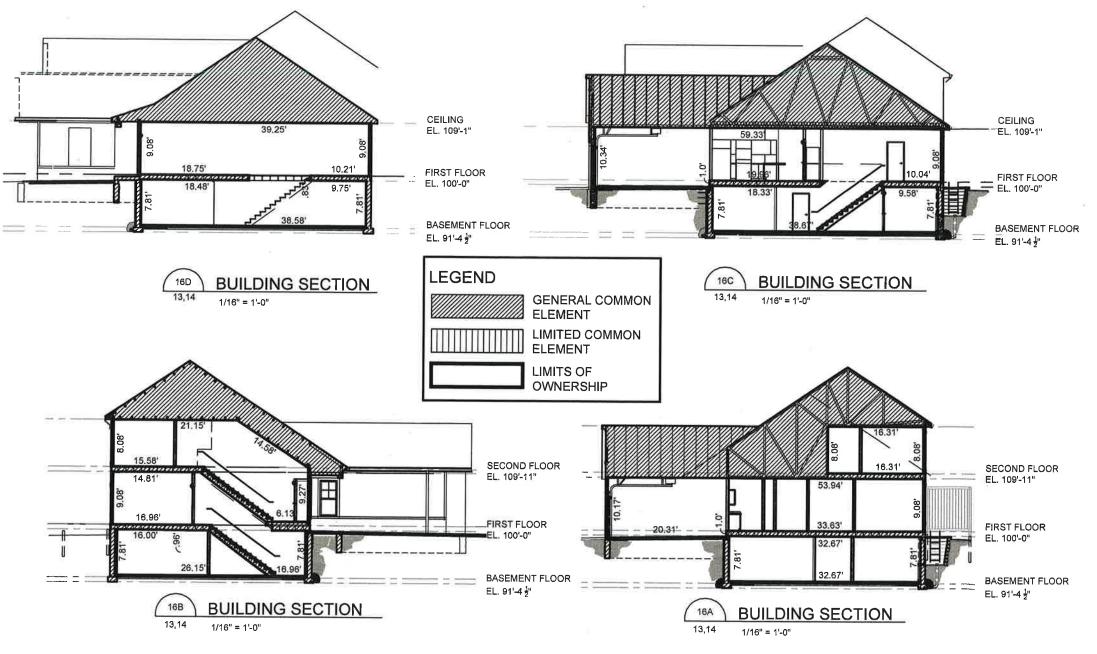
NMOL



BUILDING SECTIONS



15





BUILDER

# **GUENTHER HOMES**

2864 Cerpenter Rd Ste 300, Ann Arbor, MI 48108 734 - 971-3678

PLUM GROVE
RAISINVILLE TOWNSHIP, MI



BUILDING SECTIONS





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RECORDED: 12/01/2022 09:28 AM **ANNAMARIE OSMENT OFFICIAL SEAL OF** MONROE COUNTY, MI PAGES: 39

# THIRD AMENDMENT TO MASTER DEED THE VILLAGE AT PLUM GROVE

This Third Amendment to Master Deed ("Amendment") is made on October 27, 2022 by RSG Development, LLC, a Michigan limited liability company ("Developer"), whose address is 2864 Carpenter Road, Suite 300, Ann Arbor, Michigan 48108, pursuant to the provisions of the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended (the "Act").

# RECITALS

- Developer established The Village at Plum Grove, Monroe County Condominium Subdivision Plan No. 85 ("Condominium"), by recording a Master Deed, Bylaws and Condominium Subdivision Plan on November 9, 2006 in Liber 3181, Page 674, Monroe County Records, as amended by First Amendment to Master Deed recorded on January 17, 2007 as Instrument No.: 2007R01334, Monroe County Records, and as amended by Second Amendment to Master Deed recorded on March 19, 2021 as Instrument No.: 2021R07229 (collectively, the "Master Deed").
- B. Developer has reserved the right pursuant to Article 7 of the Master Deed to amend the Master Deed.
- C. Developer desires to amend the Master Deed to clarify the dimensions of certain units in the Condominium.

## AMENDMENT

The Master Deed is amended as follows:

- Third Amendment. Exhibit B to the Master Deed is hereby amended to substitute and incorporate new and revised sheets 1, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 attached to this Amendment as Exhibit B entitled "Exhibit B Third Amendment to the Master Deed, Second Amendment to The Village at Plum Grove"
- Effect of Amendment. The Master Deed as amended by this Amendment continues in full force and effect. The terms of this Amendment supersede any contrary provisions in the Master Deed. Capitalized terms not otherwise defined in this Amendment shall have the meaning set forth in the Master Deed.

No Land or Units are being added or withdrawn by this Amendment, therefore no tax certification by Monroe County is required.

[signatures on following page]

# **DEVELOPER**

RSG DEVELOPMENT, LLC, a Michigan limited liability company

Natalie Ceccolini

Its:

Manager

STATE OF MICHIGAN

COUNTY OF Washten aw

)ss.

Acknowledged before me on October <u>21th</u>, 2022, by Natalie Ceccolini, the Manager of RSG Development, LLC, a Michigan limited liability company, on behalf of the company.

Gallehan, Notary Public

County, Michigan

Acting in Julish tenau County, Michigan My Commission Expires: June 10, 2024

ROBERT EUGENE GULLEKSON NOTARY PUBLIC, STATE OF MI COUNTY OF WAYNE

MY COMMISSION EXPIRES Jun 10, 2024

ACTING IN COUNTY OF WASHERWAY

PREPARED BY AND WHEN **RECORDED RETURN TO:** 

Alexandra E. Dieck Bodman PLC 201 S. Division Street, Suite 400 Ann Arbor, MI 48104

# EXHIBIT B (see attached)

Parcel ID numbers: 13-447-001-00 through 13-447-066-00, inclusive.

# **EXHIBIT B**

# (see attached)

# Parcel ID Numbers:

13-447-001-00	13-447-041-00
13-447-002-00	13-447-042-00
13-447-003-00	13-447-043-00
13-447-004-00	13-447-044-00
13-447-005-00	13-447-045-00
13-447-006-00	13-447-046-00
13-447-007-00	13-447-047-00
13-447-008-00	13-447-048-00
13-447-009-00	13-447-049-00
13-447-010-00	13-447-050-00
13-447-011-00	13-447-051-00
13-447-012-00	13-447-052-00
13-447-013-00	13-447-053-00
13-447-014-00	13-447-054-00
13-447-015-00	13-447-055-00
13-447-016-00	13-447-056-00
13-447-017-00	13-447-057-00
13-447-018-00	13-447-058-00
13-447-019-00	13-447-059-00
13-447-020-00	13-447-060-00
13-447-021-00	13-447-061-00
13-447-022-00	13-447-062-00
13-447-023-00	13-447-063-00
13-447-024-00	13-447-064-00
13-447-025-00	13-447-065-00
13-447-026-00	13-447-066-00
13-447-027-00	
13-447-028-00	
13-447-029-00	
13-447-030-00	
13-447-031-00	
13-447-032-00	
13-447-033-00	
13-447-034-00	
13-447-035-00	
13-447-036-00	
13-447-037-00	
13-447-038-00	
13-447-039-00	
13-447-040-00	

# **EXHIBIT B**

(see attached)

# Parcel ID Numbers:

13-447-001-00	13-447-041-00
13-447-002-00	13-447-042-00
13-447-003-00	13-447-043-00
13-447-004-00	13-447-044-00
13-447-005-00	13-447-045-00
13-447-006-00	13-447-046-00
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13-447-018-00	13-447-058-00
13-447-019-00	13-447-059 <b>-</b> 00
13-447-020-00	13-447-060-00
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13-447-022-00	13-447-062-00
13-447-023-00	13-447-063-00
13-447-024-00	13-447-064-00
13-447-025-00	13-447-065-00
13-447-026-00	13-447-066-00
13-447-027-00	
13-447-028-00	
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13-447-030-00	
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13-447-032-00	
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13-447-034-00	
13-447-035-00	
13-447-036-00	
13-447-037-00	
13-447-038-00	
13-447-039-00	
13-447-040-00	

# MONROE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. \_85\_ EXHIBIT B THIRD AMENDMENT TO THE MASTER DEED. SECOND AMENDMENT TO THE VILLAGE AT PLUM GROVE

	INDEX OF SHEETS
SHEET NO.	DESCRIPTION
#1	TITLE SHEET
2	SURVEY PLAN
3	WATER MAIN EASEMENT
347	SANITARY SEWER EASEMENT
5	PUBLIC UTILITY EASEMENT
<b>#</b> 6	SILE PLAN
*7	UTILITY PLAN
*3, 10, 12, 14, 15, 8.18	BASEMENT PLANS
49, 11, 13, 15, 17, 819	FLOOR PLANS
#20-31, <b>4</b> 34	BUILDING SECTIONS
#8	BASEMENT PLANS IBLOG. 5, 7, 8 II)
*9	FLOOR PLANS (BLDG, 5, 7, 81))
≠1Q	BASEMENT PLANS (OLDG. 1, 2, 3, & 4)
•11	FLOOR PLANS MILDG. 1.2.3.840
*12	BASEMENT PLANS (BLOG. 12, 813)
#13	FLOOR PLANS (BLBG. 12,813)
<b>●</b> 14	BASEMENT PLANS (BLDG. 8)
<i>• 15</i>	FLOOR PLANS (BLOG. 6)
• 16	BASEMENT PLANS (BLOG. 10)
#/7	FLOOR PLANS (BLDG. 10)
# 18	BASEMENT PLANS (BLDG. 8)

#### . INDICATES REVISED OR ADDED SHEETS

+19

\*32

#33

## LEGAL DESCRIPTION - PHASE ONE

FLOGR PLANS (BLDG, 8) BASEMENT PLANS (BLDG, 9,814)

FLOOR PLANS IBLDG. 9,8141

LOT LOF PLUM GROVE PLAT ONE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 21 OF PLATS, PAGES 90-99, MONROE COUNTY RECORDS.

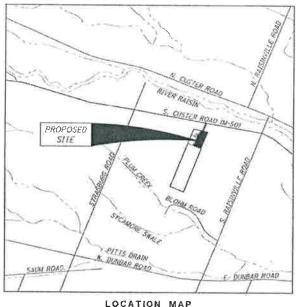
#### NOTE

5-8%

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THIS CONDOMINIUM SUBDIVISION PLAN IS NOT REQUIRED TO CONTAIN DETAILED PROJECT DESIGN PLANS PREPARED BY THE APPROPRIATE LICENSED DESIGN PROFESSIONAL, SUCH PROJECT DESIGN PLANS ARE FILED, AS PART OF THE CONSTRUCTION PERMIT APPLICATION, WITH THE ENFONCING AGENCY FOR THE STATE CONSTRUCTION CODE IN THE RELEVANT COVERNMENTAL SUBDIVISION, THE ENFORCING AGENCY MAY BE A LOCAL BUILDING DEPARTMENT OR THE STATE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS.

# RAISINVILLE TOWNSHIP MONROE COUNTY, MICHIGAN



NOT TO SCALE

## DEVELOPER

GUENTHER BUILDING COMPANY 2864 CARPENTER RD. SUITE 300 ANN ARBOR, MICHIGAN 48108

#### ENGINEER

THE MANNIK & SMITH GROUP, INC. 17TH N. DIXIE HIGHWAY MONROE, MICHIGAN 48162

#### SURVEYOR

THE MANNIK & SMITH GROUP, INC. 237 NORTH MAIN ST. ADRIAN, MICHIGAN 49221

## ARCHITECT

MEIER ARCHITECTS, PC 3467 WEST DELHI ROAD ANN ARBOR, MICHEGAN 48103

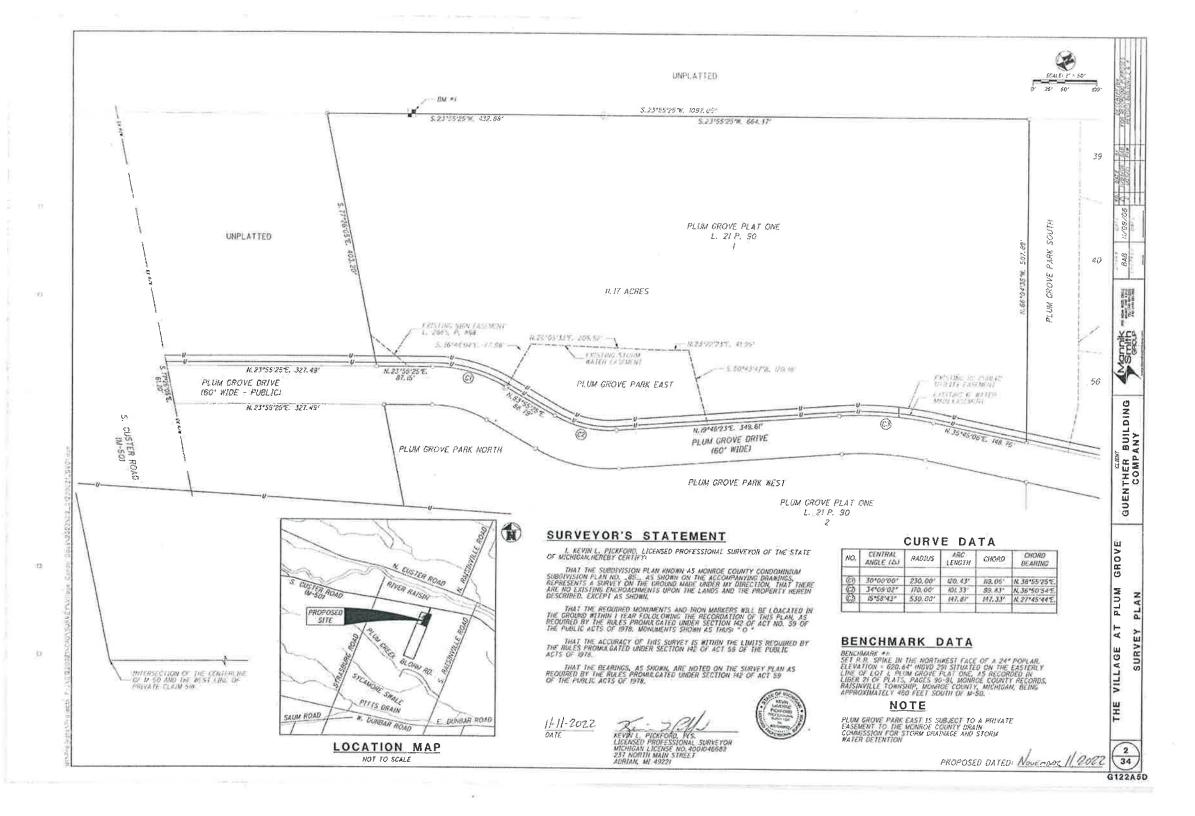
# PLAN CERTIFICATION

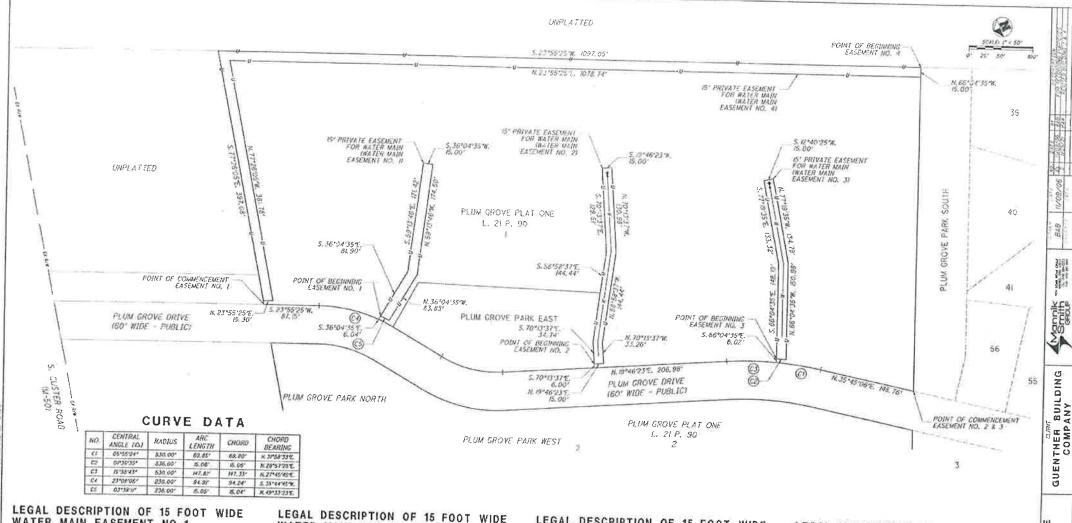
I, KEVIN L. PICKFORD, HEREBY STATE THAT I AM A LICENSED PROFESSIONAL SURVEYOR OF THE STATE OF MICHIGAN, AND THAT THE SUBDIVISION PLAN KNOWN AS MONROE COUNTY CONDOMINUM SUBDIVISION PLAN NO. 85, AS SHOWN ON THE ACCOMPANYING DRAWINGS, WAS PREPARED UNDER MY DIRECTION, AND THAT THE ATTACHED DRAWINGS OF THE BUILDINGS AND IMPROVEMENTS, ARE AS PROPOSED.

11-11-2022 DATE

KEVIN L. PICKFÖHD, P.S. LICENSED PROFESSIONAL SURVEYOR MICHIGAN LICENSE NO. 4001046682 237 NORTH MAIN STREET ADRIAN, MI 49221







# WATER MAIN EASEMENT NO. 1

PART OF LOT L PLUM GROVE PLAT CHE, ACCORDING TO THE FLAT THEREOF, AS RECORDED IN LIBER 21 OF PLATS, PACES 30-99, MONROE COUNTY RECORDS, RAISWAILLE TORNORIE, MONROE COUNTY, MICHIGAM, MORE PARTICULARLY

COMMENCING AT THE NORTHWEST CORNER OF SAID LOT L'THENCE ALONG THE EASTERLY R.O. R. LINE OF PLUM GROVE DRIVE IND WIDEL ALSO BEING THE WESTERLY LINE OF SAID LOT L. THE FOLLOWING TWO ID: COURSES

MESTERT CIRC OF SUD LOT 1, THE FOLLOWING TWO DE COURSES!

2. ALDREA CLINE TO THE RIGHT, MAKING A RABBUS OF 250,00 FEET, AN ARG. LENCTH OF 94.9 FEET, A CENTRAL ANGLE OF 23108-000, AND A CHOOSE DESIRING OF 5.35-44-55%. 94.24-FEET, THE CONTROL OF 5.35-44-55%. 94.24-FEET, THE SUBSTITUTE S. 30-04-155%. 6.04-FEET OF POINT OF BEGINNING, THE CONTROLLING S. 30-04-55%. 0.05-FEET, FORMER 5.39-15-65%. THE TEST THE S. 30-04-61-67%. 0.05-FEET, THE S. 30-04-61-67%. THE ACT ONE A CURF OF THE LEFT, HAVING A RADIUS OF P28.00 FEFT, MA ARC LEAGTH OF E. OF FEET, A SENTRY MICH OF 03°39", AND A CHORD BEARING OF N. 40°33'23". S. OF FEET, O THE FORM OF BEGINNING, CONTAINING O, 09 LEGS OR 3,88° SOURCE FEET OF LAW, MOSE OF LESS, SURJECT TO ALL LEGAL HIGHWAYS. EASEMENTS AND RESTRICTIONS OF PLODING, IF MAY.

# WATER MAIN EASEMENT NO. 2

PART OF LOT 1, PLEM GROVE PLAT ONE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 21 OF PLATS, PAGES 30-99, MONROE COUNTY RECORDS, RAISINGLE TOMOSTIP, MORROE COUNTY, MICHIGAN, MORE PARTICLE ARE 1 DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT L THENCE ALONG THE

EASTERLY R.O.W. LINE OF PLLIM GROVE DRIVE IGO WIDES, ALSO BEING THE MESTERLY LINE OF SAID LOT I THE FOLLOWING THREE CSI COMPARES

MESTERS I THE OF SAID LOT I THE FOLLORING THREE IS CORPES IN INSTITUTE OF THE PETEL IN THE PETEL

OF BEGINNING.
CONTAINING O. II AGRES OR 4.630 SOURCE FEET OF LAND, MORE OR LESS.
SUBJECT TO ALL LEGAL HIGHWAYS. EASEMENTS AND RESTRICTIONS OF RECORD.

# LEGAL DESCRIPTION OF 15 FOOT WIDE WATER MAIN EASEMENT NO. 3

PART OF LOT I, FLEM GROVE PLAT ONE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 21 OF PLATS, PAGES 80-99, MORROE COUNTY RECORDS, BASINVALE GORDSHIP, MORROE COUNTY, MICHIGAR, MORROE PARTICULARLY OF SCHOOLS AS FOLLOWS, CHAMBERS AT THE SOUTHWEST CORNER OF SAID LOT I. THERE ALONG THE EASTERLY R.O.M. LINE OF PLAN GROVE DRIVE 160° MIRES, ALSO DEFINE THE MESTERLY LINE OF SAID LOT I THE FOLLOWING PROJECTS. TWO IZI COURSES!

N. 36"45"06"E. 148.16 FEEL

TO THE POINT OF BEGINNING.
CONTAINING O. IO ACRES OF 4.754 SOURCE FEEL OF LAND, MORE OR LESS.
SUBJECT TO ALL LEGAL MICHIGANS, EXSENTIS AND RESTRICTIONS OF RECORD.

# LEGAL DESCRIPTION OF 15 FOOT WIDE WATER MAIN EASEMENT NO. 4

PART OF LOT I, PLUM GROVE FLAT ONE, ACCORDING TO THE FLAT THEREOF, AS RECORDED IN LIBER 27 OF PLATS, PARES 90-99, MONROE COUNTY RECORDS, ARISINFULLE TORNSHIP, MONROE COUNTY, MICHIGAN, MORE PLRITICILARY TO ESCHNERGE AT THE SOUTHERST COMPRE OF SAID LOT INTEREST IN FOR A FOLLOW BECOMING AT THE SOUTHERST COMPRE OF SAID LOT INTEREST IN THE STATEST OF THE ALONG THE SOUTHERY LIBE OF SAID LOT INTEREST AND STATESTS. MORE AS FEEL TO THE MORE AT THE OF SAID LOT IN THEMSE A 2378525° TO 30 FEEL TO THE MORE PLATE OF THE OF SAID LOT IN THE POINT OF BEGINNING. ON ON THE SOUTH CONTAINING O. STACKES OR 22, RS SOUME FLIT OF LIME, MORE ON LESS. SUBJECT TO ALL LEGAL HICHMATS, EASEMENTS AND RESTRICTIONS OF RECORD. IF AME.



REVNIL. PICKFORD, FS. LICENSED PHOFESSIONAL SURVEYOR MICHIGAN LICENSE NO. 4001046682 231 NORTH MAIN STREET ADRIAN. MI 49221

PROPOSED DATED: NOVEMBER 11, 2022

34

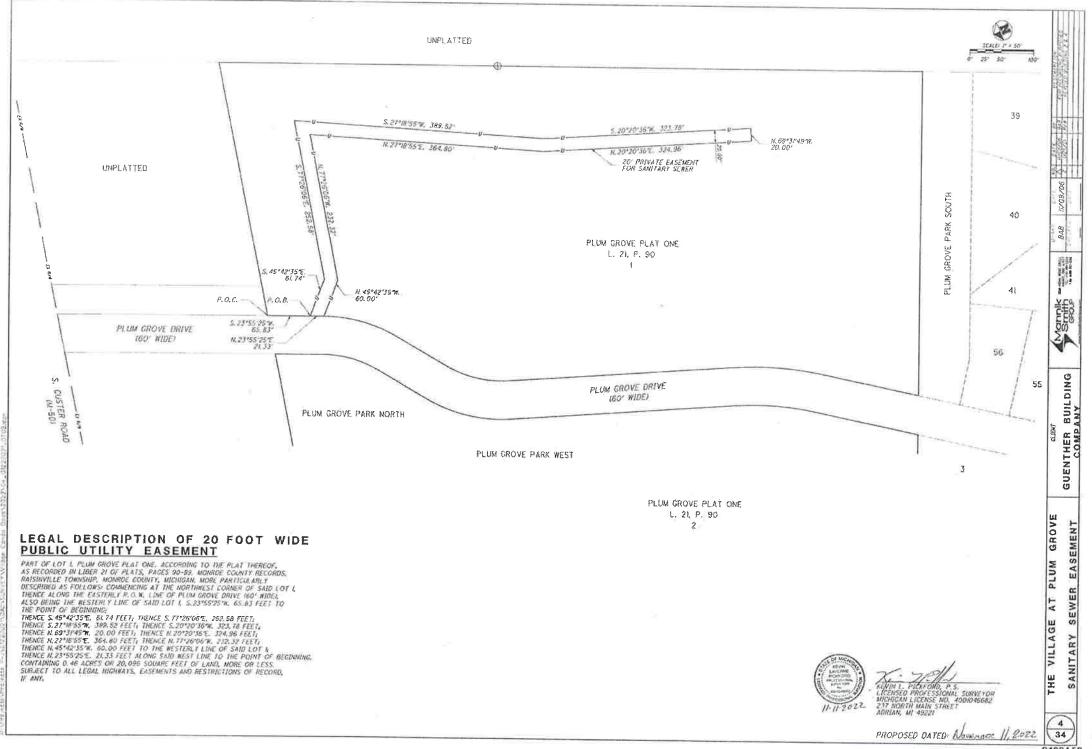
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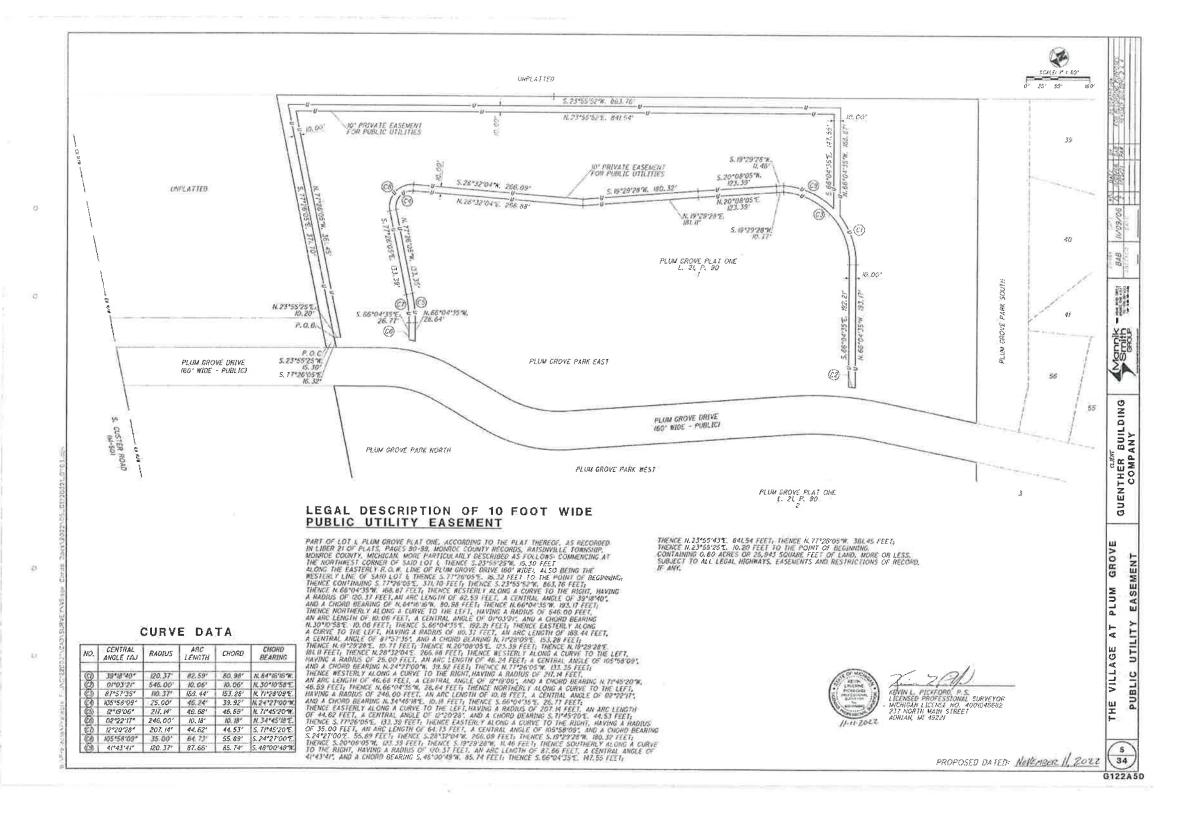
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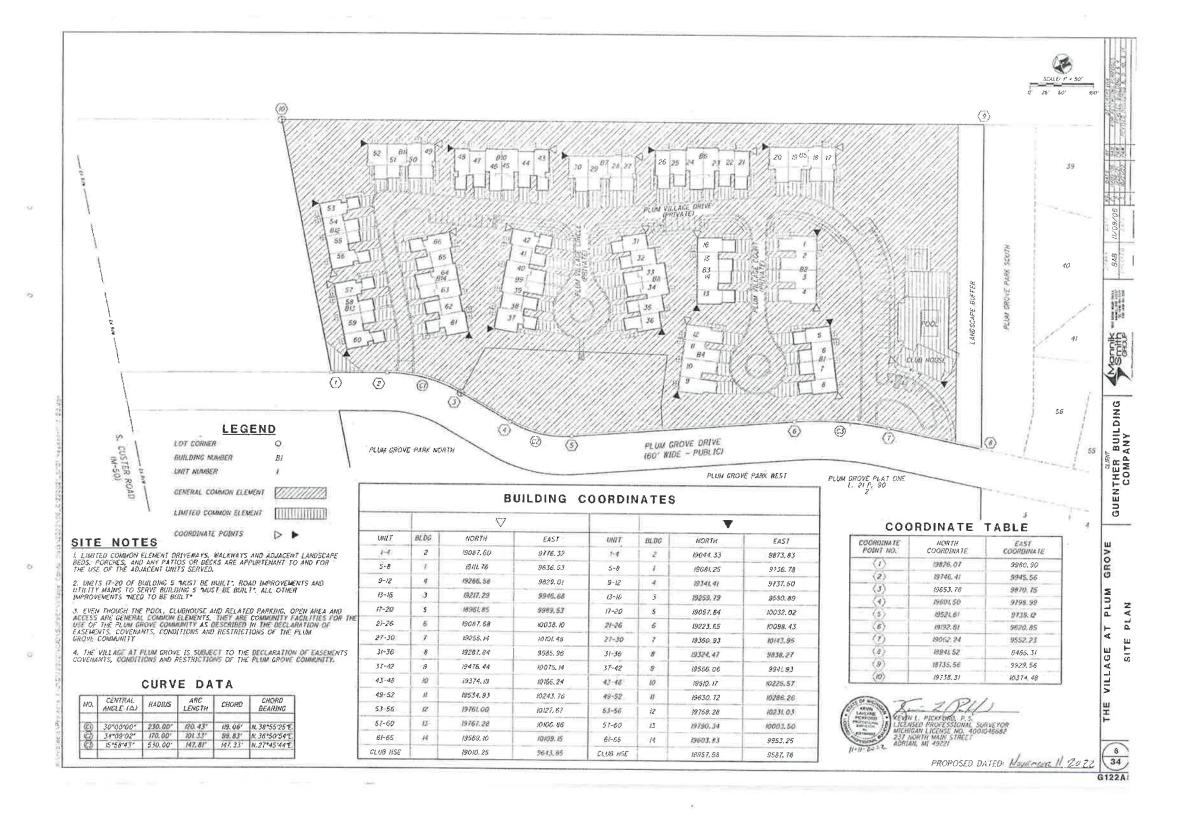
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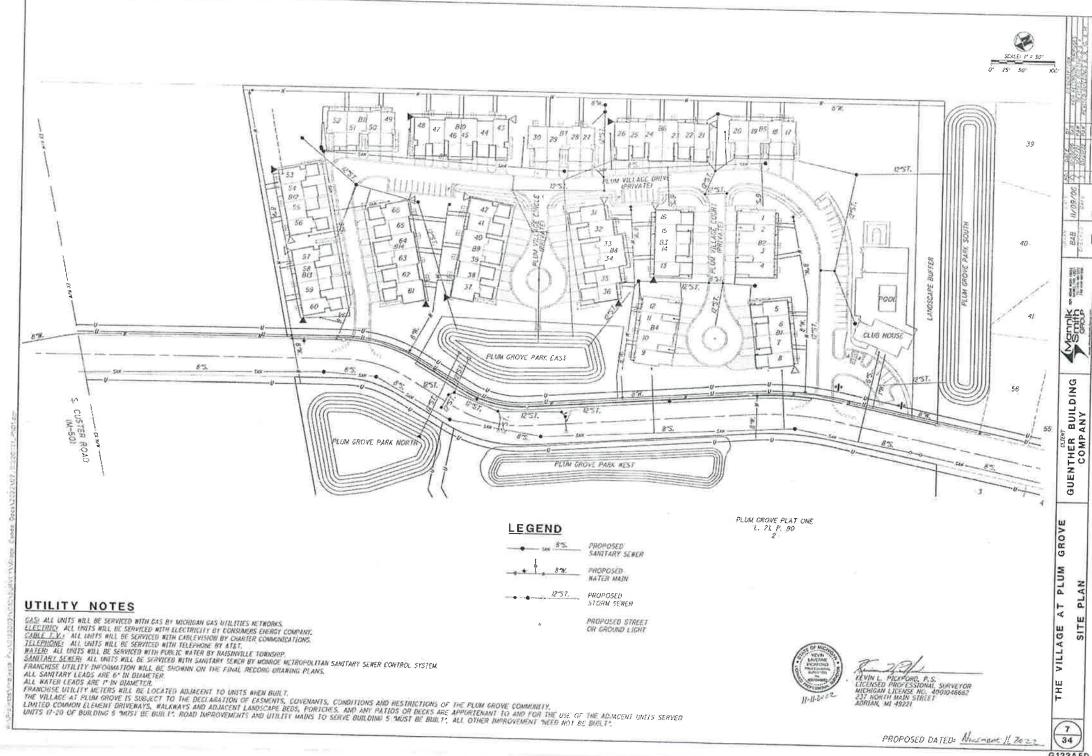
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G122A5D

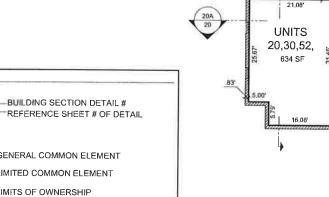






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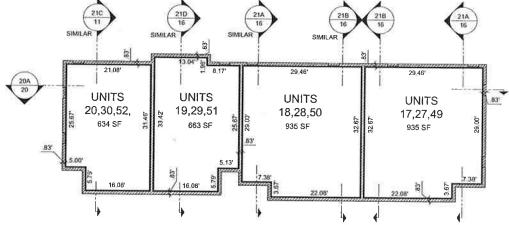


LEGEND

10C-

GENERAL COMMON ELEMENT

LIMITED COMMON ELEMENT LIMITS OF OWNERSHIP



BASEMENT PLAN - BUILDING "5,7,11"

SCALE: 1/8" = 1'-0"



\*\*\*\*

#### **GUENTHER HOMES**

2864 Carpenter Rd Ste 390, Ann Arbor, Mt 48108 734 - 971-3878





THE VILLAGE AT PLUM GROVE RAISINVILLE TOWNSHIP, MI

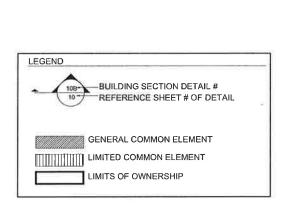


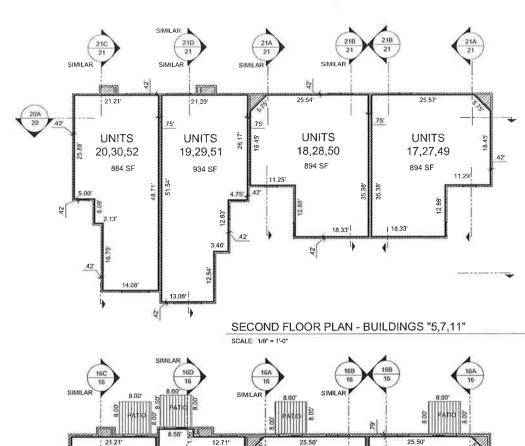
**BASEMENT PLANS** 

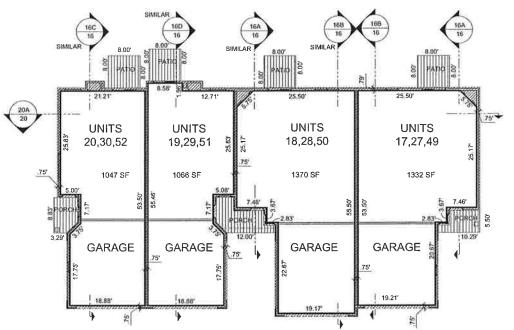


8

PROJECT NUMBER. 50 - 2020







FIRST FLOOR PLAN - BUILDINGS "5,7,11"



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## **GUENTHER HOMES**

2004 Carpenter Rd Sie 200, Ave Artor, NR 48106 734 - 975-2078





THE VILLAGE AT PLUM GROVE

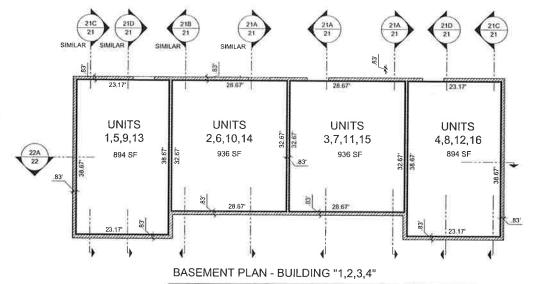


FLOOR PLANS



9

PROJECT NUMBER: 50 - 2020



MEIER ARCHITECTS ANY ARBOR MI 64103 733 471-8053

8 U I L D E

# **GUENTHER HOMES**

2864 Carpenter Rd Ste 30 Ann Arbor, MI 48108





KEY PL

THE VILLAGE AT PLUM GROVE

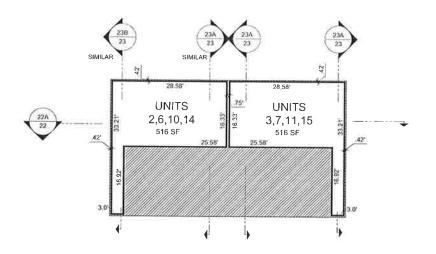


BASEMENT PLANS

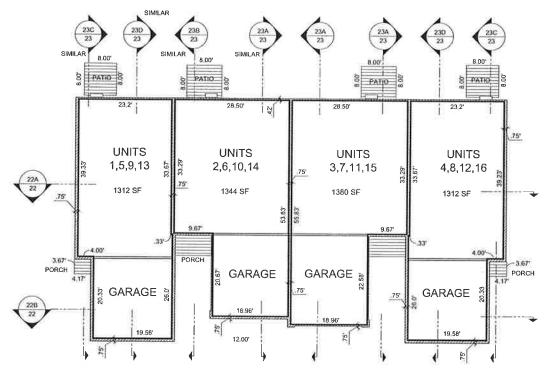


10

50 - 2020



SECOND FLOOR PLAN - BUILDINGS "1,2,3,4"



FIRST FLOOR PLAN - BUILDINGS "1,2,3,4"

SCALE: 1/8" = 1'-0"



GUENTHER HOMES

2864 Carpenter Rd Ste 300 Ann Arbor, MI 48108 734 - 971 3678



NORTH KEY PLA

THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI

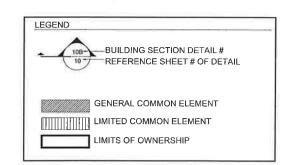


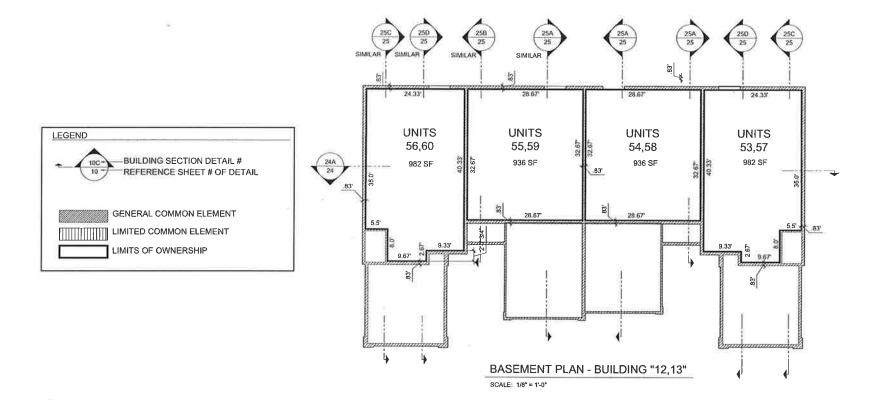
FLOOR PLANS



1

50 - 2020







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# **GUENTHER HOMES**

2864 Carpenter Rd Ste 30 Ann Arbor, MI 48108



P

KEY PL

THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI

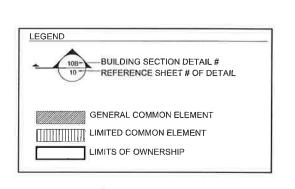


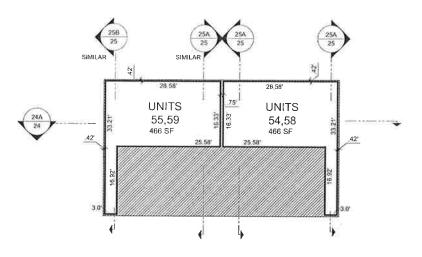
BASEMENT PLANS



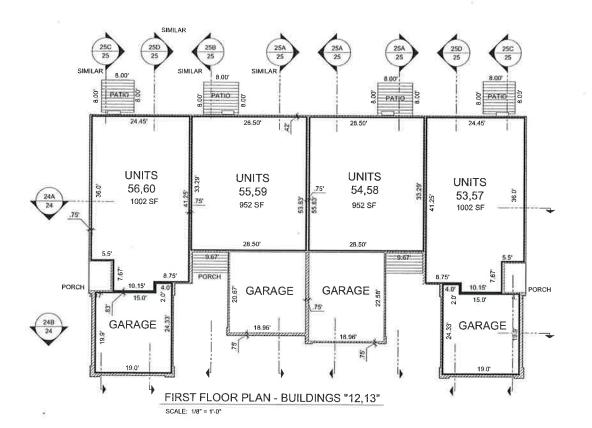
12

##DJECT NUMBER: 50 - 2020





SECOND FLOOR PLAN - BUILDINGS "12,13"





# **GUENTHER HOMES**

2864 Carpover Rd Ine 300, Aira Arbor, W Akipt 734 - 571-3678



GROVE PLUM

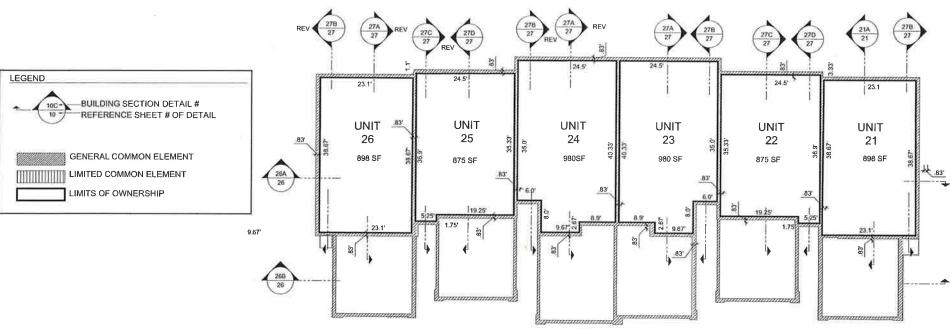


FLOOR PLANS



13

50 - 2020



BASEMENT PLAN - BUILDING "6"

SCALE: 1/8" = 1'-0"

21,22,23 24,25,26



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## **GUENTHER HOMES**

2664 Cerpenter Rd Ste 390, Ann Arbor, All 48 108 734 - 97 1-3678





THE VILLAGE AT PLUM GROVE



BASEMENT PLANS



14

PROJECT NUMBER: 50 - 2020

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#### GUENTHER HOMES

2864 Carpenier Rd Sia 300 Ann Arbor, MI 48 108 734 - 97 I 3678



NORTH KEY PL

THE VILLAGE AT PLUM GROVE



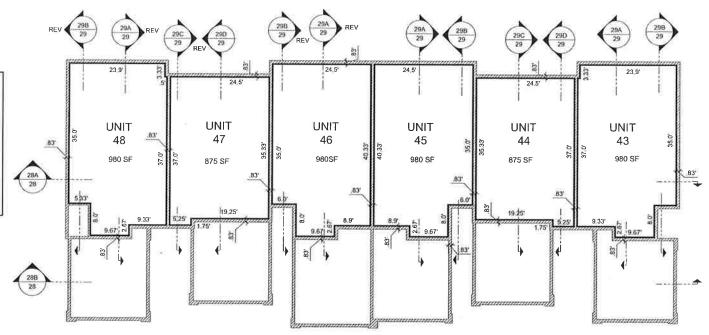
FIRST + SECOND PLANS



15

50 - 2020

.........



BASEMENT PLAN - BUILDING "10" 48,47,46,45,44,43 SCALE: 1/8" = 1'-0"



......

# **GUENTHER HOMES**



NORTH KEY PLAN

THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI



BASEMENT **PLANS** 



16

50 - 2020



. . . . . .

# **GUENTHER HOMES**

2864 Carpenter Rd Ste 300 Ann Arbor, All 48108 734 971-3678



NORTH KEY PL

THE VILLAGE AT PLUM GROVE RAISINVILLE TOWNSHIP, MI



FIRST + SECOND PLANS



17

50 - 2020

.......

# BASEMENT PLAN - BUILDING "8"

SCALE: 1/8" = 1'-0"

31,32,33 34,35,36



.....

# **GUENTHER HOMES**

2884 Carpenter Rd Sie 300 Ann Arbor, MI 48 I08 734 - 971-3878





THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI





18

PROJECT NUMBER 50 - 2020

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**GUENTHER HOMES** 

2864 Carpenter Rd Ste 300, Ann Arbor, MI 68108 734 - 971-3578



NORTH KEY PLAN

THE VILLAGE AT PLUM GROVE
RAISINVILLE TOWNSHIP, MI



FIRST + SECOND PLANS



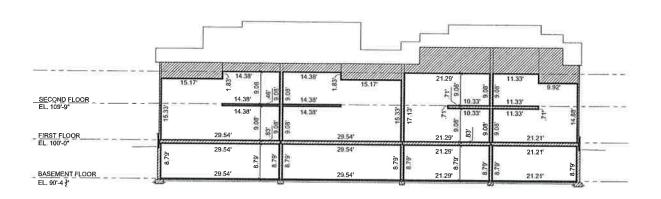
19

PROJECT NUMBER 50 - 2020

GENERAL COMMON ELEMENT

LIMITED COMMON ELEMENT

LIMITS OF OWNERSHIP



20A BUILDING SECTION

8, 9, 10 1/8" = 1'-0"



......

# **GUENTHER HOMES**

2864 Corporter Rd Ste 300 Ann Arbor, MI 48108



9

KEY PL

THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI

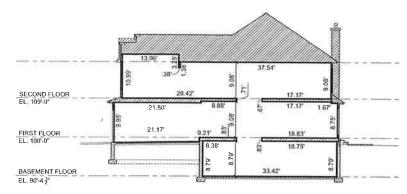


BUILDING SECTIONS

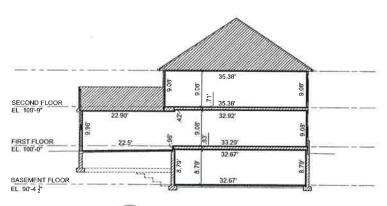


20

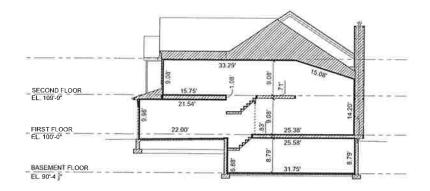
50 - 2020



BUILDING SECTION
8, 9, 10 1/8" = 1'-0"



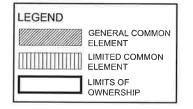
8, 9, 10 1/8" = 1'-0"



8, 9, 10 1/8" = 1'-0"



8, 9, 10 1/8\* = 1'-0\*





861636

**GUENTHER HOMES** 

2884 Carpenter Rd Ste 300 Ann Arbor, MI 48108 734 971-3678





THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI



BUILDING SECTIONS



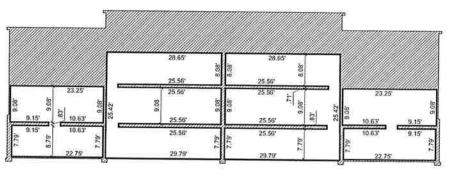
21

50 - 2020

............

18,96 18.96 19.25 19.25

**BUILDING SECTION** 1,2,3,4 1/8" = 1'-0"



SECOND FLOOR EL 109'-9"

FIRST FLOOR EL: 100'-0"

BASEMENT FLOOR EL: 91'-4 ½"

**BUILDING SECTION** 22A 1,2,3,4 1/8" = 1'-0"

BUILDING SECTIONS



PLUM GROVE

H H

ARCHITECTS 3467 WEST DELHI ROAD ANN ARBOR MI 48103 734 741-8655

CHRISTA **GUENTHER HOMES** 2864 Carpenter Rd Ste 300 Ann Arbor, MI 48108 734 - 971-3678

22

PROJECT NUMBER: 50 - 2020

SECOND FLOOR EL, 109'-9"

FIRST FLOOR EL, 100'-0"

BASEMENT FLOOR EL, 91'-4 1"

LEGEND

GENERAL COMMON

LIMITED COMMON ELEMENT

ELEMENT

LIMITS OF

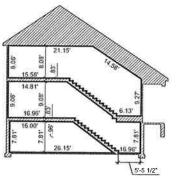
OWNERSHIP

CEILING EL, 109'-1"

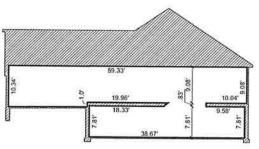
FIRST FLOOR E.L. 100'-0"

BASEMENT FLOOR EL, 91'-4 ½"

**BUILDING SECTION** 1,2,3,4 1/8" = 1'-0"



**BUILDING SECTION** 



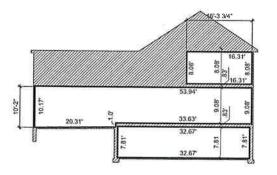
CEILING EL, 109'-1"

FIRST FLOOR

BASEMENT FLOOR EL. 91'-4 1"

23C BUILDING SECTION 1,2,3,4 1/8" = 1'-0"

**BUILDING SECTION** 



1/8" = 1'-0"

23A

SECOND FLOOR EL, 109'-11"

FIRST FLOOR EL: 100'-0"

BASEMENT FLOOR EL 91'-4 1º



Ξ

PLUM GROVE

3407 WEST DECHI BOND 6NN ABBOR MI 42103 726 741 8655 .... **GUENTHER HOMES** 2884 Carpenier Rd Sie 300 Ann Arbor, MI 48108 734 | 97 | 3678

BUILDING **SECTIONS** 

23

PROJECT NUMBER 50 - 2020

OWNERSHIP

SECOND FLOOR EL. 109'-11" FIRST FLOOR EL, 100'-0"

BASEMENT FLOOR EL, 91'-4 ½"

1,2,3,4 1/8" = 1'-0"

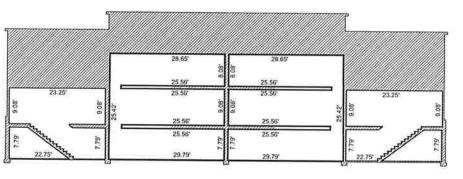
19.25 18.96 18.96 19.25

SECOND FLOOR EL 109'-9"

FIRST FLOOR EL, 100'-0"

BASEMENT FLOOR EL 91'-4 ½"

248 BUILDING SECTION
12,13 1/8" = 1'-0"



SECOND FLOOR EL. 109'-9"

FIRST FLOOR EL: 100'-0"

BASEMENT FLOOR EL, 91'-4 ½"

24A E

LEGEND

GENERAL COMMON ELEMENT

LIMITED COMMON

ELEMENT LIMITS OF OWNERSHIP

**BUILDING SECTION** 

13 1/8" = 1'-0"

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# **GUENTHER HOMES**

2854 Carpenter Rd Sie 300 Ann Arbor, MI 48106 734 - 97 I 3678





THE VILLAGE AT
PLUM GROVE
RAISINVILE TOWNSHIP. MI

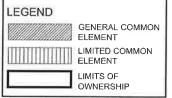


BUILDING SECTIONS



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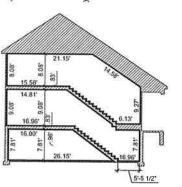
PROJECT NUMBER: 50 - 2020



FIRST FLOOR EL 100'-0"

CEILING EL\_109'-1"

BASEMENT FLOOR EL, 91'-4 ½"



SECOND FLOOR

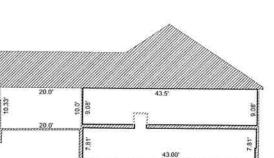
EL\_109'-11"

FIRST FLOOR EL: 100'-0"

BASEMENT FLOOR

EL, 91'-4 1/2"

BUILDING SECTION 1/8" = 1'-0"

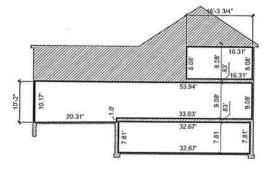


CEILING EL, 109'-1"

FIRST FLOOR

BASEMENT FLOOR EL 91'-4 1"

25C BUILDING SECTION 12,13 1/8" = 1'-0"



25A BUILDING SECTION 12,13 1/8" = 1'-0"

SECOND FLOOR EL, 109'-11"

FIRST FLOOR EL. 100'-0"

BASEMENT FLOOR EL 91'-4 1"



PLUM GROVE

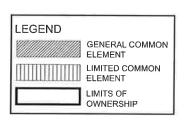
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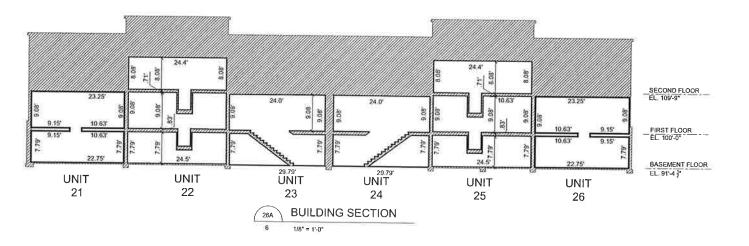
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BUILDING **SECTIONS** 

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**BUILDING SECTION** 12,13 1/8" = 1'-0"







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# **GUENTHER HOMES**

2864 Carperine Rd Str. 3 Aver Artise, MI 42308





THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI

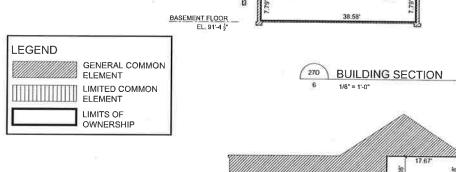


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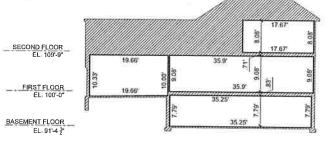
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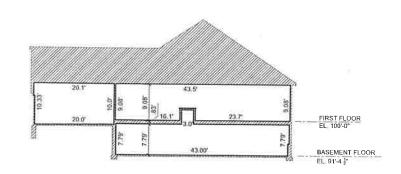


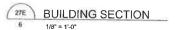
SECOND FLOOR EL 109'-9"

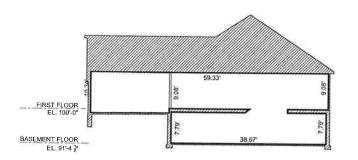
FIRST FLOOR EL 100'-0"



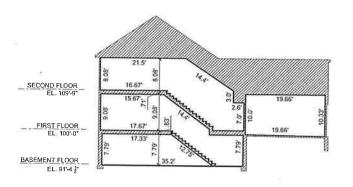


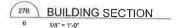














**GUENTHER HOMES** 



NORTH KEY PLAN

THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI



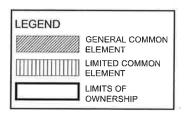
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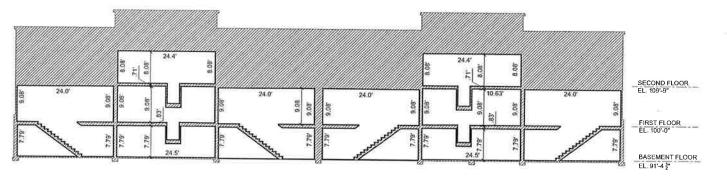


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# **GUENTHER HOMES**

2364 Carpenner Halbin 200, Ann/Artur, NY 43158 234 - 921 - 3078



NORTH KEY PL

THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP. MI

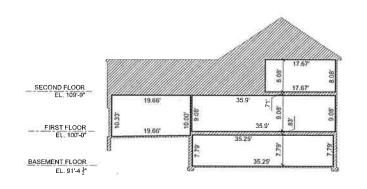


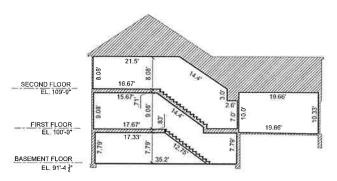
BUILDING SECTIONS



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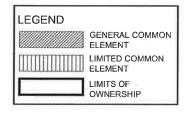
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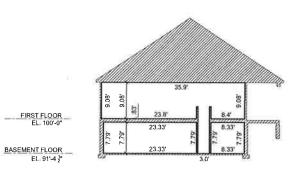


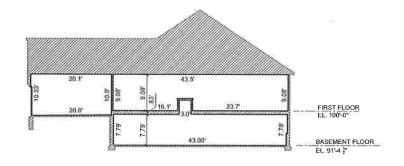


**BUILDING SECTION** 1/8" = 1'-0"















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# **GUENTHER HOMES**

2864 Cerpenter Rd Sta 300 Ann Arbor, MI 43108 734 - 971-3678



GROVE PLUM (



BUILDING SECTIONS



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# **GUENTHER HOMES**

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THE VILLAGE AT
PLUM GROVE
RAISINVILE TOWNSHIP, MI

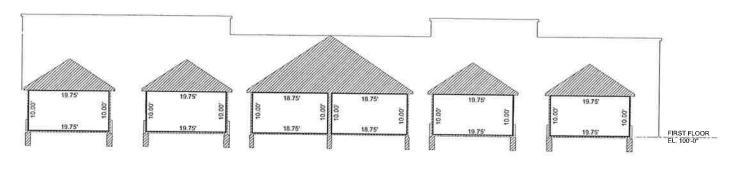


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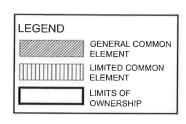


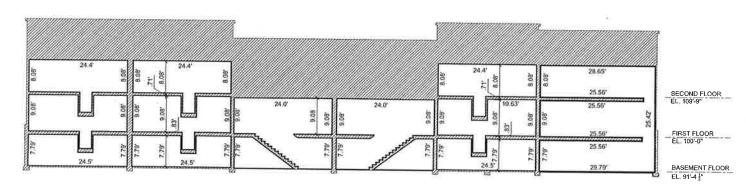
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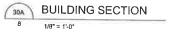
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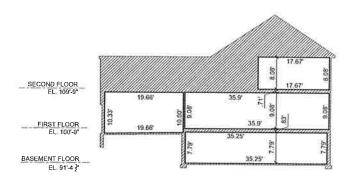
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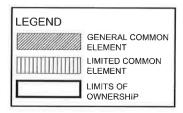


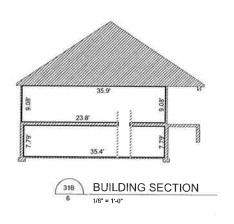


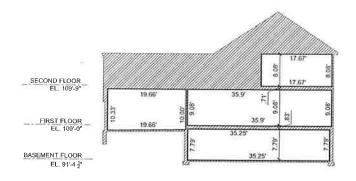


BUILDING SECTION

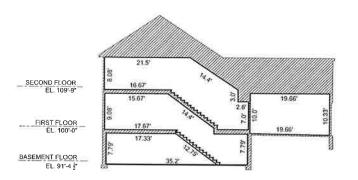
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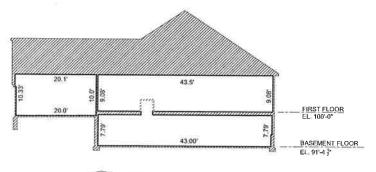




# BUILDING SECTION 6 1/8" = 1'-0"



# BUILDING SECTION 6 1/8" = 1'-0"







**GUENTHER HOMES** 

2864 Carpenter Rd Ste 300 Ann Arbor, MI 46108 734 971 3678





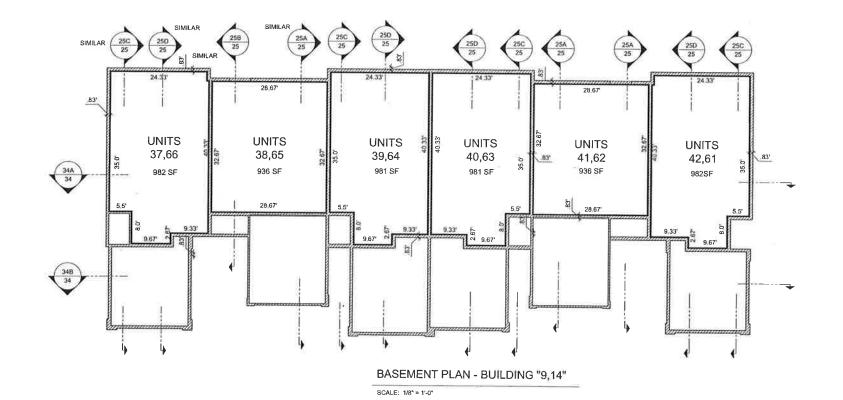
THE VILLAGE AT PLUM GROVE RAISINVILE TOWNSHIP, MI





31

PROJECT NUMBER 50 - 2020



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2864 Carpenier Rd Ste 300 Ann Arbor, MI 48106





THE VILLAGE AT
PLUM GROVE
RAISINVILLE TOWNSHIP, MI

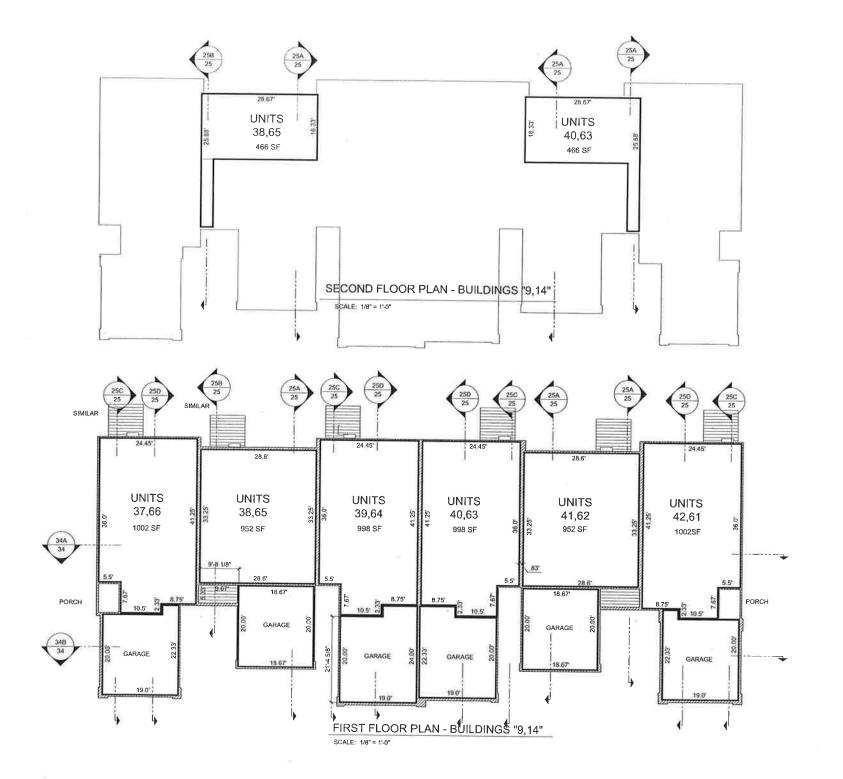


BASEMENT PLANS



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# **GUENTHER HOMES**

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THE VILLAGE AT
PLUM GROVE
RAISINVILE TOWNSHIP. MI

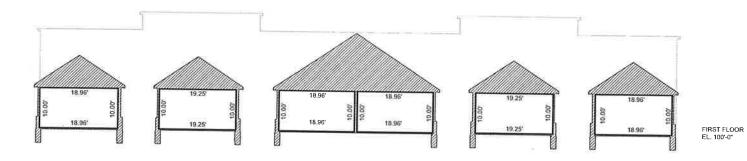


FLOOR PLANS

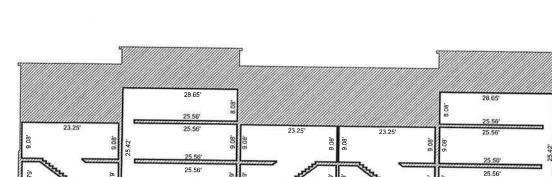


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PROJECT NUMBER 50 - 2020



348 BUILDING SECTION
9,14 1/8" = 1'-0"



SECOND FLOOR EL 109'-9"

23,25

FIRST FLOOR EL: 100'-0"

BASEMENT FLOOR EL 91'-4 ½"





**GUENTHER HOMES** 

2864 Curporner Na Sile 300. Ann Arzor, AN A2108 724 - 971-3678



NORTH KEY PL

THE VILLAGE AT PLUM GROVE
RAISINVILLE TOWNSHIP, MIN



BUILDING SECTIONS



34

PROJECT NUMBER 50 - 2020

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LEGEND

GENERAL COMMON ELEMENT LIMITED COMMON ELEMENT LIMITS OF OWNERSHIP

# EXHIBIT B TO THE MASTER DEED OF MONROE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. \_\_\_\_

ATTENTION MONROE COUNTY

REQUITES OF DEEDS IN SECURICE.
THE COMPONING PLAN KAMER MAST BE ASSIGNED IN SECURICE.
WHEN A MANER HAS SIGNED TO THIS PROBERT, IT MIST
HE FOREMY SOMEN IN THE TITLE OF THIS SHEET AND IN
THE SURVEYOR'S CERTIFICATE ON SHEET 2.

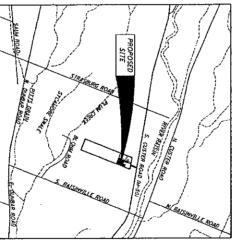
# THE VILLAGE AT PLUM GROVE

# RAISINVILLE TOWNSHIP MONROE COUNTY, MICHIGAN

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SANITARY SEWER EASEMENT WATER WAIN EASEMENT SHEET NO.

NDEX OF SHEETS



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	<b>_</b>

LOCATION MAP

LOT I OF PLUM GROVE PLAT ONE ACCORDING TO THE PLAT RECORDED IN LIBER 21 OF PLATS PAGES 90-99, INCLUSIVE, MONROE COUNTY RECORDS.

LEGAL DESCRIPTION

**DEVILOPER**RSG DEVELOPHENT, LLC

2864 CARPENTER ROAD, SUITE 300

ANN ARBOR, MICHIGAN 48108

ENGENEER
THE MANNIK & SMITH GROUP, INC.
2365 S. HAGGERTY ROAD
EANTON, MICHIGAN 48188

# BURYEYOR

THE MANNIK & SMITH CROUP, INC. 1771 N. DIXIE HIGHWAY MONROE, MICHIGAN 48162

11-09-06

RRY A. BYSCHAANN, P.E. ICENSED PROFESSIONAL ENGINEER NO. 28746 EE MANKK & SMITH GROUP, INC. 71 M. DIXIE HIGHNAY DNROE, MICHIGAN 48152

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BARRY A. BUSCHMANN ENGINEER No. 28746

PROPOSED DAT

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THE VILLAGE AT PLUM GROVE

RSG DEVELOPMENT, LLC

DESCRIPTION

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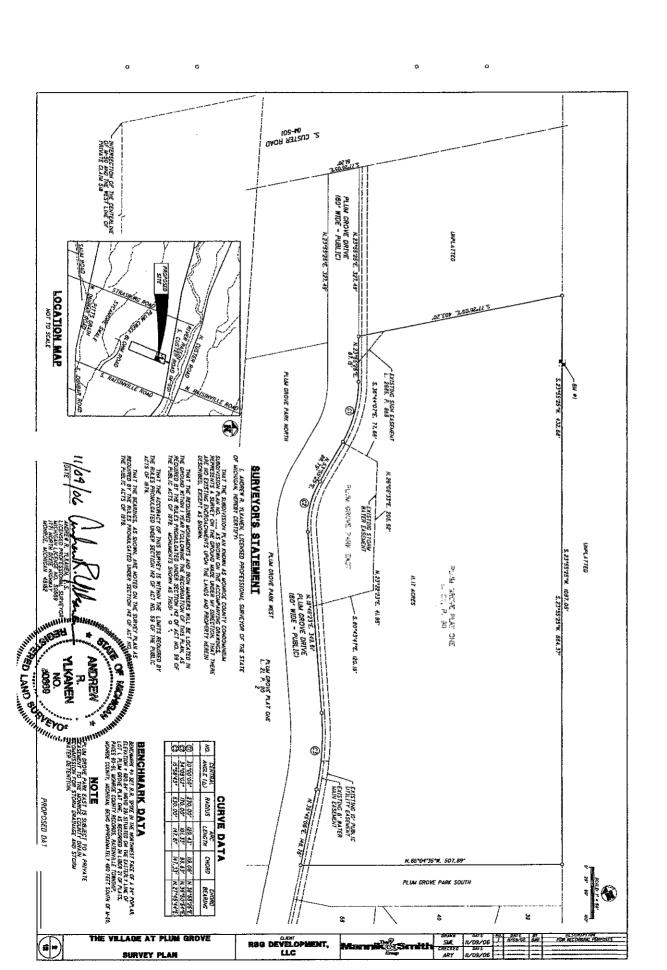
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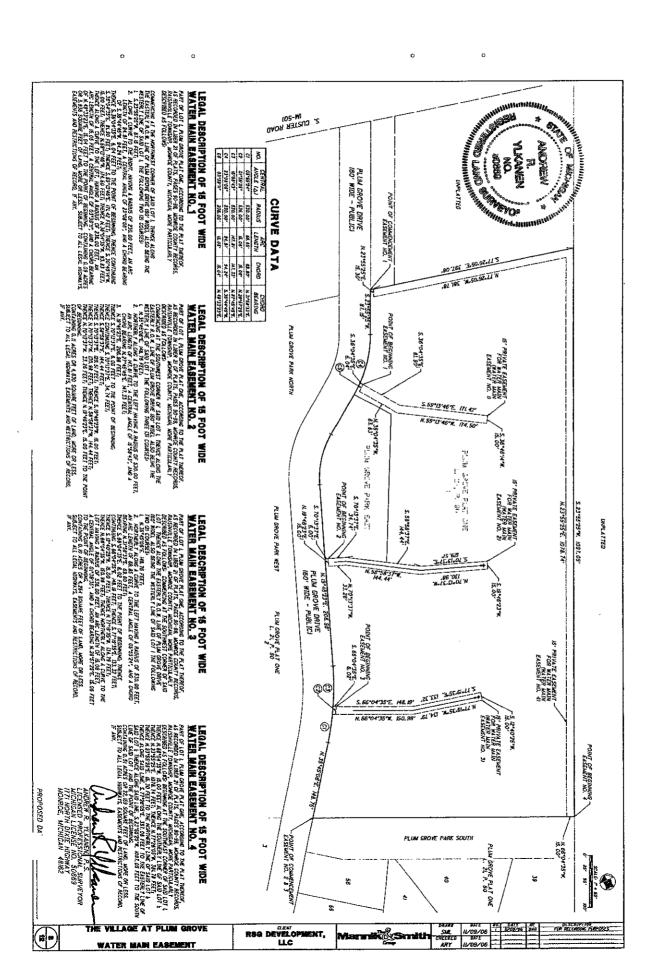
ARCHIECI
THE MEIER GROUP, INC.
2455 S. INDUSTRIAL HIGWAY
ANN ARBOR, MICHICAN 48104

PLAN CERTIFICATION

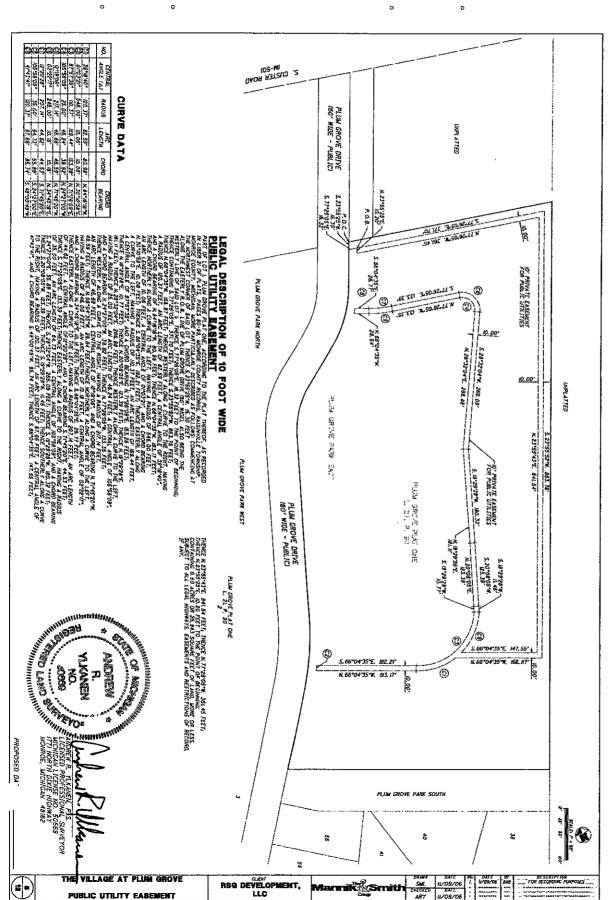
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COVER SHEET

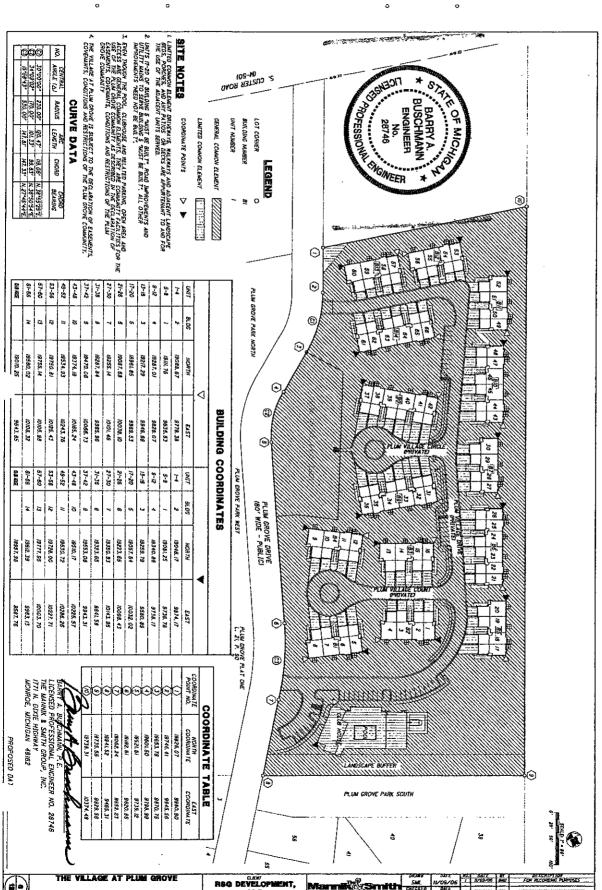




0 o o c LEGAL DESCRIPTION OF 20 FOOT WIDE PUBLIC UTILITY EASEMENT S CUSTER ROAD OF LOT I, HIM ARRIVE PLLT DUE, ACCORDING TO THE PLLT THEREOF, CORRESS IN LIBER 20 OF DUT'S, MARCHE COUNTY RECORDS, MULTER TO WAS A DAMPINE COUNTY RECORDS, MULTER TO WAS A DAMPINE COUNTY OF STATE OF THE PLANTICAL BY THE RECORD OF THE PLANTICAL BY THE RECORD OF THE RECO PLUM GROVE DRIVE (60' WIDE) UNPLATTED A067 5, 23\*55;25\*8, ~ 85, 83\* N. 23\*55;25\*8, ~ 21, 33\* 1.0.0 S. 45 42'35'E, ~ PLUM GROVE PARK NORTH 60.00° N 27"18"55"E. 364, 40" S. 27°18'55°W. 388.52' UNPLATTED PLUM GROVE PARK WEST PLUM GROVE PLAT ONE PLUM GROVE DRIVE N. 20-20-38-E. 324. 96-20' PRIVATE EASEMENT FOR SANITARY SERER S. 20\*20\*36\*W. 323, 78\* YLKANEN P. STATES PLUM SROVE PLAT ONE L. 21, P. 90 PROPOSED DA PLUM GROVE PARK SOUTH 56 VELLAGE AT PLUM GROVE R8G DEVELOPMENT, LLC

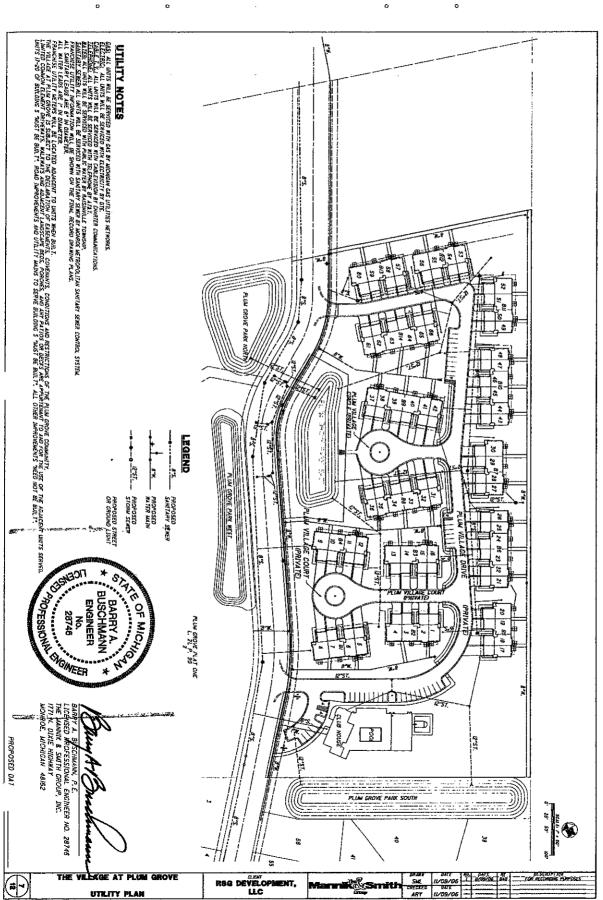


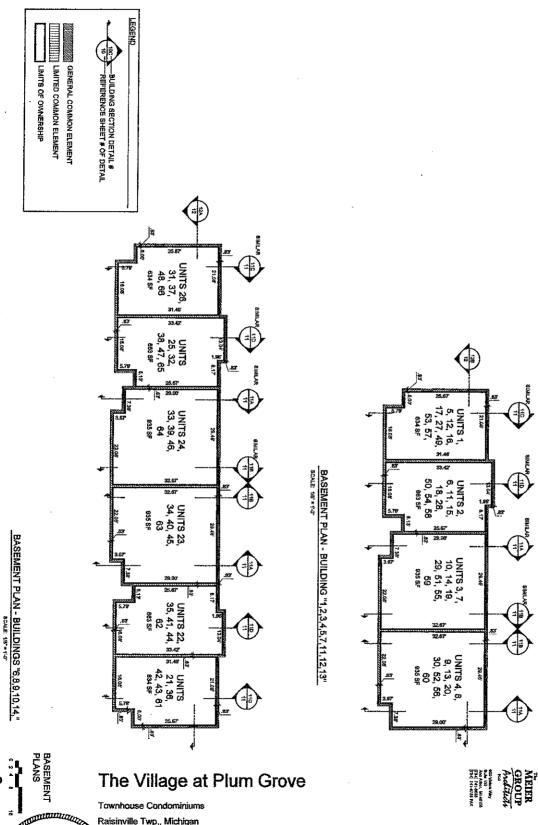
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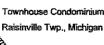
RAG DEVELOPMENT, LLC

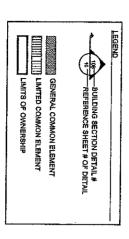


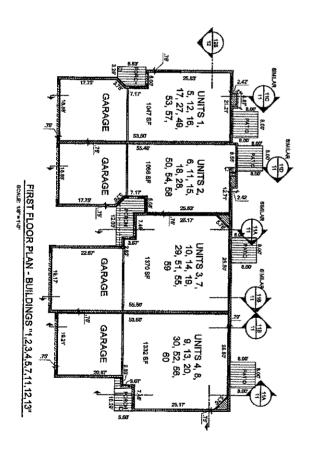


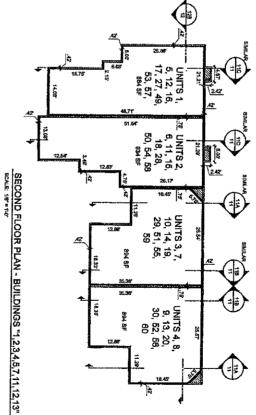
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WILLIAM R. MEIER ARCHITECT







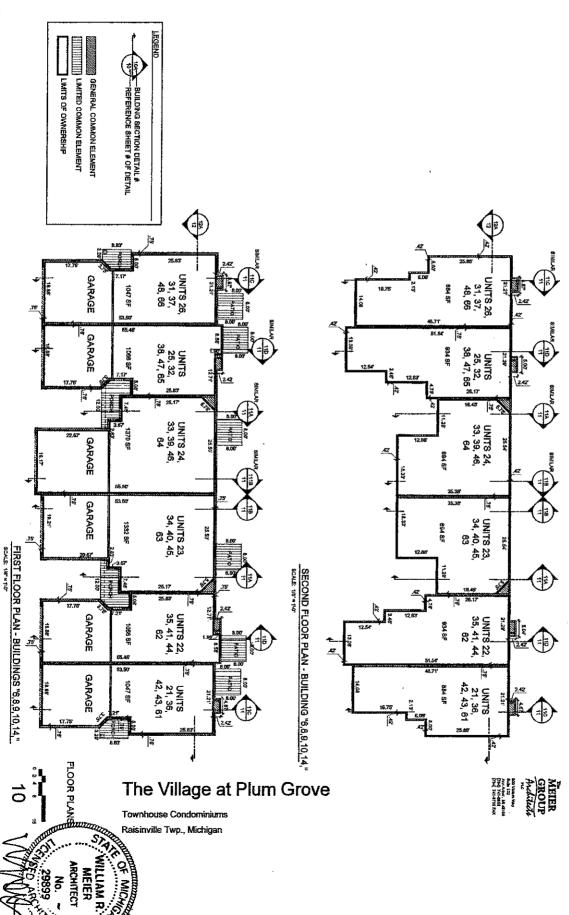




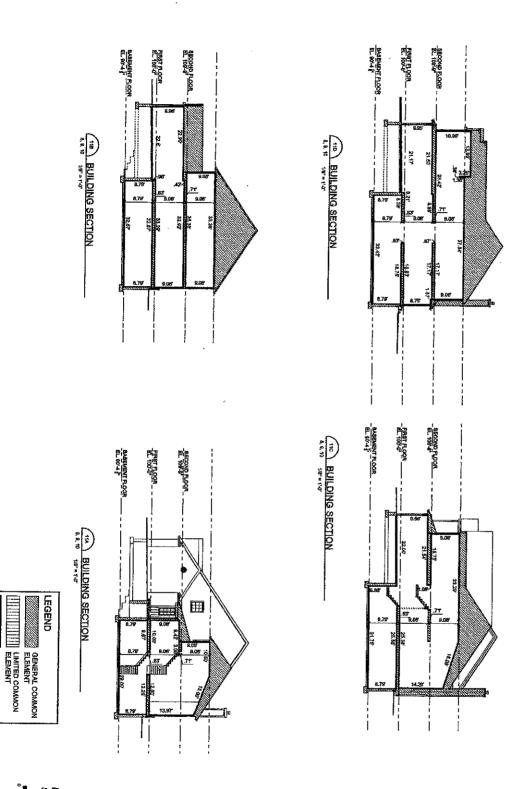
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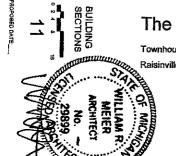


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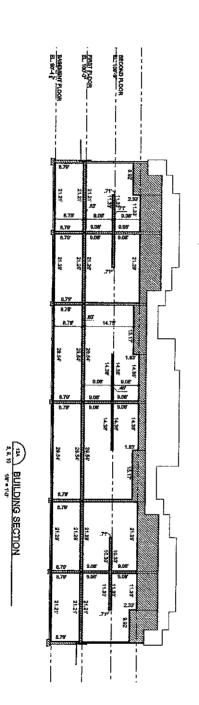
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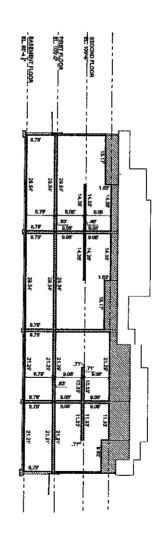




The Village at Plum Grove

Townhouse Condominiums Raisinville Twp., Michigan MEIER
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BUILDING SECTION

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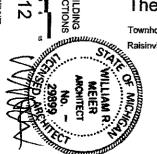
ELEMENT

LIMITS OF

OWNERSHIP

The Village at Plum Grove

Townhouse Condominiums Raisinville Twp., Michigan



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RECORDED ON 01/17/2007 11:57:37AM
GERI ALLEN - REGISTER OF DEEDS
MONROE COUNTY, MI
RECORDING: 20.00



# FIRST AMENDMENT TO MASTER DEED AND BYLAWS THE VILLAGE AT PLUM GROVE

This First Amendment to Master Deed is made on January / 2007 by RSG Development, LLC, a Michigan limited liability company, whose address is 2864 Carpenter Road, Suite 300, Ann Arbor, Michigan 48108 ("Developer").

# RECITALS

- A. Developer established The Village at Plum Grove ("Condominium"), Monroe County Condominium Subdivision Plan No. 85, by recording a Master Deed, Bylaws and Condominium Subdivision Plan on November 9, 2006 in Liber 3181, Page 674, Monroe County Records ("Master Deed").
- B. Pursuant to the provisions of the Master Deed and the Michigan Condominium Act, Developer as Co-Owner of all of the Units of the Condominium wishes to amend the Master Deed and the Bylaws to provide that (i) the exterior garage lights including but not limited to fixtures and light bulbs are Limited Common Elements, and (ii) the Association may enter into a service contract with the Community Association or a third party to serve as collection agent and to provide other services to the Association.

NOW, THEREFORE, the Master Deed and Bylaws are hereby amended as follows:

- 1. Garage Doors; Garage Door Openers; Garage Lighting. Section 4.2.5 of the Master Deed is deleted and restated in its entirety as follows:
  - 4.2.5 <u>Garage Doors; Garage Door Openers; Garage Lighting</u>. Each garage door and its hardware including garage door openers and all garage lighting including fixtures and light bulbs shall be limited in use to the Co-Owner of the Unit served thereby.
- 2. **Community Facilities.** The second to last sentence of Section 4.3 of the Master Deed is deleted and restated as follows: "The Owners of Units in The Village will be assessed charges for maintenance of the Community Facilities directly by the Community Association."
- 3. Garage Doors; Garage Door Openers; Garage Lighting. Section 4.4.1.3 of the Master Deed is deleted and restated in its entirety as follows:

- 4.4.1.3 <u>Garage Doors; Garage Door Openers; Garage Lighting</u>. Each Co-Owner shall be responsible for the cost of insurance, maintenance, repair and replacement of the garage door, garage door openers, interior and exterior garage lighting including fixtures and light bulbs, and all other related fixtures and equipment pertaining to the garage appurtenant to such Co-Owner's Unit. The materials and colors of garage doors must be approved in advance by the Association (and the Developer during the Construction and Sales Period).
- 4. Utility Costs. Section 4.4.1.7 of the Master Deed is deleted and restated in its entirety as follows:
  - 4.4.1.7 <u>Utility Costs</u>. Each Co-Owner shall be responsible for the cost of utilities serving such Co-Owner's Unit and appurtenant Limited Common Elements, except as otherwise provided in Section 4.1.6.
- 5. **Association Responsibilities**. Section 4.4.2 of the Master Deed is amended to add the following provision at the end of the original Section 4.4.2:

The Association may enter into a service contract with either the Community Association or a third party for performance of all or a portion of the administration, operation, repair, replacement and maintenance responsibilities of the Association. In such event the Association shall reimburse the Community Association or third party for the cost of such administration, operation, repair, replacement and maintenance as set forth in the service contract, which cost shall be an expense of administration of the Project and assessed to the Co-Owners as described in Article 2 of the Bylaws. The Association may also include in the service contract designation of the Community Association or such third party as the collection agent for the Association. In that case, the Community Association or third party shall collect on behalf of the Association the assessments of Units provided in this Master Deed and the Bylaws, and shall remit the amount collected to the Association less any administration fee provided in the service contract.

- 6. **Assessments of the Community Association**. Section 2.2.3 of the Bylaws is deleted and restated in its entirety as follows:
  - 2.2.3 <u>Assessments of the Community Association; Service Contract</u>. Each Owner of a Unit in the Condominium is also a member of the Community Association. The Village, The Park and The Estates are the neighborhoods in the Community. The Community Association has responsibility for administration, insurance, maintenance, repair and replacement of Community Facilities as described in the Community Declaration. The Community Association shall assess the Owners of Units in the Condominium directly, along with owners of units in The Park and owners of lots in The Estates, pro rata for the costs of such administration, insurance, maintenance, repair and replacement of the Community Facilities, which assessments shall be a cost of administration of the Project and collected from the Owners as set forth in these Bylaws and the Community Declaration.

The Community Association shall have a lien for such charges against each Owner's Unit as set forth in the Community Declaration. By acceptance of a title to a Unit, each Co-Owner covenants and agrees to pay to the Association or the Community Association for the benefit of the Community Association: (a) all annual assessments or charges when due under the Community Declaration; (b) special assessments, if any, for capital improvements to be established and collected as set forth in the Community Declaration; and (c) any other charges or assessments as set forth in the Community Declaration. The Association and either the Community Association or a third party may enter into a service contract pertaining to administration of the Project as described in Section 4.4.2 of the Master Deed.

7. **Effect of Amendment**. The Master Deed and Bylaws as amended by this Amendment continue in full force and effect. Capitalized terms not otherwise defined in this Amendment shall have the meaning set forth in the Master Deed and the Bylaws, as applicable. The provisions of this Amendment shall supersede any contrary provisions in the Master Deed and the Bylaws.

RSG Development, LLC, a Michigan limited liability company

By: John W. Griffin

Its: Authorized Agent

STATE OF MICHIGAN ) ss.

COUNTY OF WASHTENAW )

Acknowledged before me on January <u>/</u> 2007, by Todd W. Griffin, Authorized Agent of RSG Development, LLC, a Michigan limited liability company, on behalf of the company.

Sandra Sorini ElserNotary Public

Washtenaw County, Michigan

Acting in Washtenaw County, Michigan

My Commission Expires: \_\_\_\_

PREPARED BY AND WHEN RECORDED RETURN TO: Sandra Sorini Elser (P36305) BODMAN LLP 401 East Liberty, Suite 400 Ann Arbor, Michigan 48104 (734) 761-3780

# Michigan Department of Labor & Economic Growth

# Filing Endorsement

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT for

THE VILLAGE AT PLUM GROVE CONDOMINIUM ASSOCIATION

ID NUMBER: 70087U

received by facsimile transmission on October 6, 2006 is hereby endorsed Filed on October 6, 2006 by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 6TH day of October, 2006.

, Director

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	MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH						
L	BUREAU OF COMMERCIAL SERVICES						
	Date Received	USE ONLY)					
ŕ		date filed, unless a					
		subsequent effective date within 90 days after received date is stated in the document.					
N	ame		210 0000				
	Sandra Sorini Elser - I						
A	Address						
	110 Miller, Suite 300						
C	ty	State	Zip Code				
	Ann Arbor	MI	48104	EFFECTIVE DATE:			
	Description of the sections of the	Land Marie Control					

Pocument vill be returned to the name and address you enter above.

If left blank document will be mailed to the registered office.

# **ARTICLES OF INCORPORATION**

For use by Domestic Nonprofit Corporations

(Please read information and instructions on the last page)

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:

# ARTICLE

The name of the corporation is: The Village at Plum Grove Condominium Association (referred to herein as the "Association" or the "Corporation")

# ARTICLE II

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

- Al To manage and administer the affairs of The Village at Plum Grove, a Michigan traditional townhouse residential Condominium;
- B To administer, insure, maintain, repair and replace the Common Elements and easements of the Condorninium for the common use of all residents and co-owners, as such terms are defined in the Master Deed of The Village at Plum Grove recorded in Monroe County Records, as the same may be amended from time to time (the "Master Deed");
- C) To fix, levy and collect assessments against and from the members of the Association and to use the proceed s for the purposes set forth in the Master Deed;
- D. To carry insurance and to collect and allocate the proceeds thereof;
- E To repair and rebuild improvements owned by the Association after casualty;
- To act as collection agent for the Community Association pertaining to assessments of members for insurance, maintenance, repair and replacement of the Community Facilities described in the Declaration of Easements, Covenants, Conditions and Restrictions of The Plum Grove Community

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recorded in Monroe County Records.

G. To make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Condo minium and the Association:

To make and enforce reasonable regulations concerning the use and enjoyment of the Common Elements of the Condominium:

To accuire, own, maintain and improve, and to buy, sell, convey, assign or mortgage any real and personal property, including but not limited to any Unit in the Condominium, any easements or licenses or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefit to the members of the Association and furthering any of the purposes of the Association. Not in limitation of the foregoing, the Association may acquire and own Units in the Condominium:

To borrow money and issue evidences of indebtedness in order to accomplish the Association's purposes and to secure any indebtedness by mortgage, pledge or other lien;

To enforce the provisions of the Master Deed and of these Articles of Incorporation and such Bylaws and Rules and Regulations of the Association as may be adopted;

To sue in all courts and participate in actions and proceedings judicial, administrative, arbitrative or otherwise; and

例. To do anything required of or permitted to the Association as administrator of the Condominium by the Condominium Master Deed or By-Laws or by Act No. 59 of Public Acts of Michigan of 1978, as from time to time amended.

M. In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, repair, replacement and or eration of the Condominium and to the accomplishment of any of the purposes thereof.

©apitalized terms not otherwise defined herein shall have the meaning given to them as set forth in the Master De ed, as defined above.

#### ARTICLE II

1. The corporation is organized upon a non-stock basis.

a. The description and value of its real property assets are:

None

b. The description and value of its personal property assets are:

None

c. The corporation is to be financed under the following general plan:

Assessment of the members

d. The corporation is organized on a membership basis.

RTICLE IV		
. The address of the registered office is:		
2834 Carpenter Road	Ann Arbor	. Michigan 48108
(Stre at Address)	(City)	(Zip Code)
The mailing address of the registered office, if	different than above:	•
, value		, Michigan
(Stre at Address or P.O. Box)	(City)	(Zip Code)
3. The name of the resident agent at the register	red office is: Todd W. Griffin	
RTICLE /		
the name(s) and address(es) of the incorporator	(s) is (are) as follows:	
Name	Residence or Business Address:	
San Ira Sorini Elser	110 Miller Avenue, Su	ite 300
Bod nan LLP	Ann Arbor, MI 48104	
ARTICLE /I		
the term of corporate existence is perpetual.		
RTICLE /II		
the qualifications of members, the manner of the pembership, and voting by such members shall	eir admission to the Association be as follows:	n, the termination of
Each co-owner of a Unit in the Condominium persor or entity shall be entitled to members successor Developer shall be a member of the individual purchasers.	hip. The Developer named in	the Master Deed and any
Membership in the Association by persons of acquisition of ownership of a Unit in the Continuous the Country where the Condominium is located ownership of the Unit and the furnishing of expectation, the new co-owner thereby become of the prior co-owner thereby being terminated.	dominium and by recording wit ed a deed or other instrument vidence of such change of ow ming a member of the Associa	th the Register of Deeds in establishing a change of nership satisfactory to the
C. The st are of a member in the funds and ass	ets of the Association cannot b	pe assigned, pledged,

encurr bered or transferred in any manner except as an appurtenance to the member's Unit.

 $\mathring{\mathbb{D}}$ . Voting by members shall be in accordance with the provisions of these Articles of Incorporation, the Maser Deed and the Bylaws of the Association.

#### ARTICLE /III

В

# LIMITATION OF LIABILITY OF VOLUNTEER DIRECTORS AND VOLUNTEER OFFICERS

No member of the Board of Directors of the Corporation who is a Volunteer Director as that term is defined in the Michigan Nonprofit Corporation Act (the "Act"), and no officer who is a Volunteer Officer shall be personally liable to this Corporation or its members for monetary damages for breach of fiduciary duty arising under the Act by such Volunteer Director or Volunteer Officer, provided, however, that this provision shall not eliminate or limit the liability of Volunteer Director or Volunteer Officer for any of the following:

- A breach of the director or officer's duty of loyalty to the Corporation;
- (2) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- (3) A violation of Section 551(1) of the Act, as amended;
- A transaction from which the director or officer derived an improper personal benefit;
- (5) An act or omission occurring before the effective date of this Article;
- (6) An act or omission that is grossly negligent.

The Corporation assumes the liability for all acts or omissions of a Volunteer Director, Volunteer Officer or other volunteer as defined in the Act occurring on or after the effective date of this provision if all of the following are met:

- (1) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.;
- (2) The volunteer was acting in good faith.
- (3) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.
- (4) The volunteer's conduct was not an intentional tort.
- (5) The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Act.

If if e Act is amended after approval of this Article to authorize the further elimination or limitation of the liability of directors or officers of nonprofit corporations, then the liability of directors or officers of the Corporation, in addition to the limitation, elimination and assumption of personal liability contained in this Article shall be assumed by the Corporation or eliminated or limited to the fullest extent permitted by the Act as so amended. No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of a director or officer of the Corporation for or with respect to any acts or omissions occurring prior to the effective date of such amendment or repeal.

ARTICLE IX

#### **INDEMNIFICATION**

trach person who is or was an officer of the Corporation or a member of the Board of Directors, and each person who serves or has served at the request of the Corporation as a director, officer, partner, trustee, employee, agent or committee member of any other corporation, partnership, joint venture, trust or other enterprise shall be indemnified by the Corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The Corporation may purchase and maintain ir surance on behalf of any such person in any such capacity or arising out of such status, whether or not the Corporation would have power to indemnify such person against such liability under the laws of the State of Michigan. This right of indemnification shall continue as to a person who ceases to be a director or officer, and shall inure to the benefit of the heirs, executors, and administrators of that person.

ARTICLE (

#### WRITTEN CONSENT

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

ARTICLE :(I

#### **AMENDMENT**

These Articles of Incorporation may only be amended by the consent of two-thirds (2/3) of all members.

I the incorporator sign my name this 6 day of October, 2006.

Sandra Sorini Flae

C&S 502

# RSG DEVELOPMENT, LLC PURCHASE AGREEMENT (THE VILLAGE AT PLUM GROVE)

#_		The Village at Plum Grove, Monroe County Condominium Subdivision Plan	
ΡI	URCHASER:		
U	NIT ADDRESS:		
PI	LAN NAME:		
ΡĮ	URCHASE PRICE:		
CC	, 200_ ompany, as Seller, y	E AGREEMENT ("Agreement") is made and entered into this day of by and between RSG Development, LLC a Michigan limited liability whose address is 2864 Carpenter Road, Ann Arbor, Michigan 48108 and and	
		and, whose address is, and whose telephone # is, ther Building Co. ("Builder"), a licensed residential builder, License	
		, and whose telephone # is,	
cc	o. 2102061058, joir ondominium project	and the Unit and for the purpose of providing the Limited Warranty as consideration of the mutual covenants and agreements contained herein, the	
re Do pa ar re	um Grove ("Unit"), strictions and ease ocuments described articularly described e owned by RSG D sidential Builder for	F UNIT: Purchaser hereby agrees to purchase unit # of The Village at as described above and in the title policy pertaining thereto, subject to ments of record and the terms and provisions of the Condominium d below. If the Unit is not yet constructed, Builder will build the Unit as more I in paragraph 4 of this Agreement. The Units in The Village at Plum Grove bevelopment, LLC ("Seller") and Guenther Building Co. is the licensed The Village at Plum Grove. At Closing, Seller will convey the completed Unit Purchaser as required by this Agreement.	
	2. PURCHASE PRICE: The total purchase price for the Unit as described herein, is, (\$) dollars		
("I	Purchase Price"), to	be paid by Purchaser to Seller as follows:	
\$	1,000.00	Earnest deposit on the condominium Unit to be held in escrow by American Title Co. of Washtenaw, upon signing this Agreement;	
\$	1,000.00	Earnest deposit on the extras/changes/modifications described on Addendum #1 ("Extras/Upgrades") to be held by Guenther Building Co.;	
\$	,	Earnest deposit upon financing contingency release (insert amount sufficient to bring Deposit to 10% of Purchase Price—funds to be first applied to Extras/Upgrades and delivered to Builder, with any balance applied to Unit and delivered to Title Company);	
\$		Certified US funds at the time of closing.	

The earnest deposits described in this Section are together referred to as the "Deposit."

#### 3. CONTINGENCY:

- 3.1. This Agreement is contingent upon Purchaser securing financing, for which Purchaser agrees to apply immediately. Purchaser agrees to provide a copy of the mortgage commitment to Seller immediately upon receipt. This contingency shall expire 30 days after the date of this Agreement.
- 3.2 If the Purchaser notifies Seller in writing prior to the financing contingency expiration date that Purchaser is unable to secure financing, then this Agreement shall be null and void and Purchaser's Deposit shall be returned, releasing and terminating all rights of Purchaser in the Unit.
- 3.3' If Purchaser does not notify Seller in writing prior to the financing contingency expiration date that Purchaser is unable to obtain financing, then the financing contingency shall be deemed satisfied and the parties will proceed with their respective rights and obligations under this Agreement. Provided, if Purchaser has not terminated this Agreement in accordance with Section 3.2 above, then Seller, at its sole option, shall have the right to terminate this Agreement after the financing contingency expiration date and retain the Deposit if Purchaser fails to provide Seller with a copy of Purchaser's mortgage commitment.
- 3.4 If this Agreement is contingent upon any other contingency, then Purchaser shall have until the expiration date of such contingency to notify Seller in writing that Purchaser is dissatisfied with such contingency, and upon such notice, this Agreement shall be null and void and Purchaser's Deposit shall be returned, releasing and terminating all rights of Purchaser in the Unit.
- 3.5 If Purchaser does not notify Seller in writing prior to the expiration date of a contingency of this Agreement that Purchaser is dissatisfied with such contingency, then such contingency shall be deemed satisfied and the parties will proceed with their respective rights and obligations under this Agreement.

4. SPECIFICATIONS: The Unit shall be in substantial accordance with Builder's
model, containing bedrooms, except for such
hanges and modifications specified in this Agreement. The standard specifications are defined and outlined in Exhibit A, attached to this Agreement. Seller and Builder reserve the right to modify the standard specifications at any time without notice and to substitute any material or equipment that may not be attainable at such time to finish with construction of the Unit in a timely manner. Substitutions and additions to the standard specifications may also be made if required by governmental regulations, in which case the reasonable cost shall be paid by Purchaser, at closing, following documentation of reasonable cost by Seller or Builder. Any substitutions or modifications shall be made with products of similar or better quality and performance as provided
or in the specifications.

Purchaser acknowledges certain of the appliances, ceiling fans, furnishings, floor and wall coverings, decorator items and all personal property located in the model homes, to the extent that such items are not listed in Exhibit A to this Agreement, are for display purposes only and are not included in the Purchase Price or specifications for the Unit described in this Agreement.

**INCLUDED IN PRICE:** The total Purchase Price set forth in Section 2 above includes the following extras/changes/modifications/upgrades:

See Addendum #1

**5. COMMENCEMENT AND COMPLETION:** Commencement of construction of the Unit shall occur only after completion of the following:

- A. Written release of all contingencies and receipt of satisfactory mortgage commitment;
- B. Payment of all Deposits;
- C. Completion of all customer selections and acceptance of all selection documents.

It is estimated that construction will be completed and that the Unit will be ready for occupancy by the date 120 days from release of all contingencies and completion of all customer selections, weather permitting. This date is an estimate and shall not be construed as a guarantee of completion date. Seller and Purchaser mutually agree that the construction and delivery or conveyance of the Unit shall be completed within nine (9) months of the date all contingencies are released in writing by Purchaser and completion of all customer selections, or the start of construction, whichever is later, weather permitting.

Purchaser agrees to complete all customer selections and execute selection documents by the financing contingency expiration date at set forth in Section 3 of this agreement. Selection documents are attached to this Agreement as Exhibit B. Seller and Builder reserve the right to begin construction of the Unit at any time without modification of this Agreement. In this event, all terms and conditions of this Agreement will remain in full force and effect, and construction may be stopped at any time if any contingency, payment or selection requirements are not met.

6. CHANGES TO AGREEMENT: Neither Seller nor Builder shall be required or obligated to make any changes in this Agreement, the specifications or the work or construction of the Unit not specifically agreed to at the time of execution of this Agreement. Any deviations and/or changes by Purchaser shall be made only by agreement in writing signed by both Seller and Purchaser. Any charges for any changes shall be paid at the time of the signing of the written amendment or change order. Anything in this Agreement to the contrary notwithstanding, Seller's and Builder's liability for failure to make any written agreed upon change following original execution of this Agreement shall be limited to issuing a credit for the amount paid by Purchaser, if any, for such change.

In the event Purchaser fails to consummate the purchase of the Unit, any amounts paid or due for changes and/or extra features which are not listed in the original Agreement may be retained by Seller in addition to the liquidated damages provided herein.

7. CLOSING: Issuance of a Temporary or Final Certificate of Occupancy shall constitute substantial completion of the work required under this Agreement. Closing shall take place within fifteen (15) days following issuance of a Temporary or Final Certificate of Occupancy on the Unit to be conveyed under this Agreement at American Title Company of Washtenaw unless otherwise agreed by Seller and Purchaser or required by Purchaser's lender. Failure of Purchaser to timely close within this fifteen (15) day period is a default by Purchaser under this Agreement. Purchaser agrees to pay Seller the sum of fifty (\$50) dollars per day while in default of the closing deadline.

It is Purchaser's sole responsibility to obtain a mortgage and/or provide sufficient funds to pay the Purchase Price and be prepared to accept conveyance of the Unit in a timely manner and to be sure that the mortgage institution is prepared for closing of the Unit described herein within the required fifteen (15) day closing deadline.

Purchaser is responsible for all mortgage costs, and such other costs that are typically paid for by Purchaser. Current taxes, assessments and condominium fees, if any, will be prorated as of the date of closing. Tax and other prorations will be completed on a due date basis as if paid in advance from and including the date of closing. In addition to the Seller's credit for tax proration at the time of closing, in the event the tax bills for the Unit have not been divided into separate tax bills by the local tax assessor, Purchaser will pay an amount equal to Purchaser's estimated

percentage of real estate taxes for the Unit which will fall due prior to the next December 31<sup>st</sup>. Transfer taxes shall be paid by Seller at closing. Purchaser shall change the electric, gas and water utilities to their own name, effective the date of closing, and provide proof of such utility transfer at closing, or be subject to turnoff by the utilities. Purchaser is responsible for all taxes and assessments due and payable after closing.

8. INCOMPLETE WORK: If at the time the Unit is substantially completed and Seller is prepared to deliver possession, there remain items to be completed that do not affect the habitability of the Unit, or any exterior work that cannot be completed due to weather or other conditions beyond Seller's or Builder's control, such items are to be listed on the final walk-through punchlist and signed by both Builder and Purchaser. The final walk-through punchlist is attached to this Agreement as Exhibit C. This will not relieve Builder of any obligation to complete the punch list items, but allows Builder sufficient time to repair or correct any deficiencies that may be determined on the walk-through. Builder will complete all punch list items as soon as weather conditions permit within a reasonable time following closing. No work, correction or completion shall be made after closing unless listed on the final walk-through punchlist or eligible for warranty service under terms of the limited warranty.

Purchaser agrees that funds shall not be escrowed to guarantee or otherwise insure completion of work not completed prior to closing.

- 9. LIMITED WARRANTY: Builder shall furnish Purchaser a limited warranty at closing pertaining to the Unit and its appurtenant limited common elements in the form attached to this Agreement as Exhibit D. Seller makes no warranty with respect to the Unit or common elements except that building, street and utility improvements listed as "MUST BE BUILT" on the Condominium Subdivision Plan have been or will be built. [CHECK] This limited warranty is the only warranty or representation pertaining to warranty made on the Unit. No other warranty is made, either oral or written, and no other warranty will be honored. The limited warranty executed by Builder in the form attached as Exhibit D will be provided and shall be effective on the date of closing.
- 10. POSSESSION: Purchaser shall be entitled to take possession of the Unit only following closing and final payment of all sums due on conveyance.
- 11. CONDOMINIUM DOCUMENTS; COMMUNITY DOCUMENTS: The Village at Plum Grove is a residential Condominium established by recording a Master Deed, Bylaws and Condominium Subdivision Plan ("Master Deed") in the Monroe County Records and administered by The Village at Plum Grove Condominium Association, organized and operating under laws, rules and regulations of the State of Michigan. At closing, Purchaser will automatically become a member in The Village at Plum Grove Condominium Association ("Association"), a Michigan Non-Profit Corporation, which insures, operates, maintains, repairs and replaces the common elements of the Condominium, administers the Association, and enforces the restrictions in the Master Deed and the rules and regulations of the Association.

Purchaser will be liable for Purchaser's proportionate share of the Association assessments for maintenance, repair, replacement and other expenses of administration of the Condominium as outlined in the Condominium Disclosure Statement, the Condominium Master Deed and Bylaws provided to Purchaser. As set forth in the Disclosure Statement, at closing, Purchaser shall pay to the Association two (2) months of assessments as a working capital reserve. In addition to Purchaser's prorated share of the Association assessment due at closing, Purchaser shall pay the Association for the next month's Association assessment at closing.

The Village at Plum Grove is part of the Plum Grove Community (the "Community"), along with the adjacent condominium project known as The Park at Plum Grove and adjacent subdivision known as The Estates of Plum Grove. Owners of Lots and Units in the Community are subject to the Community Declaration of Easements, Covenants, Conditions and Restrictions recorded in

the Monroe County Records ("Community Declaration"). The Plum Grove Community Association, a Michigan non-profit corporation ("Community Association") has been established to administer the common affairs of the owners of Lots or Units in the Community including insurance, maintenance, repair and replacement of the Community Facilities (as defined in the Community Declaration) consisting of a pool, clubhouse and shared facilities, Plum Grove Drive, signs, landscaping and entrance way improvements, common storm drainage facilities, and common utilities. At closing each Purchaser will automatically become a member of the Association and the Community Association and shall be subject to the recorded Master Deed, the Community Declaration and the Articles of Incorporation, Bylaws and the rules and regulations of the Association and the Community Association.

Purchaser will be liable for a proportionate share of the Community Association assessments for insurance, maintenance, repair, replacement of the Community Facilities and other expenses of administration of the Community as outlined in the Community Declaration provided to Purchaser.

In addition, at closing Purchaser shall pay to the Community Association a transfer fee to defray the costs incurred by the Community Association in establishing Purchaser's account and other administrative expenses arising from transfer of the Unit.

Certain documents relative to The Village at Plum Grove are required to be presented as part of this Agreement. The documents are attached as Exhibit E and include The Village at Plum Grove Master Deed, Bylaws and Condominium Subdivision Plan, the Articles of Incorporation of The Village at Plum Grove Condominium Association, the Disclosure Statement for the Condominium, a copy of this Purchase Agreement, the Escrow Agreement, a Receipt and Information Statement required by §84a of the Condominium Act and the Condominium Buyer's Handbook ("Condominium Documents").

THIS AGREEMENT SHALL BECOME A BINDING PURCHASE AGREEMENT UPON THE EXPIRATION OF NINE (9) BUSINESS DAYS (INCLUDING THE DAY THE CONDOMINIUM DOCUMENTS ARE RECEIVED IF THAT DAY IS A BUSINESS DAY) AFTER RECEIPT BY PURCHASER OF THE CONDOMINIUM DOCUMENTS, INCLUDING THE PROJECT DISCLOSURE STATEMENT UNLESS SAID TIME PERIOD IS WAIVED. PURCHASER SHALL BE ENTITLED TO WITHDRAW FROM THIS AGREEMENT WITHOUT CAUSE AND WITHOUT PENALTY, AND RECEIVE A REFUND OF ALL SUMS DEPOSITED HEREUNDER UPON WRITTEN NOTICE TO SELLER AT ANY TIME WITHIN SUCH NINE (9) BUSINESS DAY PERIOD. SUCH REFUND SHALL BE MADE WITHIN THREE (3) BUSINESS DAYS AFTER WITHDRAWAL.

"BUSINESS DAY" MEANS A DAY OF THE YEAR EXCLUDING A SATURDAY, SUNDAY, OR LEGAL HOLIDAY. THE CALCULATION OF THE NINE (9) BUSINESS DAY PERIOD SHALL INCLUDE THE DAY ON WHICH THE DOCUMENTS LISTED ABOVE ARE RECEIVED IF THAT DAY IS A BUSINESS DAY.

AFTER THE EXPIRATION OF THE WITHDRAWAL PERIOD STATED ABOVE, SELLER IS REQUIRED TO RETAIN SUFFICIENT FUNDS IN ESCROW OR TO PROVIDE SUFFICIENT SECURITY TO ASSURE COMPLETION OF ONLY THOSE UNCOMPLETED STRUCTURES AND IMPROVEMENTS LABELED UNDER THE TERMS OF THE CONDOMINIUM DOCUMENTS, "MUST BE BUILT."

AS STATED IN SECTION 2 OF THIS AGREEMENT, SELLER AGREES THAT THE \$1,000 DEPOSIT FOR THE CONDOMINIUM UNIT SHALL BE PLACED IN AN ESCROW ACCOUNT UNDER TERMS OF AN ESCROW AGREEMENT, A COPY OF WHICH HAS BEEN ATTACHED AS EXHIBIT E TO THIS AGREEMENT. THE TERMS OF THE ESCROW AGREEMENT ARE INCORPORATED BY REFERENCE IN THIS AGREEMENT. THE ESCROW AGENT IS AMERICAN TITLE COMPANY OF WASHTENAW WHOSE ADDRESS IS 3005 BOARDWALK,

SUITE 202, ANN ARBOR, MICHIGAN 48108. ANY INTEREST EARNED ON FUNDS REFUNDED TO PURCHASER SHALL BE PAID TO SELLER. ESCROWED FUNDS WILL BE RELEASED TO SELLER AS DIRECTED BY THE ESCROW AGREEMENT.

- 12. TITLE: Seller agrees to furnish title insurance to Purchaser in the amount of the Purchase Price, showing marketable title. At the closing, Seller shall convey the Unit to Purchaser by Warranty Deed, subject to matters disclosed in the title commitment, including The Village at Plum Grove Master Deed, the Community Declaration, rights of The Village at Plum Grove Condominium Association, rights of the Community Association, and restrictions and easements of record.
- **13. INSURANCE:** Until the closing, Seller or Builder shall maintain builders risk insurance on the Unit. After closing, Purchaser shall be responsible for insurance on the Unit.
- 14. DEFAULT: In the event that Purchaser shall default in any of the terms of this Agreement including failure to timely make any payment due to Seller under and pursuant to the terms of this Agreement, then in such event after having received written notice of said default and having failed to cure said default within five (5) days of written notice, at the option of Seller, all rights of Purchaser under this Agreement shall be deemed terminated and Seller shall have the choice of electing any equitable or legal remedy for Purchaser's breach, and Seller shall further have the right, in lieu of any other right, to retain any funds paid hereunder as liquidated damages; provided, however, that said liquidated damage amount shall not exceed fifteen (15) percent of the Purchase Price hereunder plus the amount of any written orders for additional work or changes executed between the Purchaser and Seller. In addition, promptly after Seller declares this Agreement in default, Purchaser shall forthwith execute any and all documents reasonably requested by Seller including a Quit Claim Deed to the Unit, conveying any interest the Purchaser may have had in the Unit to Seller.
- **15. ASSIGNABILITY:** Seller and Purchaser agree that this Agreement is personal to the parties and, therefore, this Agreement is not assignable by the Purchaser without the express written consent of the Seller and any attempt by Purchaser to assign or otherwise pledge this Agreement shall be deemed automatically void and unenforceable.
- **16. BINDING EFFECT:** This Agreement is declared binding on the heirs, representatives, successors and assigns of the respective parties.
- 17. ARBITRATION: Either party to this Agreement may require that any claim or dispute between the parties hereto arising out or relating to this Agreement, the premises or construction of the Unit, shall be settled by binding arbitration, in Ann Arbor, Michigan, in accordance with the Michigan Uniform Arbitration Act, MCLA 600.5001 to 600.5035. A panel of three arbitrators shall be chosen in accordance with procedures of the American Arbitration Association, Detroit, Michigan office, who shall each have knowledge of and/or experience in the field of residential construction. The decision and/or award of the arbitration shall be final, and may be entered in a court of the State of Michigan having competent jurisdiction. The cost of any such arbitration shall be shared equally by the parties.

In addition, at the exclusive option of the Purchaser, any claim which might be the subject of a civil action against the Seller which involves an amount less than \$2,500.00, and relates to the Unit shall be settled by binding arbitration conducted by the American Arbitration Association. The arbitration shall be conducted in accordance with applicable law and the currently applicable rules of the American Arbitration Association. Judgment upon the award rendered by arbitration may be entered in a court of appropriate jurisdiction.

18. CONTRACT DOCUMENTS - ENTIRE AGREEMENT: This Agreement consists of this Purchase Agreement, Addendum #1, Upgrades, Extras and Modifications and Exhibit A, Specifications; Exhibit B, Selection Documents; Exhibit C, Final Walk-through Punchlist; Exhibit D,

Limited Warranty; Exhibit E, Condominium Documents; Exhibit F, The Building Experience; and Contract Change Orders signed or initialed by the parties at execution of this Agreement and all subsequent modifications agreed to in writing between Seller and Purchaser. Marketing materials, including but not limited to display boards, brochures, advertising, price lists and any other document not listed as an exhibit to this Agreement and may not be relied on as factual by Purchaser and are not part of this Agreement.

The contract documents represent the entire agreement between Seller and Purchaser and it is acknowledged that no other statement, representation or agreement, either verbal or written, irrespective of by whom made, is a part of this Agreement or in any way binds the parties. It is further acknowledged that this Agreement relates solely to the purchase of the Unit specifically described in Section 1.

IN WITNESS WHEREOF, Seller and Purchaser have signed this Agreement.

Revised 10/25/06

SELLER:
RSG DEVELOPMENT, LLC

By:\_\_\_\_\_\_
Its:\_\_\_\_\_

Dated:\_\_\_\_\_

BUILDER:
GUENTHER BUILDING CO.

By:\_\_\_\_\_\_
Its:\_\_\_\_\_

Dated:\_\_\_\_\_

7

# THE VILLAGE AT PLUM GROVE (A RESIDENTIAL CONDOMINIUM) ESCROW AGREEMENT FOR PURCHASE AGREEMENTS

This Escrow Agreement ("Escrow Agreement") is entered into on \_\_\_\_\_\_\_, 2006, by and between RSG Development, LLC, a Michigan limited liability company ("RSG"), and American Title Company of Washtenaw ("Escrow Agent").

# RECITALS

- A. RSG is the Developer of The Village at Plum Grove, a residential condominium in Monroe County, Michigan, as a Condominium Project ("Condominium") under the Michigan Condominium Act, as amended (the "Act").
- B. RSG intends to enter into Purchase Agreements ("Agreements" or individually "Agreement" or "Purchase Agreement") with purchasers of Units in The Village at Plum Grove ("Unit") substantially in the form attached hereto. Each Agreement requires that the deposit with respect to a Unit made under the Agreement be held in an escrow account with an escrow agent.
- C. The parties desire to enter into this Escrow Agreement to establish such an escrow account for the benefit of RSG and for the benefit of each purchaser ("Purchaser") who makes a deposit for a Unit under an Agreement.

NOW, THEREFORE, the parties agree as follows:

## AGREEMENT

- 1. **Deposit**. RSG shall, promptly after receipt, transmit to Escrow Agent the deposit ("Deposit") for a Unit under an Agreement together with a fully executed copy of the Agreement and a signed receipt from Purchaser showing Purchaser's receipt of the documents required pursuant to the Act. Pursuant to Section 83(4) of the Act, RSG and Escrow Agent shall treat the Preliminary Reservation Deposit of a Purchaser who has previously entered into a Preliminary Reservation Agreement as if made under a Purchase Agreement to be held in accordance with the terms of this Escrow Agreement. The Master Deed for the Condominium and the form of Agreement have been reviewed by Escrow Agent and shall not be amended or modified in any manner which will, in the opinion of Escrow Agent, materially change Escrow Agent's duties or increase its liabilities, without Escrow Agent's consent. Without limiting the foregoing statement, the Condominium Subdivision Plan may not be amended to label any structure or improvement as "MUST BE BUILT" without Escrow Agent's consent.
- 2. **Term**. The deposit for a Unit paid to Escrow Agent under the terms of any Agreement shall be held and released to RSG or Purchaser only upon the conditions set forth below.

# 3. Withdrawal and Default by Purchaser.

- 3.1 <u>Withdrawal by Purchaser</u>. The Deposit shall be released to Purchaser under the following circumstances:
  - 3.1.1 If the Agreement is contingent upon Purchaser obtaining financing and Purchaser fails to obtain financing as provided in the Agreement, then Escrow Agent shall release to Purchaser all sums held by Escrow Agent pursuant to the Agreement.
  - 3.1.2 In the event that a Purchaser duly withdraws from an Agreement prior to the time that the Agreement becomes binding, then Escrow Agent shall, within three (3) business days from the date of receipt of notice of such withdrawal, release to Purchaser all of Purchaser's Deposit held under this Escrow Agreement.
  - 3.1.3 If, however, RSG files with Escrow Agent a written objection to the withdrawal request of Purchaser, which objection claims an interest in the sums held pursuant to the Agreement, Escrow Agent shall hold or dispose of funds pursuant to Paragraph 12 hereof.
- 3.2 <u>Default by Purchaser</u>. If, after an Agreement becomes binding in accordance with its terms, a Purchaser defaults in making any payments required by the Agreement or in fulfilling any other obligations under the Agreement for a period of ten (10) days after written notice by RSG to Purchaser, Escrow Agent shall release sums held pursuant to the Agreement and this Escrow Agreement to RSG in accordance with the terms of the Agreement. If, however, Purchaser files with Escrow Agent a written objection to the withdrawal request of RSG, which objection claims an interest in the sums held pursuant to the Agreement, Escrow Agent shall hold or dispose of the funds pursuant to Paragraph 12 below.
- 4. **Retention of Deposit**. Except as provided above and in Paragraph 6 below, each Purchaser's Deposit shall be retained in escrow and shall be released to RSG only upon all of the following:
  - 4.1 Issuance of a certificate of occupancy for the Unit if required by local ordinance; and
    - 4.2 Conveyance of legal or equitable title to the Unit to the Purchaser;
  - 4.3 Receipt by the Escrow Agent of a certificate signed by a licensed professional engineer or architect either confirming that those portions of the Condominium in which the Purchaser's Unit is located which, on the Condominium Subdivision Plan, are labeled "MUST BE BUILT" are substantially complete, or determining the amount necessary for substantial completion thereof; and
  - 4.4 Receipt by the Escrow Agent of a certificate signed by a licensed professional engineer or architect either confirming that any recreational or other

facilities and all other common areas intended for common use which on the Condominium Subdivision Plan are labeled "MUST BE BUILT," whether located within or outside of the phase of the project in which the Unit is located, and which are intended for common use, are substantially complete, or determining the amount necessary for substantial completion thereof.

# 5. Substantial Completion.

- 5.1 Substantial completion or the estimated cost for substantial completion of the items described in Subparagraphs 4.3 and 4.4 above and in Paragraph 7 below shall be determined by a licensed professional engineer or architect, as provided in Subparagraph 5.2 below, subject to the following:
  - 5.1.1 Items referred to in Paragraph 4.3 shall be substantially complete only after all utility mains and leads, all major structural components of buildings, all building exteriors and all sidewalks, driveways, landscaping and access roads, to the extent such items are designated on the Condominium Subdivision Plan as "MUST BE BUILT," are substantially complete in accordance with the pertinent plans therefore.
  - 5.1.2 If the estimated cost of substantial completion of any of the items referred to in Subparagraph 4.3 and 4.4 cannot be determined by a licensed professional engineer or architect due to the absence of plans, specifications, or other details that are sufficiently complete to enable such a determination to be made, such cost shall be the minimum expenditure specified in the recorded Master Deed or amendment for completion thereof. To the extent that any item referred to in Subparagraph 4.3 and 4.4 is specifically depicted on the Condominium Subdivision Plan, an estimate of the cost of substantial completion prepared by a licensed professional engineer or architect shall be required in place of the minimum expenditure specified in the recorded Master Deed or amendment.
- 5.2 A structure, element, facility or other improvement shall be deemed to be substantially complete when it can be reasonably employed for its intended use and, for purposes of certification under this section, shall not be required to be constructed, installed, or furnished precisely in accordance with the specifications for the project. A certificate of substantial completion shall not be deemed to be a certification as to the quality of the items to which it relates.
- 6. Release of Deposit. Upon receipt of a certificate issued pursuant to Subparagraph 4.3 and/or 4.4 determining the amounts necessary for substantial completion, the Escrow Agent may release to RSG all funds in escrow in excess of the amounts determined by the issuer of such certificate to be necessary for substantial completion. In addition, upon receipt by the Escrow Agent of a certificate signed by a licensed professional engineer or architect confirming substantial completion in accordance with the pertinent plans of an item for which funds have been deposited in escrow, the Escrow Agent shall release to RSG the amount of such funds specified by the issuer of the certificate as being attributable to such substantially

completed item. However, if the amounts remaining in escrow after such partial release would be insufficient, in the opinion of the issuer of such certificate, for substantial completion of any remaining incomplete items for which funds have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by the Escrow Agent to RSG. Notwithstanding a release of escrow funds that is authorized or required by this paragraph, Escrow Agent may refuse to release funds from an escrow account if the Escrow Agent, in its judgment, has sufficient cause to believe the certificate confirming substantial completion or determining the amount necessary for substantial completion is fraudulent or without factual basis. If RSG requests that all of the escrowed funds held hereunder or any part thereof be delivered to it prior to the time it otherwise becomes entitled to receive the same, Escrow Agent may release all such sums to RSG if RSG has placed with Escrow Agent an irrevocable letter of credit drawn in favor of Escrow Agent in form and substance satisfactory to Escrow Agent and securing full repayment of said sums, or has placed with Escrow Agent such other substitute security as may be permitted by law and approved by Escrow Agent.

- 7. **Notice.** Not earlier than nine (9) months after closing the sale of the first Unit in a phase of a condominium project for which escrowed funds have been retained under Subparagraph 4.3 or for which security has been provided under Paragraph 6, the Escrow Agent, upon the request of the Condominium Association or any interested Co-Owner, shall notify RSG of the amount of funds deposited under Subparagraph 4.3 or security provided under Paragraph 6 for such purpose that remains, and of the date determined under this paragraph upon which those funds can be released. In the case of any recreational facility or any and all other common areas intended for general common use, if any are specifically provided in the Master Deed, not earlier than nine (9) months after the date on which the facility was promised in the condominium documents to be completed by RSG, the Escrow Agent, upon the request of the Association or any interested co-Developer, shall notify RSG of the amount of funds deposited under Subparagraph 4.3 or security provided under Paragraph 6 for such purpose that remains, and of the date terminated under this paragraph upon which those funds can be released. Three (3) months after receipt of a request pertaining to funds described in Subparagraph 4.3 or 4.4, funds that have not yet been released to RSG may be released by the Escrow Agent for the purpose of completing incomplete improvements for which the funds were originally retained, or for a purpose specified in a written agreement between the Association and RSG entered into after the transitional control date, as defined by the Condominium Act. The Escrow Agent may release funds in the manner provided in such an agreement or may initiate an interpleader action and deposit retained funds with a court of competent jurisdiction. Any notice or request provided for in this paragraph shall be in writing.
- 8. **Interest**. If interest is paid on the deposits escrowed hereunder, that interest shall be released in the same manner as provided for the release of funds in this Escrow Agreement except that interest on funds refunded to a Purchaser upon withdrawal pursuant to the Purchase Agreement shall be paid to RSG. This Escrow Agreement does not obligate Escrow Agent to earn interest on any of the escrowed funds.
- 9. **Independent Party**. The Escrow Agent, in the performance of its duties under this Escrow Agreement, shall be deemed an independent party not acting as the agent of RSG, any Purchaser, or other interested party. So long as the Escrow Agent relies upon any certificate, cost estimate or determination made by a licensed professional engineer or architect, the Escrow

Agent shall have no liability whatever to RSG or to any purchaser, or other interested party for any error in such certificate, cost estimate or determination, or for any act or omission by the Escrow Agent in reliance thereon.

- 10. Licensed Professional Engineer or Architect. For all purposes of this Escrow Agreement, the term "licensed professional engineer or architect" means a member of those professions who satisfies all requirements of the laws of Michigan for the practice of the profession, and who is not an employee of RSG or of a firm in which RSG or an officer or director of RSG is a principal or holds ten (10%) percent or more of the outstanding shares of that firm.
- Proof of Occurrence. Escrow Agent may require reasonable proof of occurrence 11. of any of the events, actions or conditions stated herein before releasing any sums held by it pursuant to any Agreement either to a Purchaser thereunder or to RSG. Whenever Escrow Agent is required hereby to confirm that a facility, element, structure, improvement or identifiable portion of any of the same is substantially complete in accordance with the pertinent plans and specifications therefore, it may base such confirmation entirely upon the certificates required herein. Likewise, all estimates and determinations of the costs to substantially complete any incomplete elements, facilities, structures and improvements for which escrowed funds are being specifically maintained hereunder shall be made entirely by the persons provided herein; and the determination of all amounts to be retained or maintained in the escrow account for the completion of any such elements, facilities, improvements or structures shall be based entirely upon such determinations and estimates as are furnished by others in accordance with this Escrow Agreement. No inspections of the Condominium or any portion thereof by any representative of Escrow Agent shall be deemed necessary hereunder, nor must any cost estimates or determinations be made by Escrow Agent; and Escrow Agent may rely entirely upon certificates, cost estimates and determinations as described herein in retaining and releasing all escrowed funds hereunder.
- 12. **Conflicting Instruction.** If Escrow Agent receives conflicting instructions or claims to the funds, securities or documents held in escrow, it may hold all funds, securities and documents affected by the conflicting instructions or claims in this escrow and take no further action until otherwise directed, either by mutual written instructions from all interested parties or final order of a court of competent jurisdiction; or it may initiate an interpleader action in any circuit court in the State of Michigan having jurisdiction naming all interested parties as parties and depositing all funds, securities and documents affected by the adverse claims with the clerk of such court in full acquittance of its responsibilities under this Escrow Agreement.
- 13. Release from Liability. Upon making delivery of the funds deposited with Escrow Agent pursuant to any Agreement and performance of the obligations and services stated herein, Escrow Agent shall be released from any further liability as Escrow Agent, it being expressly understood that liability is limited by the terms and provisions set forth in this Escrow Agreement; and that by acceptance of this Escrow Agreement, Escrow Agent is acting in the capacity of a depository and is not, as such, responsible or liable for the sufficiency, correctness, genuineness or validity of the instruments submitted to it, or the marketability of title to any Unit sold, unless insured by Escrow Agent. Escrow Agent is not responsible for the failure of any bank or savings and loan association used by it as an escrow depository for funds received by it

under this Escrow Agreement; further, Escrow Agent is not a guarantor of performance by RSG under the Condominium Documents or any Agreement; and Escrow Agent undertakes no responsibilities whatsoever with respect to the nature, extent or quality of such performance thereunder or with regard to the conformity of such performance to the terms of such documents, to the plans and specifications for the condominium, to local or state laws or in any other particular. So long as Escrow Agent relies in good faith upon any instrument, document or certificate of any kind, Escrow Agent shall have no liability whatsoever to RSG, any Purchaser or any other party for any error in such instrument, document or certificate. Escrow Agent's liability hereunder shall in all events be limited to return, to the parties entitled thereto, of the funds deposited in accordance with this Escrow Agreement, less any reasonable expenses which Escrow Agent may incur in the administration of such funds or otherwise hereunder. Reasonable expenses shall include, without limitation, reasonable attorneys' fees and litigation expenses paid in connection with the defense, negotiation or analysis of claims against it, by reason of litigation or otherwise, arising out of the administration of such escrowed funds. Escrow Agent shall be entitled, without notice, to deduct all reasonable expenses from amounts on deposit hereunder.

14. **General**. This Escrow Agreement may be amended by the parties hereto without the consent of any Purchaser or co-owner, provided that any amendment shall comply with the Condominium Act. No amendment shall materially diminish the right of any Purchaser to a refund of the Purchaser's deposit pursuant to the Purchase Agreement or materially diminish the Purchaser's right to have the deposit retained in escrow. Escrow Agent may designate a representative to administer escrow funds in the name, and on behalf of Escrow Agent. With the consent of RSG, Escrow Agent may assign this Escrow Agreement and any deposit made hereunder to any bank, savings and loan association, or title insurance company, licensed or authorized to do business in Michigan, as a successor Escrow Agent. Upon acceptance of such assignment by the successor Escrow Agent and transfer all deposits thereto, Escrow Agent shall be relieved of any further obligation or liability arising from this Escrow Agreement.

15. **Notices**. All notices required or permitted hereunder and all notices of change of address shall be deemed sufficient if personally delivered or sent by mail, postage prepaid, addressed to the recipient party at the address shown below such party's signature to this Escrow Agreement or upon any Agreement. For purposes of calculating time periods under the provisions for this Escrow Agreement, notice shall be deemed effective upon mailing or personal delivery, whichever is earlier.

RSG DEVELOPMENT, LLC, a Michigan limited liability company
By: Toldhill of
Its: Authorized Agent
Address: 2865 Carpenter Road Ann Arbor, Michigan 48108
Dated: Jan. 16, 2006
ESCROW AGENT: AMERICAN TITLE COMPANY OF WASHTENAW
By: Stance
Its: Pres.
Address: 3005 Boardwalk Ann Arbor, Michigan 48104

Dated: Oct. 18, 2006

# The Condominium Buyers' Handbook

State of Michigan
Department of Consumer and Industry Services
Office of Policy and Legislative Affairs
Boundary Commission
www.cis.state.mi.us/opla

The Condominium Buyers Handbook was created by the Michigan Department of Consumer and Industry Services as required by the Condominium Act, Public Act 59 of 1978, as amended. This edition reflects Public Act 379 of 2000 amendments that took effect January 2, 2001.

This handbook is intended as a guide for people who are considering buying a condominium. It provides a summary of portions of the Condominium Act (MCL 559.101 et seq.) and is directed primarily toward residential condominium buyers, although the Act also provides for business, campground and marina condominium developments.

Although the Department of Consumer & Industry Services is identified as the administrator in the Act, the Legislature repealed the Department's regulatory responsibilities many years ago. The Act does not give the Department authority to enforce any provisions in the Act. The last section of the handbook describes the remedies the Act does provide. In addition, the Department will forward a copy of a complaint received regarding a developer of a condominium project to the developer along with a notice of available remedies in the Act. Contact:

Michigan Department of Consumer & Industry Services
Office of Policy & Legislative Affairs
P.O. Box 30004
Lansing, MI 48909
(517) 241-4580
www.cis.state.mi.us/opla

# Condominium Ownership

Unit owners have exclusive ownership rights to their unit and the right to share the common elements of the condominium project with the other co-owners. The development is privately owned and maintained by the co-owners, unless the local government agrees to take responsibility for maintaining a portion of the development. Roads are an example of a portion of a condominium development that may become public. The master deed will designate the percentage of ownership of each condominium unit in the development. This percentage of value will determine your obligation for payment of monthly fees, assessments, and may determine your voting percentage at association meetings.

The bylaws should be read carefully as they contain provisions outlining your rights as an owner. Modifications or repairs to your unit may require approval of the co-owners association. There may be restrictions on pets, renting, use of recreational facilities, and other prohibitions in the bylaws that you should be aware of before signing a purchase agreement.

# Association of Co-owners (Condominium Board):

Initially, the developer appoints the board of directors, who govern the development until the first annual meeting. The provisions for holding the annual meeting and designating the voting procedures are included in the condominium bylaws. The association of co-owners is elected by the co-owners and is responsible for governing the development and maintaining the general common elements. The general common elements may consist of hallways, lobbies, building exteriors, lawns, streets (if the roads are private), recreation facilities, heating, water and electric systems. The association has authority to determine the monthly maintenance fee and the amount of any special assessments. The association of co-owners may hire a management company to provide services for the development. Each co-owner must pay a monthly fee for these services and any special assessments.

Rules governing the association are written in the bylaws of the condominium development. After the association of co-owners is created, it may adopt bylaws for the operation of the association. Meetings of the co-owners association are meetings of a private entity, and not subject to the Open Meetings Act, which requires government agencies to allow public attendance at meetings. Associations are required to maintain a reserve fund for major repairs and replacement of common elements. The minimum amount is 10 % of the annual budget on a non-cumulative basis.

You should receive a disclosure statement itemizing the association's budget at the time you are given the master deed. The monthly assessment is considered a lien on the condominium unit and you cannot be exempt from assessments and monthly fees by nonuse of any common elements or by abandonment of the condominium unit. Co-owners must notify the association if they rent or mortgage their unit.

If you have complaints with the association or other co-owners, review the condominium bylaws to determine what recourse you have. Generally only professional arbitrators or the courts have jurisdiction over complaints between these parties.

## **Site Condominiums**

The term "site condominium" is used to describe a condominium development with single-family detached housing instead of two or more housing units in one structure. Site condominium developments must comply with the Act. The Act requires developers to notify the appropriate local government of their intent to develop a condominium project. The type of review the development is subject to depends on the local government's ordinances. Site condominium documents are not reviewed by the State for conformance with the Act.

There is another type of residential subdivision development in Michigan that is regulated in accordance with the Land Division Act. Subdivisions developed pursuant to the Land Division Act are subject to state review for conformance with the Land Division Act.

# **Limited or General Common Elements**

Limited common elements are property with usage restrictions. A carport space assigned to a unit is a limited common element. The yard of a unit that is a single family detached home may be a limited common element for use by the owner of that unit. General common elements may be roads, open space areas and recreation facilities. They are available for use by everyone in the development. The master deed specifies which parts of your condominium development are designated as limited or general common elements. Use of the common elements is governed by the bylaws for the condominium development.

## **Condominium Documents**

The condominium documents include the master deed, condominium subdivision plan, bylaws for the condominium project, and any other documents referred to in the master deed or bylaws. In addition, the developer is required to provide a disclosure statement. Once the condominium association is established, it may adopt another set of bylaws pertaining to the association's operation. The association or management company must keep books and records with a detailed account of the expenditures and receipts affecting the project and its administration, and which specify the operation expenses.

# **Preliminary Reservation Agreements**

A preliminary reservation agreement gives you the opportunity to purchase a particular condominium unit for a specified period of time upon sale terms to be determined later. The developer must place the payment you make in an escrow account with an escrow agent. If you make a payment under a preliminary reservation agreement and cancel the agreement, the developer must fully refund the money. If you subsequently enter into a purchase agreement, the developer must treat the payment made as if it was made under a purchase agreement.

# **Purchase Agreements**

A purchaser may withdraw from a signed purchase agreement without cause or penalty within nine business days as long as the property has not been conveyed to the purchaser. The nine-business day window starts the day on which the documents listed below are received, if that day is a business day. The developer must deposit payments made under a purchase agreement in an escrow account with an escrow agent.

Before signing an agreement, it is advisable to seek professional assistance to review all condominium documents. Some issues to consider before buying include the following:

- The bylaws may contain a variety of restrictions. The bylaws may require you to receive association approval for certain actions. If you do not obtain prior approval, the association has authority to enforce any legal restrictions in the bylaws.
- You may be subject to a binding purchase agreement before construction begins or is completed. Determine whether the agreements will provide you with adequate rights if the developer does not finish the unit in time to meet the occupancy date.
- Review all restrictions, covenants, and easements that might affect the condominium project or your unit.
- Determine if the developer has reserved any rights to alter the project.
- Before signing a purchase agreement make sure you have financing, or that the agreement specifies it is dependent on your ability to obtain a mortgage commitment for the unit.
- You may want to determine if the developer is contractually obligated to finish the
  development. The local government may have required the developer to provide
  letters of credit to complete elements of the project.
- Do not rely on verbal promises, insist that everything be in writing and signed by the person who made the promise.
- When buying a condominium in a structure that has been converted from an existing building, you will also be a joint owner of the furnace, roof, pipes, wires and other common elements. Ask for an architect's or engineer's report on the condition of all building components and their expected useful life. Ask to see copies of the building maintenance records, and find out what improvements the developer has made.

# **Documents the Developer Must Provide**

The developer must provide copies of the following documents to a prospective purchaser:

- 1. The recorded master deed.
- 2. A copy of the purchase agreement and escrow agreement
  - 3. The condominium buyer's handbook.
  - 4. A disclosure statement that must include information about:
    - the developer's previous experience with condominium projects,
    - any warranties undertaken by the developer, and
    - the extent to which financial arrangements have been provided for completion of all structures and improvements labeled "must be built" on the subdivision plan.

# **Advisory Committee**

The advisory committee is established when one of the following occurs, whichever happens first:

- 1. 120 days after 1/3 of the units are sold to nondeveloper co-owners.
- 2. One year after a unit is sold to a nondeveloper co-owner.

The purpose of the advisory committee is to meet with the project board of directors to facilitate communication and aid in the transition of control to the association of co-owners. The advisory committee ceases when a majority of the board of directors of the association of co-owners is elected by the nondeveloper co-owners.

# Election of Board of Directors for Association of Co-owners

No later than 120 days after 25% of nondeveloper co-owners have title to the units that may be created, at least one director, and not less than 25% of the board of directors shall be elected by the nondeveloper co-owners.

No later than 120 days after 50% of nondeveloper co-owners have title to the units that may be created, at least 33.3% of the board of directors shall be elected by nondeveloper co-owners.

No later than 120 days after 75% of nondeveloper co-owners have title to units that may be created, and before 90% are conveyed to nondeveloper co-owners, the nondeveloper co-owners shall elect all directors on the board, except if the developer owns and offers for sale at least 10% of the units, or as long as 10% of the units remain to be created, the developer shall have the right to designate one director.

If titles to 75% - 100% of the units that may be created have not been conveyed, 54 months after the first conveyance, the nondeveloper co-owners shall elect the number of

board members equal to the percentage of units they hold. The developer has the right to elect the number of board members equal to the percentage of units that are owned by the developer, if the developer has paid all assessments for those units.

# **Documents the Association Must Provide**

The association of co-owners must provide a financial statement annually to each co-owner. The books, records, and contracts concerning the administration and operation of the condominium project must be available for examination by any of the co-owners at convenient times. All books and records must be audited or reviewed by independent accountant annually, but the audit does not have to be certified. The association must keep current copies of the master deed, all amendments to the master deed, and other condominium documents available at reasonable hours to co-owners, prospective purchasers and prospective mortgagees.

# **Amendments to Condominium Documents**

If the condominium documents contain a statement that the developer or association of co-owners has reserved the right to amend the documents for that purpose, then the documents may be amended without the consent of the co-owners, as long as the change does not materially alter or change the rights of a co-owner.

The master deed, bylaws and condominium subdivision plan may be amended, even if the amendment will materially alter or change the rights of a co-owner with the consent of at least 2/3 of the votes of the co-owners and mortgagees.

The method or formula used to determine the percentage of value of each unit for other than voting purposes cannot be modified without the consent of each affected co-owner. Provisions relating to the ability or terms under which a co-owner may rent a unit may not be modified without the consent of the co-owner. A co-owner's unit dimensions or the limited common elements to the co-owner's unit may not be modified without the co-owner's consent.

# Remedies Available Pursuant to the Act

A developer who offers or sells a condominium unit in violation of the Act is liable to the purchaser for damages.

A person or association of co-owners adversely affected by a violation of, or failure to comply with, the Act, administrative rules issued under the authority of the Act, or any provision of an agreement or a master deed may take action in a court with jurisdiction. The court may award costs to the prevailing party.

A co-owner may take action against the association of co-owners to compel the association to enforce the condominium documents. To the extent that the condominium documents expressly provide, the court shall determine costs of the proceeding and the successful party shall recover those costs.

A co-owner may take action against another co-owner for injunctive relief or for damages for noncompliance with the terms of the condominium documents or the Act.

The bylaws must contain a provision that disputes relating to the interpretation of the condominium documents or arising out of disputes among co-owners may be resolved through arbitration. Both parties must consent to arbitration and give written notice to the association. The decision of the arbitrator is final and the parties are prohibited from petitioning the courts regarding that dispute.

A developer and a co-owner, or association of co-owners, may execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action. A purchaser or co-owner has the exclusive option to execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action and involves less than \$2,500. All costs will be allocated in the manner provided by the arbitration association. A contract to settle by arbitration must specify that the arbitration association will conduct the arbitration. The method of appointment of the arbitrator will be pursuant to rules of the arbitration association. Arbitration will be in accordance with sections 5001 to 5065 of Act No. 236 of 1961, MCL 600.5001 to 5065, which may be supplemented by rules of the arbitration association. An arbitration award is binding on the parties to the arbitration.

A condominium developer may be required to be a licensed residential builder under the Occupational Code. If a person has violated the Occupational Code or administrative rules, a complaint must be made within 18 months after completion, occupancy or purchase of a residential structure. Conduct subject to penalty is described in Article 24 of the Occupational Code. Complaints concerning construction may be filed with:

Michigan Department of Consumer & Industry Services
Bureau of Commercial Services
Enforcement Division
P. O. Box 30018
Lansing, MI 48909
Phone: (517) 241-9202
www.cis.state.mi.us/bcs

The Michigan Consumer Protection Act prohibits certain methods, acts, and practices, provides for certain investigations and prescribes penalties. Complaints regarding an alleged violation of the Consumer Protection Act may be filed with:

Michigan Department of Attorney General Consumer Protection Division P. O. Box 30213 Lansing, MI 48909 Phone: (517) 373-1140

www.ag.state.mi.us

The Act provides the right to notify the agency in a governmental unit responsible for administration and enforcement of construction regulations of an alleged violation of the state construction code, other applicable building code, or construction regulation.

A person who willfully aids in the advertisement of a statement or representation that misrepresents the facts concerning a condominium project, as described in the recorded master deed, is guilty of a misdemeanor and shall be punished by a fine or imprisonment or both. An action under this section shall be brought by the prosecuting attorney of the county in which the property is located, or by the department of attorney general.

A person can not take action arising out of the development or construction of the common elements, or the management, operation, or control of a condominium project, more than three years from the transitional control date or two years from the date of the cause of the action, whichever occurs later. The transitional control date is the date the board of directors takes office by an election where the co-owners' votes exceed the developer's votes for the board members.

#### Legal References

Condominium Act, P.A. 59 of 1978, as amended, MCL 559.101 et seq.
Condominium Rules, R559.101 et seq, 1985 Michigan Administrative Code
Occupational Code, P.A. 299 of 1980, MCL 339.101 et seq.
Consumer Protection Act, P.A. 331 of 1976, MCL 445.901 et seq.
Stille-Derossett-Halle Single State Construction Code Act, P.A. 230 of 1972, MCL 125.1501 et seq.

Approval: CIS Director

The Department of Consumer and Industry Services will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, political beliefs or disability. If you need help with reading, writing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.

PUB-C-0139 (9/01)



11/09/2006 3:27:06 PM STATE OF MICHIGAN - MONROE COUNTY RECEIVED FOR RECORD GERI ALLEN - REGISTER OF DEEDS

RECEIPT# 97226, STATION 1 \$77.00 EASEMENT



LIBER 3181

PAGE 554

# DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS

# THE PLUM GROVE COMMUNITY

THIS DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS OF THE PLUM GROVE COMMUNITY ("Declaration") is made as of November 2, 2006, by RSG DEVELOPMENT, LLC, a Michigan limited liability company, the address of which is 2864 Carpenter Road, Suite 300, Ann Arbor, MI 48108 ("Developer").

#### RECITALS:

- A. Developer is developing certain real property located in Raisinville Township, Monroe County, Michigan known as the Plum Grove Community, as more fully described in the attached Exhibit "A-1" (the "Property" or "Community"), which may, but is not required to be expanded to include an additional land area described on attached Exhibit "A-2" ("Future Development"). The Community as it now exists and as it may be expanded to include all or a portion of the Future Development is referred to as the "The Plum Grove Community" or the "Community." The Community is presently intended to be developed as a single family residential platted subdivision project to be known as The Estates at Plum Grove ("The Estates"), and two residential Condominium Projects to be known as The Park at Plum Grove ("The Park") and The Village at Plum Grove ("The Village"). The Park and The Village are located on Lots 1 and 2 of the Plum Grove Plat One, recorded in Liber 21 of plats, pages 90 through 99, inclusive ("Plat"), Monroe County Records, and are subject to this Declaration.
- B. The Park is intended to be a traditional attached stacked condominium to be administered by The Park at Plum Grove Condominium Association in accordance with the Master Deed, Bylaws and Condominium Subdivision Plan of The Park to be recorded in the Monroe County Records ("The Park Master Deed").
- C. The Village is intended to be a traditional attached town home condominium to be administered by The Village at Plum Grove Condominium Association in accordance with the Master Deed, Bylaws and Condominium Subdivision Plan of The Village to be recorded in the Monroe County Records ("The Village Master Deed").

- D. The Estates is intended to be a single family residential platted subdivision to be administered by The Plum Grove Estates Association in accordance with the recorded Plat, as it may be expanded, and the Declaration of Covenants, Conditions and Restrictions of The Estates ("Subdivision Declaration") recorded in the Monroe County Records. The Estates shall initially consist of Lots 3 through 56 of the Plat.
- E. The Plum Grove Community will be administered by The Plum Grove Community Association. Developer presently intends that Developer and the Owners of Units in The Park and The Village, and Owners of Lots in The Estates will be the only Members of the Plum Grove Community Association.
- F. Developer has determined that certain facilities installed or constructed within or adjacent to the Community should be administered, insured, maintained, operated, repaired and replaced by the Plum Grove Community Association as Community Facilities, and that the Plum Grove Community Association shall have authority to impose and collect regular and special assessments for such purpose as set forth in this Declaration.
- G. Developer desires to provide for the operation and management of the Plum Grove Community Association and to subject to its authority the Community Facilities as described below.
- NOW, THEREFORE, Developer declares that the Plum Grove Community is and shall be held, transferred, sold, leased, conveyed and occupied subject to the following easements, covenants, restrictions, conditions, reservations, grants, charges and liens which shall run with the Plum Grove Community as it may be expanded and shall be binding upon and inure to the benefit of all parties having any right, title or interest in the Plum Grove Community or any part thereof and their heirs, successors, transferees and assigns.

## 1. **DEFINITIONS.**

- Section 1.1 "Association" or "Community Association" means the Plum Grove Community Association, a Michigan non-profit corporation formed by Developer which shall have the authority set forth in this Declaration including the obligations to administer, maintain, operate, repair and replace the Community Facilities.
- Section 1.2 "Clubhouse, Pool and Shared Facilities" means any clubhouse, swimming pool, fitness center, tot lot, open space, adjacent parking areas, access drives, landscaping, signs, walkways and improvements installed by Developer to serve the Community as a whole. Developer has reserved the right to use and occupy the clubhouse and adjacent parking as a business and sales office during the period of construction and sale of residences in the Community as described in this Declaration.
- Section 1.3 "Common Areas" means the common areas designated in the Plum Grove Subdivision Declaration for use in common by Owners of Lots in the Subdivision and to be administered by the Subdivision Association.

- Section 1.4 "Community Facilities" means the Common Storm Drainage Facilities, Plum Grove Drive, Signs, Landscaping and Entrance Way Improvements, the Club House, Pool and Shared Facilities, and Common Utilities located within or serving the Plum Grove Community and generally depicted on attached Exhibit "B," and any other areas, utilities, easements or improvements designated by Developer as Community Facilities pursuant to this Declaration as it may be amended, including those Community Facilities and modifications to the Community Facilities arising out of any amendment by Developer of a Master Deed, or any amendment by Developer of a Subdivision Declaration, including any expansion to include all or a portion of the Future Development and any contraction or conversion pursuant to a Master Deed.
- Section 1.5 "Common Storm Drainage Facilities" means the storm drainage facilities serving the Community as a whole, including the four areas denoted as Ponds and Parks on the Plat, or as otherwise designated by Developer for such purpose. The Common Storm Drainage Facilities denoted as "Private Parks" on the plat are subject to private easements for storm drainage to the Monroe County Drain Commissioner.
- Section 1.6 "Common Utilities" means any utility lines, mains, facilities, easements or appurtenances that serve the Community as a whole, as they may be expanded, or designated by Developer for such purpose, subject to the ownership or other interest of any local public authority or company providing the pertinent service.
- Section 1.7 "Community" or "Plum Grove Community" means the property described on Exhibit A-1, as it now exists or may be expanded by Developer to include all or a portion of the area of Future Development.
- Section 1.8 "Condominium" means one or more condominiums that may be established within a portion of the Plum Grove Community, as it may be expanded, by the recording of one or more Master Deeds and required exhibits thereto in conformance with the Condominium Act, being Act 59 of the Public Acts of 1978, as amended. Developer presently intends to establish The Park and The Village as Condominiums within the Plum Grove Community.
- Section 1.9 "Condominium Association" means one or more condominium associations established to administer the common elements of a Condominium within all or a portion of the Plum Grove Community, as required by the Condominium Act. Developer has established The Park at Plum Grove Condominium Association to administer The Park, and The Village at Plum Grove Condominium Association to administer The Village.
- Section 1.10 "<u>Declaration</u>" or "<u>Community Declaration</u>" means this Declaration of Easements, Covenants, Conditions and Restrictions of the Plum Grove Community to be recorded in the Monroe County Records, which empowers the Community Association to manage, maintain, operate and administer the Community Facilities, among other matters, and which obligates the Owners of a Lot or Unit in each Neighborhood in the Community as Members to pay a pro rata share of the cost of operation, maintenance, insurance, repair and replacement of the Community Facilities.

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- Section 1.11 "<u>Developer</u>" means RSG Development, LLC, a Michigan limited liability company, its successors and assigns.
  - Section 1.12 "Future Development" means the property described on Exhibit A-2.
- Section 1.13 "General Common Elements" mean the general common elements of each Condominium established within the Community as described in each respective Condominium Master Deed.
- Section 1.14 "Lot" means each single Lot within a Subdivision in the Community designated for single family residential use, presently consisting of Lots 3 through 56 of the Plat.
- Section 1.15 "Master Deed" means the master deed, bylaws and condominium subdivision plan recorded for a Condominium in the Plum Grove Community.
- Section 1.16 "Member" means each member of the Plum Grove Community Association. Each Owner of a Lot or Unit in the Community shall be a Member from and after conveyance of such Lot or Unit to such Owner. Developer shall be a Class B Member for purposes of the voting rights set forth in Section 2.3 below.
- Section 1.17 "Neighborhood" means each Condominium or Subdivision established within the Plum Grove Community, as it may be expanded. Developer presently intends to establish The Park, The Village, and The Estates as Neighborhoods within the Plum Grove Community.
- Section 1.18 "Neighborhood Association" means each Condominium Association and each Subdivision Association within the Plum Grove Community.
- Section 1.20 "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Unit or Lot in the Plum Grove Community. In the event of the conveyance of a Unit or Lot by land contract, the land contract vendee shall be the "Owner" of the Unit or Lot and shall bear sole liability for all obligations arising with respect to the Unit or Lot to the exclusion of the land contract vendor; provided that the Developer or an affiliate of the Developer shall retain the rights and obligations of an Owner with respect to any Unit or Lot sold under land contract by the Developer or an affiliate of the Developer. The foregoing provision regarding the rights and obligations of land contract vendors and vendees shall apply notwithstanding the definition of "Co-Owner" set forth in Section 6 of the Michigan Condominium Act, as amended by Public Act 379 of 2000. "Owner" shall not include a mortgagee of a Unit or Lot unless and until such mortgagee acquires fee simple title to the Unit or Lot by foreclosure or other proceeding or conveyance in lieu of foreclosure and shall not include any interest in a Unit or Lot held as security for the performance of any obligation. In the event more than one person or entity owns an interest in fee simple title to any Unit or Lot, or has an interest as a land contract vendee (other than Units or Lots owned by Developer), the interests of all such persons collectively shall be that of one Owner.

- Section 1.21 "Person" means any corporation, partnership, trust, association or natural person, or combination thereof, as the context may require.
- Section 1.22 "Plat" means the plat of the Subdivision presently being Plum Grove Plat One recorded in Liber 21 of plats, pages 90 through 99, inclusive, Monroe County Records.
- Improvements" means that portion of Plum Grove Drive serving the Community as a whole, except to the extent of dedication to the Monroe County Road Commission ('MCRC"), and any signs, monuments, landscaping and entrance way improvements located along Plum Grove Drive serving the Community as a whole or designated by Developer for such purpose, including the beneficial interest in the Sign Easement recorded in Liber 2685, page 845, Monroe County Records, and the signs, monuments, landscaping and entrance way improvements located at the intersection of Plum Grove Drive and Custer Road (M-50), and at the entrances to the Community.
- Section 1.24 "Subdivision" means the Subdivision established by Developer by recording Plum Grove Plat One, together with any expansion of the Plat to include Plum Grove Plat Two, and any other Subdivision established by Developer within the Plum Grove Community.
- Section 1.25 "Subdivision Association" means the Plum Grove Estates Association established by Developer to administer the Common Areas of the Subdivision and any other homeowners association established by Developer to administer any other Subdivision within the Plum Grove Community as it may be expanded.
- Section 1.26 "Subdivision Declaration" means the Declaration of Covenants, Conditions and Restrictions of The Estates at Plum Grove to be recorded in the Monroe County Records pertaining to The Estates and any declaration of covenants, conditions and restrictions recorded by Developer pertaining to any other Subdivision in the Plum Grove Community.
- Section 1.27 "Township" shall mean the Township of Raisinville, a Michigan municipal corporation.
- Section 1.28 "<u>Unit</u>" or "Condominium Unit" each means a single Unit in a Condominium within the Plum Grove Community.

# 2. <u>COMMUNITY ASSOCIATION</u>.

Section 2.1 <u>Creation and Purposes</u>. Developer has formed a non-profit corporation in accordance with the Michigan Non-Profit Corporation Act, Act No. 162 of the Public Acts of 1982, as amended, known as the Plum Grove Community Association or such other name as may be designated by Developer. The Association shall have those rights and obligations which are set forth in this Declaration and in the Articles of Incorporation and By-Laws of the Association.

The purpose of the Community Association shall be to operate, administer, maintain, repair and replace the Community Facilities constructed, installed or located within or serving the Plum Grove Community, to maintain any General Common Elements or Unit of a Condominium in the event the Unit Owner or Condominium Association shall fail to do so, and to maintain the Common Areas or a Lot of a Subdivision if a Subdivision Association or Lot Owner shall fail to do so, and to enforce the terms and provisions of the Declaration, the Articles of Incorporation and the By-Laws of the Community Association.

- Section 2.2 <u>Membership</u>. Each Owner of a Lot or Unit in the Community shall be a Member of the Community Association from and after conveyance of such Lot or Unit to the Owner. Developer shall be a Class B Community Facilities Member for purposes of the voting rights set forth in Section 2.3 below. All membership rights of an Owner shall be appurtenant to and may not be separated from the ownership of a Lot or Unit.
- Section 2.3 <u>Voting Rights</u>. The Community Association shall have two (2) classes of voting Members, as follows:
- Class A Votes. Class A Members shall consist of all Owners of Lots or A. Units in the Community. Each Class A Member shall be entitled to one vote on each matter submitted to a vote of the Members for each Lot or Unit owned by the Class A Member. Where title to a Lot or Unit in the Community is held by more than one person or entity, all such persons or entities shall be Members and jointly shall be entitled to only one vote per Lot or Unit. Where a Lot or Unit has been sold pursuant to a land contract, the purchaser under said land contract shall be entitled to the vote for said Lot or Unit. Multiple Owners (including copurchasers under a land contract) may exercise said one vote per Lot or Unit as they may mutually agree, and such Owners or co-purchasers shall notify the Community Association in writing of the person entitled to exercise such vote. In the event any multiple Owner fails to provide such notice to the Community Association within thirty (30) days prior to the date set for a meeting, the Owner whose name first appears on record title shall be deemed to be the Member authorized to vote on behalf of all the multiple Owners of a Lot or Unit and any vote cast in person or by proxy by said Owner, or the failure of said Owner to vote, shall be binding upon all such multiple Owners.
- B. <u>Class B Votes</u>. Developer shall be the Class B Member. In order to assure the orderly development and maintenance of the Community Facilities, the Class B Member shall be entitled to three (3) votes for each Lot or Unit in the Community, including all those Lots or Units proposed for development in the Community. Class B membership shall terminate as to any Lots or Units owned by Developer from and after conveyance of such Lot or Unit to the Owner, and the Owner of such Lot or Unit shall thereafter be a Class A Member.
- Section 2.4 <u>Election of Directors</u>. The right to manage the affairs of the Community Association shall be exclusively vested in the Board of Directors of the Community Association. The Board of Directors of the Community Association ("Community Association Directors") shall be composed of the President of each Neighborhood Association. Provided, however, the Developer or its designated representative shall be the sole Community Association Director until such time as one hundred (100%) percent of the Units and Lots that may be developed in

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the Community, as it may be expanded, have been sold and conveyed by Developer to residential Owners, or until such earlier time as Developer may elect, in its discretion. After the Developer or its designated representative ceases to be the sole director, the Community Association Directors shall call their first meeting for the purposes of electing officers. Each Community Association Director shall have an equal vote in all matters.

Section 2.5 Articles and By-Laws. The Community Association shall be organized, governed and operated in accordance with its Articles of Incorporation and By-Laws, which shall be consistent with the provisions and purposes of this Declaration, as it may be amended. In the event there exists any conflict between this Declaration and the provisions of the Association's Articles of Incorporation and By-Laws, the provisions of this Declaration, shall control, followed in priority by the provisions of the Articles of Incorporation and By-Laws.

#### 3. COMMUNITY FACILITIES.

- Section 3.1. <u>Description</u>. The Community Facilities are generally depicted on Exhibit B and include the following, and such other areas designated by Developer by amendment to this Declaration or by expansion of a Condominium or Subdivision by Developer to include all or a portion of the Future Development:
  - 3.1.1 Common Storm Drainage Facilities.
  - 3.1.2 Plum Grove Drive, Signs, Landscaping and Entrance Way Improvements.
  - 3.1.3 The Club House, Pool and Shared Facilities.
  - 3.1.4 The Common Utilities.
- Section 3.2 <u>Easement and Right to Use Community Facilities</u>. Notwithstanding anything to the contrary contained in any Condominium Master Deed or Subdivision Declaration, the Developer, the Community Association, each Neighborhood Association and each Member shall have the right and non-exclusive easement for access to and for the use of the Community Facilities for the purposes provided in this Declaration. These rights shall exist regardless of whether the Community Facilities are included in a particular recorded Master Deed or Plat. Each Member's easement and right to use the Community Facilities shall be deemed a part of, and shall pass with title to, every Unit or Lot, regardless of whether such easement is specifically referred to in the deed conveying such Unit or Lot.

In addition, the Community Facilities shall be used subject to the following general provisions:

3.2.1 The Community Association shall have the right to establish and publish non-discriminatory rules and regulations as the Board of Directors may deem necessary or desirable for the safe, orderly and convenient operation and use of the Community Facilities and for the proper maintenance, repair, and replacement of the Community Facilities and the improvements and facilities located thereon.

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- 3.2.2 The Community Association shall have the right to suspend the right of any Member (including such Member's guests, invitees or family members) to use the Club House, Pool and Shared Facilities for: (i) any period during which any assessment against such Member's Lot or Unit is delinquent; and (ii) a period not in excess of thirty (30) days for each infraction of any rules or regulations established and published by the Community Association.
- 3.2.3 The Community Association shall have the right to charge reasonable admission and other fees for the use of the Club House, Pool and Shared Facilities to be used for the purposes of maintaining and administering such facilities.

# Section 3.3 Restrictions Regarding Community Facilities.

- 3.3.1 <u>Club House, Pool and Shared Facilities</u>. The Club House, Pool and Shared Facilities may be used for passive and active sports, for recreational, social, civic and cultural activities and for the common use and enjoyment of the Members in accordance with the rules and regulations adopted by the Community Association.
- used for access and utility purposes in accordance with applicable laws and ordinances. To maintain the intended function of the Common Utilities, Common Storm Drainage Facilities and Plum Grove Drive, Signs, Landscaping and Entranceway Improvements, there shall be no modification, use or occupancy of such facilities except for uses consistent with their obvious intended purposes without the prior written consent of Developer, the Community Association and applicable governmental authorities. The Common Storm Drainage Facilities are subject to easements granted to the Monroe County Drain Commission and shall not be used, modified or occupied contrary to such easements. Plum Grove Drive is subject to the public road dedication to the Monroe County Road Commission and shall not be used contrary to such dedication. Public and private Common Utilities are subject to the terms and conditions of the easements for utility purposes.
- Association shall administer and maintain the Community Facilities in a high quality manner to ensure that the Plum Grove Community is an attractive and desirable place to live. The Community Association shall be responsible for the insurance, maintenance, repair, replacement and operation of the Community Facilities, subject to the ordinances, rules and regulations of governmental entities having jurisdiction over the Community Facilities and the provisions of this Declaration, as it may be amended. The Community Association shall at all times keep in full force and effect, with respect to the Community Facilities, comprehensive public liability and property damage insurance with limits as deemed appropriate by the Community Association Directors.
- Section 3.5 <u>Maintenance of General Common Elements, Common Areas, Units and Lots.</u> To the extent a General Common Element of a Condominium or a Common Area of a Subdivision is also part of the Community Facilities, the Community Association shall be responsible for the maintenance, insurance, repair and replacement of such General Common Element or Common Area. In addition, in the event any Unit, Lot, Common Area or General

Common Element, including the exterior or any building, Unit or Lot, is not properly maintained, repaired or replaced by the Owner or the applicable Neighborhood Association, the Community Association shall have the right to undertake such maintenance, repair or replacement and to assess the Owner directly or through the Neighborhood Association for the cost of such maintenance, repair or replacement as set forth in Article 4 below. The Community Association shall have the same easement and access rights as each Neighborhood Association for such purpose.

Community Facility Easements. Developer and the Community Section 3.6 Association, and their agents and representatives, shall have a perpetual easement for reasonable access to the Community Facilities, at all reasonable times, for the purposes set forth in this Declaration including maintenance, repair, replacement, operation and administration thereof. Developer and the Community Association shall also have the right to reserve, dedicate and/or grant public or private easements within the Community Facilities for the construction, installation, repair, maintenance and replacement of rights-of-way, walkways, pathway, water mains, sewer mains, storm drains, detention basins, electric lines, telephone lines, gas mains, cable television and other telecommunication lines and other public and private utilities, including all equipment, facilities and appurtenances relating thereto; provided such right is exercised in accordance with all applicable laws, ordinances and regulations. Developer and the Community Association reserve the right to assign any such easements to applicable governmental authorities or public and/or private utilities; provided such right is exercised in accordance with all applicable laws, ordinances and regulations. The Developer and the Community Association may determine the location and configuration of such easements.

Section 3.7 Rules and Regulations. It is intended that the Community Association Directors may make rules and regulations from time to time to reflect the needs and desires of the majority of the Owners with respect to the Community Facilities, including rules and regulations for use of the Clubhouse, Pool and Shared Facilities; provided that such rules or regulations shall be consistent with applicable laws and ordinances and the purposes of this Declaration. Copies of all such rules, regulations and any amendments shall be furnished to each Neighborhood Association for distribution to all of the Owners.

Section 3.8 <u>Title to Community Facilities</u>. At such time as the Community Association has been formed and organized, Developer may, in its sole discretion, convey title to all or a portion of the Community Facilities to the Community Association. The Community Association shall thereafter hold title to the Community Facilities for the benefit of the Members. The foregoing conveyance shall be subject to the Member's easement of enjoyment and any easements reserved, dedicated or granted by Developer.

Section 3.9 <u>Developer's Reserved Right to Use Club House</u>. Notwithstanding anything to the contrary in this Declaration, Developer shall have the exclusive right and easement to use and occupy the club house located within the Community Facilities as a business office and real estate sales office, including adjacent parking area for purposes of residential real estate sales for so long as Developer owns any Lot or Unit in the Community, as it may be expanded. During such period of use and occupancy, Developer shall be responsible for a share

of the cost of insurance, maintenance and repair of the club house and adjacent parking area, and the Owners shall have limited rights to use or occupy the club house and adjacent parking area.

# 4. COVENANTS FOR MAINTENANCE AND CAPITAL CHARGES.

Section 4.1 <u>Creation of the Lien and Personal Obligation for Assessments.</u> In addition to any and all assessments levied pertaining to the Lots and Units under the governing documents of a Neighborhood, each Member other than Developer, by accepting title to a Lot or Unit, or, by entering into a land contract for the purchase of a Lot or Unit, shall be deemed to covenant and agree to pay to the Community Association, when due, the assessments described below, regardless of whether or not such covenant shall be expressed in such Owner's instrument of conveyance or land contract:

- A. an initial capital charge to fund the Association's reserve account for future repair and replacement of the Community Facilities and related improvements; and
  - B. annual assessments to meet regular Community Association expenses; and
- C. special assessments for capital improvements, to be established and collected as set forth below; and
- D. all other assessments for taxes, levies, assessments or other charges lawfully imposed or charged to the Community Association with respect to the Community Facilities. Although certain Community Facilities may be located within a particular Neighborhood, it is the intent of this Declaration that the real estate taxes pertaining to Community Facilities be equally apportioned among the Members. To the extent the Members in any particular Neighborhood bears a disproportionate share of the real estate taxes for any Community Facilities as a result of location of such Community Facilities within such Neighborhood, the Community Association shall request that the Township assessor reallocate such real estate taxes so that all Members of the Community bear an equal share of the real estate taxes pertaining to the Community Facilities. The Community Association shall take such other or further action as shall be necessary or advisable to ensure and account for an equitable allocation of the real estate taxes pertaining to the Community Facilities.

The foregoing assessments, together with such interest thereon and costs of collection thereof (including court costs and reasonable attorneys' fees) which are described below, shall be a lien on the Unit or Lot against which they are made and all improvements thereon. Each such assessment, together with interest thereon, and the costs of collection thereof, in addition to constituting a lien on such Unit or Lot and improvements, shall also constitute a joint and several personal obligation of the person or persons who was/were the Owner(s) of the Unit or Lot on the date the assessment was established.

Each Neighborhood Association shall be the collection agent for the Community Association. Upon establishment of the assessment for each Member's Lot or Unit as described in this Declaration, the Community Association shall bill each Neighborhood Association pro rata for the assessments for Lots and Units owned by a Member other than Developer located within the Neighborhood and the Neighborhood Association shall collect the assessment due

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from each such Member (other than Developer) and remit the amount collected to the Community Association.

In addition, upon each transfer of title of a Unit or Lot to a new Owner, such new Owner shall pay to the Community Association a transfer fee to defray the costs incurred by the Community Association in establishing the new Owner's account and other administrative expenses arising from the transfer of the Lot or Unit and membership interest.

In the event a Member shall fail to pay the Community Association assessment or any other fee or charge of the Community Association, the Community Association shall have the right and obligation to collect such delinquent assessment in the manner provided in Section 4.9 below.

- Section 4.2 <u>Purpose of Annual Assessments</u>. The annual assessments levied under Article 4.1.2 shall be used by the Community Association for the purpose of: (i) maintaining, repairing, replacing, operating and administering the Community Facilities; (ii) paying any taxes or insurance premiums relating to the Community Facilities; and (iii) providing services and facilities for the benefit of residents of the Community.
- Section 4.3 <u>Annual Assessments</u>. Commencing in the year the Community Association is formed, and for each fiscal year thereafter, annual assessments shall be levied and paid in the following manner:
  - 4.3.1 The Community Association Directors shall levy against each Member other than Developer an assessment, based upon the projected costs, expenses and obligations of the Community Association for the ensuing fiscal year, which assessment shall be a specified amount per Unit or Lot. In the event the actual costs, expenses and obligations of the Community Association exceed the amount projected, the Community Association Directors shall have the right to levy against each Member other than Developer such additional assessments as may be necessary to defray such costs, expenses and obligations.
  - 4.3.2 For the first year in which the Community Association is formed, the annual assessment per Unit or Lot shall be \$145. After the first year, the Board of Directors may, at its discretion, raise the annual assessment in an amount necessary to provide for full payment of the costs, expenses and obligations of the Association. Within thirty (30) days following the beginning of each fiscal year of the Community Association thereafter, the Community Association Directors shall send a written notice of assessment to each Member other than Developer stating the amount of the assessment established by the Community Association Directors for the ensuing year. Each Member other than Developer shall pay the assessments within thirty (30) days from the date the written statement is mailed. Assessments not paid within such thirty (30) day period shall be deemed delinquent and interest shall accrue on delinquent assessments at the interest rate established by resolution of the Community Association Directors, which interest rate shall not exceed the highest rate allowed by law.

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- 4.3.3 Any Owner who acquires a Lot from Developer or from a person or entity exempt from the payment of assessments under Section 4.6 below, shall pay to the Association, on the date the Lot is conveyed to the Owner, an amount equal to the prorated balance of any annual assessment and special assessment, if any, established for the then current assessment period, based upon the number of days remaining in the then current assessment period from the date of conveyance. For each fiscal year thereafter, such Owner shall be liable for any and all assessments levied in accordance with this Article 4.
- **4.3.4** The fiscal year of the Community Association shall be established in the manner set forth in the Community Association's By-Laws.
- 4.3.5 The Community Association Directors, in their discretion, may establish an installment program for the payment of any regular, special or deficiency assessment and may charge interest in connection therewith.
- Section 4.4 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 4.3 above, the Community Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any improvements or facilities of the Community Facilities, including any fixtures, equipment, and other personal property relating thereto. After the Developer is no longer the sole Community Association Director, special assessment shall be first approved by 60% of the Members at a meeting called for such purpose. Any such special assessments shall be due and payable according to the terms and conditions and in the manner specified in the resolution of the Community Association. Any special assessment not paid when due shall be deemed delinquent and interest shall accrue on such delinquent assessment at the interest rate established by resolution of the Association's Board of Directors, which interest rate shall not exceed the highest rate allowed by law.
- Section 4.5 <u>Uniform Assessment Rate</u>; <u>Lien Priority</u>. All annual, special and deficiency assessments of the Community Association shall be fixed and established at the same rate for all Units and Lots within the Community and shall be calculated based upon the total number of Units and Lots then existing within the Community which are evidenced by a recorded Master Deed or Plat. Any lien established pursuant to this Article shall have equal priority with any lien established with respect to the delinquent charges or assessments due to a Neighborhood Association. Each Neighborhood Association shall promptly pay over to the Community Association the amounts it collects for payment to the Community Association pursuant to this Declaration. If a Neighborhood Association fails to perform this obligation, the Community Association shall have the right to request and receive an accounting for the amounts collected by such Neighborhood Association and the right to direct that future payments of the amounts assessed against the Units or Lots included in such Neighborhood be paid directly by the Members to the Community Association.

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# Section 4.6 Exemptions From Assessments.

- 4.6.1 All Units and Lots owned by Developer shall be exempt from all annual, special and deficiency assessments. Upon conveyance of any Unit or Lot by Developer to a Member, the exemption for each such Unit or Lot shall thereupon cease and such Unit or Lot shall then be liable for the prorated balance of that fiscal year's established annual assessment and special assessment, if any.
- 4.6.2 Builders, developers and real estate companies that own or hold any Units or Lots for resale to customers in the ordinary course of business shall not be liable for the payment of any annual, special or deficiency assessments imposed by the terms of Section 4.1; provided, however, that any exemption established by this Section 4.6.2 shall terminate as to any Unit or Lot in the event construction is not commenced within two (2) years from the date the Unit or Lot is acquired by such builder, developer or real estate company.
- Section 4.7 Subordination of Liens to Mortgages. The lien for assessments provided for in Article 4.1 shall be subordinate to the lien of any mortgage or mortgages held by any bank, savings and loan association, insurance company, mortgage company or other similar institution existing of record at the time the lien for assessments shall be imposed. Sale or transfer of a Unit or Lot, or any portion thereof, shall not affect the assessment lien. However, the sale or transfer of any Unit or Lot in connection with a mortgage foreclosure proceeding, or any proceeding in lieu thereof, shall extinguish the lien of the assessments, interest and charges, which became due prior to such sale or transfer, but in no such event shall the prior Owner of said Unit or Lot be relieved of any liability for such obligations and debts. No sale or transfer pursuant to any foreclosure proceeding, or any proceeding in lieu thereof, shall relieve any Unit or Lot from any assessments thereafter levied or from the lien accruing from such assessments, and no subsequent sale or transfer shall release such Unit or Lot from liability for any assessment, interest or charges which thereafter become due or from any lien therefor.
- Section 4.8 <u>Books, Records and Certificate With Respect to Assessments.</u> The Community Association shall maintain a separate set of books and records for the Community Association and upon the reasonable request of a Member, the Community Association shall make the books and records available to the requesting Member. Upon the written request of any Member, the Community Association shall furnish, within a reasonable time, a written certificate regarding the status of any assessments levied against such Member's Lot or Unit. Any such certificate, when properly issued by the Community Association, shall be conclusive and binding with regard to the status of the assessment as between the Community Association and any bona fide purchaser of said Lot or Unit or described in the certificate and the lender who has taken a lien on said property as security for the repayment of a loan.
- Section 4.9 <u>Collection of Assessment and Certain Creation of Lien.</u> If any assessment is not paid within thirty (30) days from the date payment is due, the Community Association may (i) charge interest on the unpaid assessment at the interest rate established by the Board of Directors and collect a late fee as established by the Board of Directors, and (ii) may sue the delinquent Member and obtain a personal judgment against said Member and/or

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(iii) may enforce the lien or any unpaid assessments in the same manner as, and by following similar procedures as are required for, the foreclosure of mortgages, whether by advertisement or judicial action, including the allowance of such costs and reasonable attorneys' fees as would be taxable in the foreclosure of a mortgage.

Section 4.10 Street Lighting Special Assessment District. Developer intends to petition the Township to establish a street lighting special assessment district which will provide for assessment of Owners of Lots or Units in the Community for the cost of street lighting along Plum Grove Drive, the private drives in the Condominium and elsewhere in the Community. All Owners by accepting title to a Lot or Unit consent to the establishment of the street lighting special assessment district and agree to pay such special assessment.

# 5. ARBITRATION.

Section 5.1 Scope and Election. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of this Declaration, or any disputes, claims or grievances arising among or between the Members, or the Members and the Community 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 Community Association, shall be submitted to arbitration, and 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 estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time shall be applicable to any such arbitration.

Section 5.2 <u>Judicial Relief</u>. In the absence of the election and written consent of the parties pursuant to Section 5.1 above, any Member or Community Association may petition the courts to resolve any disputes, claims, or grievances.

# 6. GENERAL PROVISIONS.

# Section 6.1 Amendment.

6.1.1 Developer reserves the right to add without the consent of any Owner or other person or entity having an interest in the Community, all or any portion of the Future Development to the Community to be subject to this Declaration, and to designate additional or modify the Community Facilities by amendment to this Declaration or by amendment to a Master Deed or Subdivision Declaration at any time prior to the closing of the sale of the last Unit or Lot to an Owner other than Developer. In addition, Developer reserves the right to amend the easements, covenants, conditions, restrictions and agreements of this Declaration, without the consent of any Owner or any other person or entity whatsoever (whether or not any such person or entity shall now or hereafter have any interest in any Unit or Lot portion of the Development, including mortgagees and lienholders), at any time prior to the closing of sale of the last Unit or Lot in the Community as it may be expanded to an Owner other than Developer. Developer has reserved the right in the Master Deeds or Subdivision Declaration to expand, contract, convert or amend the Neighborhoods as set forth in such Master Deeds or Subdivision

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Declaration. To the extent such expansion, contraction, conversion or amendment also creates, expands, converts, contracts or amends the Community Facilities, this Declaration shall also be deemed amended to incorporate such changes.

- 6.1.2 In addition to the foregoing, the covenants, conditions, restrictions and agreements of this Declaration may be amended at any time following the date on which a Lot or Unit has been sold and conveyed by Developer, by a written instrument signed by the Owners of not less than seventy-five (75%) percent of the Lots and Units. Notwithstanding the foregoing, any and all such amendments shall be subject to the approval of the Township if such approval is required.
- Section 6.2 <u>Enforcement</u>. Developer, the Community Association and any Member shall have the right to enforce, by proceedings at law or in equity, all easements, covenants, conditions, restrictions, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by Developer, the Community Association or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver thereof or a waiver of any right to enforce the same at any time thereafter.
- Section 6.3 Severability. The invalidation of any one or more of the covenants, conditions, restrictions and agreements of this Declaration by judgment or court order, shall not affect the validity of any of the other provisions of this Declaration, and the same shall remain in full force and effect.
- Section 6.4 Notices. Each Owner shall file with the Developer the Owner's correct mailing address and shall promptly notify Developer in writing of any subsequent change of such address. Developer shall maintain a file of such addresses and make the file available to the Community Association. A written or printed notice, deposited in the United States Mail, postage prepaid and addressed to any Owner at the Owner's last known address shall be sufficient and proper notice to such Owner wherever notice is required in this Declaration.
- Section 6.5 Execution of Additional Documents. Each Owner agrees, at the request of Developer or the Community Association, to perform such further acts and execute all such further documents as may be required or desirable in the sole discretion of Developer or the Community Association, to carry out the purposes of this Declaration.
- Section 6.6 <u>Assignment of Developer's Rights</u>. Developer shall have the right to assign all of its rights and obligations under this Declaration, including the power to approve or disapprove any act, use or proposed action, to any other person or entity or to the Community Association. Any such assignment shall be made by appropriate instrument in writing duly recorded in the office of the Monroe County Register of Deeds.

(signature on following page)

Dated: //ovember 2, 2006	
	DEVELOPER:
	RSG DEVELOPMENT, LLC, a Michigan limited liability company
	By: Todd W. Griffin Its: Authorized Agent
STATE OF MICHIGAN )	
) ss. COUNTY OF WASHTENAW )	
On this 2 <sup>d</sup> day of 1000 Easements, Covenants, Conditions and Res	mber, 2006, the foregoing Declaration Of strictions was acknowledged before me by Todd W.
	VELOPMENT, LLC, a Michigan limited liability
company, on behan of said Company.	Sandra Servii Else
	Sandra Surini Elser, Notary Public
	Washtenaw County, Michigan Acting in Washtenaw County, Michigan My Commission Expires: 9-9-10
PREPARED BY AND RETURN TO:	•
Sandra Sorini Elser (P36305)	Parcel ID No: 58-13-127-215-00
BODMAN LLP	58-13-127-215-30
110 Miller Street, Suite 300 Ann Arbor, MI 48104 734-761-3780	58-13-127-215-40

# EXHIBIT "A-1"

# LEGAL DESCRIPTION OF COMMUNITY

PLUM GROVE PLAT ONE, A PART OF PRIVATE CLAIM 518, RAISINVILLE TOWNSHIP, MONROE COUNTY, MICHIGAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTERLINE OF SURVEY FOR STATE HIGHWAY M-50 (S. CUSTER ROAD) AND THE WEST LINE OF SAID PRIVATE CLAIM 518, MONUMENTED BY A FOUND 5/8" IRON ROD; THENCE SOUTH 77°26'05" EAST 673.11 FEET (RECORDED AS 673.88 FEET) ALONG SAID CENTERLINE OF SURVEY TO A FOUND 5/8" IRON ROD; THENCE SOUTH 23°55'25" WEST 508.02 FEET PARALLEL WITH THE WEST LINE OF PRIVATE CLAIM 518 TO THE POINT OF BEGINNING:

THENCE SOUTH 77°26'05" EAST 410.17 FEET;

THENCE NORTH 23°55'25" EAST 327.49 FEET PARALLEL WITH SAID WEST LINE;

THENCE SOUTH 77°26'05" EAST 61.20 FEET;

THENCE SOUTH 23°55'25" WEST 327.49 FEET PARALLEL WITH SAID WEST LINE;

THENCE SOUTH 77°26'05" EAST 403.20 FEET;

THENCE SOUTH 23°55'25" WEST 1869.79 FEET PARALLEL WITH SAID WEST LINE;

THENCE NORTH 66°04'35" WEST 169.64 FEET;

THENCE SOUTH 84°45'59" WEST 60.00 FEET;

THENCE 48.34 FEET ALONG THE ARC OF A NON-TANGENTIAL CIRCULAR CURVE TO THE RIGHT, HAVING A RADIUS OF 95.00 FEET, A CENTRAL ANGLE OF 29°09'26", AND A CHORD BEARING SOUTH 09°20'42" WEST 47.82 FEET;

THENCE SOUTH 23°55'25" WEST 137.33 FEET PARALLEL WITH SAID WEST LINE;

THENCE NORTH 66°04'35" WEST 150.00 FEET;

THENCE SOUTH 23°55'25" WEST 571.70 FEET PARALLEL WITH SAID WEST LINE;

THENCE NORTH 48°47'45" WEST 232.69 FEET;

THENCE 79.16 FEET ALONG THE ARC OF A NON-TANGENTIAL CIRCULAR CURVE TO THE RIGHT, HAVING A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 16°47'54", AND A CHORD BEARING SOUTH 49°36'12" WEST 78.88 FEET;

THENCE NORTH 66°04'35" WEST 241.08 FEET;

THENCE NORTH 23°55'25" EAST 2484.06 FEET PARALLEL WITH SAID WEST LINE OF PRIVATE CLAIM 518 TO THE POINT OF BEGINNING; CONTAINING 45.07 ACRES OF LAND, MORE OR LESS, AND COMPRISING 56 LOTS NUMBERED 1 TO 56 INCLUSIVE, AND FOUR (4) PRIVATE PARKS. SUBJECT TO ALL LEGAL HIGHWAYS, EASEMENTS AND RESTRICTIONS OF RECORD.

NOW KNOWN AS LOTS 1 THROUGH 56 OF PLUM GROVE PLAT ONE ACCORDING TO THE PLAT RECORDED IN LIBER 21 OF PLATS, PAGES 90 THROUGH 99 INCLUSIVE, MONROE COUNTY RECORDS AND FOUR PRIVATE PARKS.

## EXHIBIT "A-2"

# LEGAL DESCRIPTION OF FUTURE DEVELOPMENT

A part of Private Claim 518, Raisinville Township, Monroe County, Michigan, being more particularly described as follows: BEGINNING at the Southwest corner of Lot 20 of the subdivision "Plum Grove Plat One", recorded in Liber 21 of Plats, Pages 90-99, Monroe County records; thence, along the Southerly edge of said "Plum Grove Plat One", the following nine (9) courses: South 66°04'35" East 241.08 feet; 79.16 feet along a circular curve to the left, having a central angle of 16°47'54", a radius of 270.00 feet, and a chord bearing North 49°36'12" East 78.88 feet; South 48°47'45" East 232.69 feet; North 23°55'25" East 571.70 feet; South 66°04'35" East 150.00 feet; North 23°55'25" East 137.33 feet; 48.34 feet along a circular curve to the left, having a central angle of 29°09'26", a radius of 95.00 feet, and a chord bearing North 09°20'42" East 47.82 feet; North 84°45'59" East 60.00 feet; and South 66°04'35" East 169.64 feet to the Southeast corner of Lot 33 of said "Plum Grove Plat One"; thence, along a line parallel to the West line of said Private Claim 518 and being the Southerly extension of the East line of said "Plum Grove Plat One", South 23°55'25" West 2005.30 feet; thence North 66°30'12" West 857.47 feet; thence, along a line parallel to the West line of said Private Claim 518 and being the Southerly extension of the West line of said "Plum Grove Plat One", North 23°55'25" East 1225.19 feet to the Point of Beginning. Containing 30.02 acres of land, more or less. Being subject to a storm drainage easement recorded in Liber 2685, Page 857, and a roadway easement recorded in Liber 2685, Page 868, Monroe County records. Also subject to other easements and restrictions of record, if any.

# EXHIBIT "B"

# DEPICTION OF COMMUNITY AND COMMUNITY FACILITIES

"EXHIBIT B"

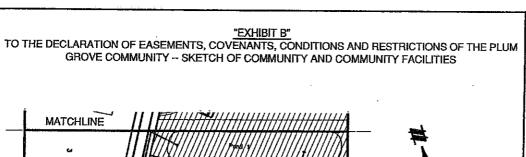
TO THE DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS OF THE PLUM GROVE COMMUNITY -- SKETCH OF COMMUNITY AND COMMUNITY FACILITIES M-50 SCALE" 1"=200' MATCHLINE **LEGEND** PROP. STORM SEWER COMMUNITY FACILITIES

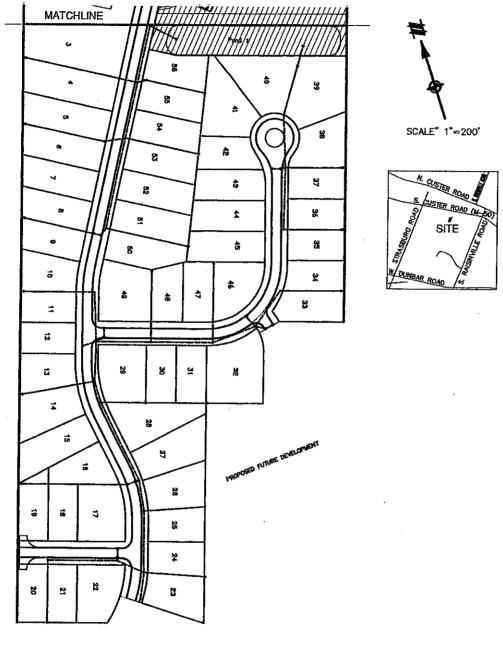
ATWELL-HICKS
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Environmental · Water/Wastewater

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LEGEND - PROP. STORM SEWER COMMUNITY FACILITIES



RECORDED ON 01/17/2007 11:57:40AM
GERI ALLEN - REGISTER OF DEEDS
MONROE COUNTY, MI
RECORDING: 23.00

MONROE

MONROE

COUNTY

STER OF DEE

# FIRST AMENDMENT TO DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS OF THE PLUM GROVE COMMUNITY

This First Amendment to Declaration of Covenants, Conditions and Restrictions ("Declaration") of the Plum Grove Community is made on January / 2007 by RSG Development, LLC, a Michigan limited liability company, whose address is 2864 Carpenter Road, Suite 300, Ann Arbor, Michigan 48108 ("Developer").

# RECITALS

- A. Developer established the Plum Grove Community (the "Community") by recording the Declaration on November 9, 2006 in Liber 3181, Page 554, Monroe County Records.
- B. Pursuant to the provisions of Section 6.1 of the Declaration, Developer wishes to amend the Declaration to provide that the Community Association may enter into a service contract with a Neighborhood Association to serve as collection agent and to provide other services to the Neighborhood Association.

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. Creation of the Lien and Personal Obligation for Assessments. The third full paragraph of Section 4.1(D) of the Declaration is deleted and restated in its entirety as follows:

Upon establishment of the assessment for each Member's Lot or Unit as described in this Declaration, the Community Association shall bill each Member directly. The Community Association may enter into a service contract with each Neighborhood Association whereby the Community Association shall serve as collection agent for the Neighborhood Associations as further described in Section 4.9 below.

- 2. Collection Of Assessment And Creation Of Lien; Service Contracts. Section 4.9 of the Declaration is deleted and restated in its entirety as follows:
  - 4.9 <u>Collection Of Assessment And Creation Of Lien; Service Contracts</u>. If any assessment is not paid within thirty (30) days from the date payment is due, the Community Association may (i) charge interest on the unpaid assessment at the interest rate established by the Board of Directors and collect a late fee as established by the Board of Directors, and (ii) may sue the delinquent Member

and obtain a personal judgment against said Member and/or (iii) may enforce the lien or any unpaid assessments in the same manner as, and by following similar procedures as are required for, the foreclosure of mortgages, whether by advertisement or judicial action, including the allowance of such costs and reasonable attorneys' fees as would be taxable in the foreclosure of a mortgage. The Community Association may enter into a service contract with each Neighborhood Association under which Community Association shall perform all or a portion of the administration, operation, repair, replacement and maintenance responsibilities of the Neighborhood Association. In such event, the Neighborhood Association shall reimburse the Community Association for the cost of such administration, operation, repair, replacement and maintenance as set forth in the service contract. The Community Association and Neighborhood Association may also include in the service contract designation of the Community Association as the collection agent for the Neighborhood Association. In that case, the Community Association shall collect on behalf of the Neighborhood Association the assessments for Lots and Units, and shall remit the amount collected to the Neighborhood Association less any administration fee provided in the service contract.

- 3. Remedies for Default. Article 6 of the Declaration is amended to add the following new Section 6.7:
  - "Section 6.7 <u>Remedies for Default</u>. Failure of an Owner to comply with the terms, covenants, provisions, conditions or restrictions of this Declaration shall entitle the Association or another Owner to the following relief:
  - 6.7.1 <u>Legal Action</u>. Failure to comply with any of the terms or provisions of this Declaration shall be grounds for relief, which may include, without limitation, 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 Owner or Owners.
  - 6.7.2 <u>Recovery of Costs</u>. In any proceeding arising because of an alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by a court of competent jurisdiction, but in no event shall any Owner be entitled to recover such attorneys fees.
  - 6.7.3 Removal and Abatement. The violation of any of the provisions of this Declaration 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 Areas or Common Elements or any Lot or Unit of a defaulting Owner and the improvements thereon, where reasonably necessary, and summarily remove and abate, at the expense of the Owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Declaration. The

Association shall have no liability to any Owner arising out of the exercise of its removal and abatement power authorized herein.

- 6.7.4 <u>Assessment of Fines</u>. The violation of any of the provisions of this Declaration by any 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 rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and written notice thereof given to all Owners. Thereafter, fines may be assessed only upon written notice to the offending Owner, and an opportunity for such Owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided for Association assessments. No fine shall be levied for the first violation. No fine shall exceed Twenty-Five Dollars (\$25.00) for the second violation, Fifty Dollars (\$50.00) for the third violation or One Hundred Dollars (\$100.00) for any subsequent violation.
- 6.7.5 <u>Collection</u>. The fines levied pursuant to Section 6.7.4 above shall be assessed against the Owner and shall be due and payable together with the regular Association assessment on the first of the next following month. Failure to pay the fine will subject the Owner to all liabilities set forth in the Declaration.
- 6.7.6 <u>Developer Exempt Fines</u>. The Association shall not be entitled to assess fines against the Developer, but shall rely solely to its other legal remedies for redress of such alleged violations.
- 6.7.7 Non-Waiver of Right. The failure of the Association or of any Owner to enforce any right, provision, covenant or condition which may be granted by this Declaration shall not constitute a waiver of the right of the Association or of any such Owner to enforce such right, provision, covenant or condition in the future.
- 6.7.8 <u>Cumulative Rights, Remedies and Privileges</u>. All rights, remedies and privileges granted to the Association or any Owner pursuant to any terms, provisions, covenants or conditions of this Declaration 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.
- 6.7.9 Enforcement of Provisions of Declaration. An 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 Declaration. An Owner may maintain an action against any other Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Declaration."

4. **Effect of Amendment**. The Declaration as amended by this Amendment continues in full force and effect. Capitalized terms not otherwise defined in this Amendment shall have the meaning set forth in the Declaration. The provisions of this Amendment shall supersede any contrary provisions in the Declaration.

RSG Development, LLC, a Michigan limited liability company

By:

Todd W. Griffin

Its: Authorized Agent

STATE OF MICHIGAN

)ss.

COUNTY OF WASHTENAW

Acknowledged before me on January 16 2007, by Todd W. Griffin, Authorized Agent of RSG Development, LLC, a Michigan limited liability company, on behalf of the company.

Sandra Surini Elser Notary Public

Washtenaw County, Michigan

Acting in Washtenaw County, Michigan

My Commission Expires:

PREPARED BY AND WHEN RECORDED RETURN TO: Sandra Sorini Elser (P36305) BODMAN LLP 401 East Liberty, Suite 400 Ann Arbor, Michigan 48104 (734) 761-3780

# PLUM GROVE COMMUNITY ASSOCIATION

### **BYLAWS**

# ARTICLE I ADOPTION OF OTHER DOCUMENTS

- SECTION 1. <u>DECLARATION OF EASEMENTS</u>, <u>COVENANTS</u>, <u>CONDITIONS AND RESTRICTIONS FOR THE PLUM GROVE COMMUNITY</u>. The Declaration of Easements, Covenants, Conditions and Restrictions of Plum Grove Community recorded in the Monroe County Records, State of Michigan, as may be further amended from time to time as therein provided together referred to as the "Declaration," is hereby incorporated by reference and adopted in its entirety as part of the Bylaws of the Plum Grove Community Association ("Community Association").
- SECTION 2. <u>ARTICLES OF INCORPORATION</u>. The Articles of Incorporation of this Association filed with the Michigan Department of Labor & Economic Growth on September 19, 2006, are hereby incorporated by reference and adopted in their entirety as part of the Bylaws of this Association.
- SECTION 3. <u>DEFINITION OF TERMS</u>. Capitalized terms used in these Bylaws and not otherwise defined herein, shall have the meanings ascribed to such terms in the Declaration.
- SECTION 4. <u>CONFLICT OF TERMS AND PROVISIONS</u>. In the event there exists any conflict among the terms and provisions contained within the Declaration, the Articles of Incorporation or these Bylaws, the terms and provisions of the following documents, in their stated order of priority, shall control: (i) the Declaration; (ii) the Articles of Incorporation of this Association; and (iii) the Bylaws of this Association.

# ARTICLE II REGISTERED OFFICE

SECTION 1. <u>REGISTERED OFFICE</u>. The registered office of the Association shall be located at 2864 Carpenter Road, Suite 300 in the City of Ann Arbor, County of Washtenaw, State of Michigan 48108, or at such other registered office as the Board of Directors of the Association may determine from time to time.

# ARTICLE III MEMBERS

SECTION 1. <u>MEMBERSHIP; VOTING RIGHTS</u>. There shall be two classes of members: Class A Members and Class B Members (collectively referred to as the "Members").

- Class A Members. Every Owner of a Lot or a Unit of a (a) Subdivision or a Condominium within the Plum Grove Community shall be a Class A Member of the Association. Every Owner shall become a Class A Member from and after the conveyance of such Lot or Unit to the Owner. Each Class A Member shall be entitled to one vote on each matter submitted to a vote of the Members for each Lot or Unit owned by the Class A Member. Where title to a Lot or Unit in the Community is held by more than on person or entity, all such persons or entities shall be Members and jointly shall be entitled to only one vote per Lot or Unit. Where a Lot or Unit has been sold pursuant to a land contract, the purchaser under said land contract shall be entitled to the vote for said Lot or Unit. Multiple Owners (including co-purchasers under a land contract) may exercise said one vote per Lot or Unit as they may mutually agree, and such Owners or co-purchasers shall notify the Community Association in writing of the person entitled to such vote. In the event any multiple Owner fails to provide such notice to the Community Association within thirty (30) days prior to the date set for a meeting, the Owner whose name first appears on record title shall be deemed to be the Member authorized to vote on behalf of all the multiple Owners of a Lot or Unit and any vote cast in person or by proxy by said Owner, or the failure of said Owner to vote, shall be binding on all such multiple Owners.
- (b) <u>Class B Member</u>. Developer shall be the Class B Member. To assure the orderly development and maintenance of the Community Facilities, the General Common Elements and Units of a Condominium, and the Common Areas and Lots of a Subdivision, the Class B Member shall be entitled to three (3) votes for each Lot or Unit in the Community, including all those Lots or Units proposed for development in the Community. Class B membership shall terminate as to any Lots or Units owned by Developer from and after conveyance of such Lot or Unit to the Owner, and the Owner of such Lot or Unit shall thereafter by a Class A Member.
- obligations shall be appurtenant to and may not be separated from ownership of any Lot or Unit. Where the Owner of a Lot or Unit is more than one (1) person or entity, said multiple owners shall be collectively one (1) Member, even though all of said co-owners shall be jointly and severally liable for the assessments levied against the Lot or Unit collectively owned by said co-owners, pursuant to Article 4 of the Declaration.
- SECTION 2. <u>PLACE OF MEETING</u>. Meetings of the Members of the Association shall be held at a suitable place convenient to the Members as may be designated by the Board of Directors. Meetings of the Members of the Association shall be conducted in accordance with generally accepted rules of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation, these Bylaws or the laws of the State of Michigan.

SECTION 3. <u>ANNUAL MEETING OF MEMBERS</u>. Annual Meetings of the Members shall commence with the year Developer or its designated representative is no longer the sole Director of the Community Association as described in Article V below. At such time, the Class A Members shall hold their first annual meeting and transact such business as may be properly brought before the meeting. If the annual meeting is not held on the date designated therefore, the Board of Directors shall cause the meeting to be held as soon thereafter as convenient.

SECTION 4. NOTICE OF MEETING OF MEMBERS. Except as otherwise provided in the Nonprofit Corporation Act, Act 162 of the Public Acts of 1982 (hereinafter referred to as the "Act"), written notice of the time, place and purposes of a meeting of Members shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting, to each Member of record entitled to vote at the meeting. When a meeting is adjourned to another time or place, it is not necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken and at the adjourned meeting only such business is transacted as might have been transacted at the original meeting. However, if after the adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of adjourned meeting shall be given to each Member. If a Member attends a meeting of the Members, that Member waives any objection to (a) lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to the holding of the meeting or transacting business at the meeting; and (b) consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when presented.

SECTION 5. <u>SPECIAL MEETING OF MEMBERS</u>. The Board of Directors of the Association, or the Members representing a majority of the total number of outstanding votes of all Class A and Class B Members of the Association, may call a special meeting of the Members of the Association. The method by which such meeting may be called is as follows: Upon receipt of a specification in writing setting forth the date and objects of such proposed special meeting, signed by the Board of Directors, or by a majority of the Class A and Class B Members of the Association, the Secretary of the Association shall prepare, sign and mail the notice requisite to such meeting.

SECTION 6. QUORUM OF MEMBERS. The presence, in person or by proxy, of Members representing sixty percent (60%) of the total number of outstanding votes of all Class A and Class B Members shall constitute a quorum for holding all other meetings of Members. The Members present in person or by proxy at such meeting may continue to do business until adjournment, regardless of whether or not there are enough Members present to constitute a quorum. Whether or not a quorum is present, the meeting may be adjourned by a vote of the Members present.

SECTION 7. CONSENT OF MEMBERS IN LIEU OF MEETING. Any action required or permitted by the Act to be taken at an annual or special meeting of Members may be taken without a meeting, without prior notice and without a vote, if all of the Members entitled to vote thereon consent thereto in writing. Any action required or permitted by the Act to be

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

SECTION 8. <u>EVIDENCE OF OWNERSHIP</u>. No Owner may vote at any meeting of the Association until he or she has presented evidence of ownership to the Association.

SECTION 9. <u>SPECIAL MEETING FOR PURPOSE OF ESTABLISHING SPECIAL ASSESSMENTS</u>; <u>QUORUM REQUIREMENTS</u>. In accordance with Section 4.4 of the Declaration, special assessments shall be first approved by sixty percent (60%) of the Members, cast in person or by proxy at a meeting of the Members duly called for such purpose. Written notice of such meeting shall be sent to all Members at least thirty (30) days in advance of the meeting, which notice shall set forth the purpose of the meeting.

The quorum required for the first meeting called for the purpose of voting on a special assessment shall be at least ninety percent (90%) of all of the then authorized votes present, by person or by proxy. If the required quorum is not present at the first meeting called for the purpose of considering the special assessment, another meeting may be called for said purpose, which notice thereof to be given as provided for in this Section 9, and the required quorum at any such subsequent meeting shall be reduced to sixty percent (60%) of all of the then authorized votes present, provided that such second meeting is held within sixty (60) days from the date of the first meeting.

# ARTICLE IV COMMITTEES

SECTION 1. FORMATION OF COMMITTEES. The Board of Directors of the Association may designate one (1) or more committees, each committee to consist of one (1) or more individuals who are Directors, to perform certain Association functions. The Board of Directors of the Association may designate one (1) or more individuals as alternate members of any committee, who may replace an absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the members thereof present at any meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another Director to act at the meeting in the place of any such absent or disqualified individual. Any such committee shall exercise all the powers and authority of the Board of Directors of the Association in reference to the matter and in the manner set forth by the Board of Directors in the resolution creating such committee; provided, however, no such committee shall have the power or authority to (i) amend the Articles of Incorporation of the Association, (ii) recommend a dissolution of the Association, a revocation of a dissolution or a cessation of the Association, (iii) amend the Bylaws of the Association or

(iv) fill vacancies in the Board of Directors. Any such committee, and each individual thereof, shall serve at the pleasure of the Board of Directors of the Association.

SECTION 2. <u>REGULAR MEETINGS OF THE COMMITTEE</u>. Regular meetings of any committee may be held without notice at such times and places as shall be determined from time to time by the members of said committee.

# ARTICLE V DIRECTORS

SECTION 1. <u>BOARD OF DIRECTORS</u>. The right to manage the affairs of the Association shall be exclusively vested in the Board of Directors of the Association.

SECTION 2. <u>NUMBER AND TERM OF DIRECTORS</u>. The Board of Directors of the Association shall be composed of the President of each Neighborhood Association ("Community Association Directors" or "Directors"). Provided, however, the Developer or its designated representative shall be the sole Community Association Director until such time as one hundred percent (100%) of the Lots and Units that may be developed in the Community, as it may be expanded, have been sold and conveyed by the Developer to residential Owners, or until such earlier time as Director may elect, in its discretion. Each Director shall have an equal vote in all matters.

SECTION 3. TERM OF DIRECTORS. Each Director (other than Developer) shall serve on the Board of Directors until his or her successor is elected.

SECTION 4. <u>POWERS AND DUTIES</u>. The Board of Directors shall have all powers and duties necessary to (a) administer the affairs of the Association in accordance with the Declaration, the Articles of Incorporation and these Bylaws and (b) to enforce the terms and provisions of the Declaration, the Articles of Incorporation and these Bylaws.

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

SECTION 6. ANNUAL MEETING OF DIRECTORS. Annual Meetings of the Board of Directors shall commence with the year Developer or its designated representative is no longer the sole Director of the Association as described in Section 2 of this Article V above. At such time, the annual meeting of the Board of Directors shall be held within thirty (30) days prior to one hundred twenty (120) days following the year end of the Association, on a day not a legal holiday, at 7:00 o'clock p.m., local Detroit time, or at such other time as shall be determined from time to time by the Board of Directors of the Association, unless the action to be taken at the annual meeting is taken by written consent, as provided in Section 10 below. At said meeting, new Directors, if any, shall be introduced and shall transact such other business as may be properly brought before the meeting. If the annual meeting is not held on the date

designated therefor, the Board of Directors shall cause the meeting to be held as soon thereafter as convenient.

SECTION 7. <u>REGULAR MEETINGS OF THE BOARD OF DIRECTORS</u>. Regular meetings of the Board of Directors may be held without notice at such times and places as shall be determined from time to time by the Board of Directors.

SECTION 8. <u>SPECIAL MEETINGS OF THE BOARD OF DIRECTORS</u>. Special meetings of the Board of Directors may be called at any time by a majority of the persons then comprising the Board of Directors by providing notice of the time and place thereof to each Director not less than ten (10) days before the date such special meeting is to be held.

SECTION 9. QUORUM AND REQUIRED VOTE OF BOARD OF DIRECTORS. At all meetings of the Board of Directors, a majority of the members of the Board of Directors then in office shall constitute a quorum. The vote of the majority of Directors present at a meeting at which a quorum is present constitutes the action of the Board of Directors, unless a vote of a larger number is required by the Act, the Articles of Incorporation, the Declaration, or these Bylaws. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present at such meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

SECTION 10. <u>CONSENT OF DIRECTORS IN LIEU OF MEETING</u>. Action required or permitted to be taken pursuant to authorization voted at a meeting of the Board of Directors then in office may be taken without a meeting if, before or after the action, all members of the Board of Directors then in office consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board of Directors. The consent has the same effect as a vote of the Board of Directors for all purposes.

SECTION 11. <u>PARTICIPATION IN MEETING BY TELEPHONE</u>. A Director may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in a meeting pursuant to this Section 11 constitutes presence in person at the meeting.

SECTION 12. <u>WAIVER OF NOTICE</u>. If a Director attends or participates in a meeting, the Director waives notice of the meeting, unless the Director at the beginning of the meeting, or upon arrival, objects to the meeting or the transaction of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

# ARTICLE VI NOTICES

SECTION 1. <u>NOTICE</u>. Any notice or communication to any Community Association Director, Member or Owner which is required under any provision of the Act, the

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

SECTION 2. WAIVER OF NOTICE. When, under the Act or the Articles of Incorporation or these Bylaws, the Board of Directors may take action after notice to any person or after lapse of a prescribed period of time, the action may be taken without notice and without lapse of the applicable period of time, if at any time before or after the action is completed the person entitled to notice or to participate in the action to be taken submits a signed waiver of such requirements. The waiver of notice of the meeting need not identify the business to be transacted at, nor the purpose of, a regular or special meeting of the Board of except as provided by the Act, the Declaration, the Articles of Incorporation or these Bylaws. Attendance of a person at a meeting constitutes a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

# ARTICLE VII OFFICERS

SECTION 1. <u>SELECTION</u>. The Board of Directors, at a meeting called for such purpose, shall appoint a President, Secretary and a Treasurer. The Board of Directors may also elect or appoint one (1) or more Vice Presidents and such other officers, employees and/or agents as they shall deem necessary, which officers, employees and agents shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. Two (2) or more offices may be held by the same person. All officers of the Association shall be Community Association Directors.

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

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

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

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

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

# ARTICLE VIII SPECIAL ASSESSMENTS

SECTION 1. <u>DETERMINATION OF NEED.</u> After Developer is no longer the sole Community Association Director, in order to levy a special assessment, the Board of Directors shall examine all necessary evidence to substantiate the need for such special assessment. Such need shall be evidenced by an affirmative vote of the majority of Directors. Upon a determination by the Board of Directors that a special assessment is necessary, the Board of Directors shall articulate its findings in writing (the "Board Findings").

SECTION 2. <u>OWNER APPROVAL</u>. A special assessment approved by the Board of Directors shall not become effective, in accordance with Section 4.4 of the Declaration, unless first approved by sixty percent (60%) of the Members at a meeting called for such purpose.

# ARTICLE IX GENERAL PROVISIONS

SECTION 1. <u>BANK ACCOUNTS</u>. The funds of the Association shall be deposited in such bank or banks as may be designated by the Board of Directors. All checks, drafts and orders of the payment of money shall be signed in the name of the Association in such manner and by such person or persons as the Board of Directors shall from time to time designate for that purpose. The Association shall keep detailed books of accounts pertaining to the administration of the Association in accordance with generally accepted accounting principles. Such account shall be open for inspection by the Members upon written request and during reasonable business hours.

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

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

SECTION 4. <u>YEAR-END</u>. The year-end of the Association shall be an annual period commencing on the date initially determined by the Board of Directors. The Association's year-end may be changed by the Board of Directors in its discretion.

# ARTICLE XI AMENDMENTS

SECTION 1. <u>AMENDMENTS</u>. These Bylaws may be altered, amended or repealed or new Bylaws may be adopted, by Developer, without the consent of any Member, at any time prior to the date on which Developer is no longer the sole Director of the Association. The power to alter, amend or repeal these Bylaws, and to adopt new Bylaws, shall be exclusively vested in Developer until such time as Developer withdraws as the sole Director of the Association. Thereafter, these Bylaws may be amended by the Association Board of Directors, at a special meeting called for such purpose at which a quorum is present or represented, by the affirmative vote of the Directors whose votes constitute seventy-five percent (75%) of the total votes of all the Directors entitled to vote.

Dated: January 16, 2007

RSG DEVELOPMENT, LLC

Todd W. Griffin

Its: Authorized Agent

# Michigan Department of Labor & Economic Growth

# Filing Endorsement

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT

for

PLUM GROVE COMMUNITY ASSOCIATION

ID NUMBER: 800874

received by facsimile transmission on September 19, 2006 is hereby endorsed Filed on September 20, 2006 by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 20TH day of September, 2006.

, Director

**Bureau of Commercial Services** 

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES				
Date R∋ceived	(FOR BUREAU USE ONLY)			
This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.				
Name				
Sandra Corini Elser -	Bodman LLP			
Address				
110 Miller, Suite 300		The Courts	ı	
City	State	Zip Code	EFFECTIVE DATE:	
Ann Arbor	MI	48104	LITEOTIVE DATE	

Document viil be returned to the name and address you enter

If left blant document will be mailed to the registered office.

# ARTICLES OF INCORPORATION

For use by Domestic Nonprofit Corporations (Please read information and instructions on the last page)

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:

# ARTICLE

The name of the corporation is: Plum Grove Community Association (referred to herein as the "Association" or the "Corporation")

# ARTICLE II

the purpose or purposes for which the corporation is organized are:

- A. To administer, maintain, operate, repair, replace and insure the Community Facilities constructed, installs of or located within or serving the Plum Grove Community, to maintain any General Common Elements or Unit of a Condominium in the event the Owner or Condominium Association shall fail to do so, and to maintain the Common Areas or a Lot of a Subdivision if a Subdivision Association or Lot Owner shall fail to do so, as all such terms are defined in the Declaration of Easements, Covenants, Conditions and Restrictions for the Plum Grove Community recorded in Monroe County Records, as may be amended from time to time as therein provided (the "Declaration");
- B. To fix, levy and collect assessments against and from the Members of the Association and to use the proceeds for the purposes set forth in the Declaration;
- C. To arrange for the provision of services and facilities to the Community Facilities;
- To maintain and promote the desired character of the Community Facilities;
- E. To manage and administer the affairs of and to maintain the Association;
- F. To carry insurance and to collect and allocate the proceeds thereof,
- G. To repair and rebuild improvements owned or controlled by the Association after casualty;

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H. To make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Community Facilities:

To accuire, own, maintain and improve, and to buy, sell, convey, assign or mortgage any real and personal property, including but not limited to any Lot or Unit in the Community, any easements or licenses or any other real property, whether or not contiguous to the Community, for the purpose of providing benefit to the Members of the Association and furthering any of the purposes of the Association;

To make and enforce reasonable rules and regulations concerning the use and enjoyment of the Community Facilities;

To borrow money and issue evidence of indebtedness to accomplish the Association's purposes and to secure any indebtedness by mortgage, pledge or other lien;

To enforce the provisions of the Declaration and of these Articles of Incorporation and such Bylaws and Rules and Regulations of the Association as may be adopted, including the right to make and collect assessments as set forth in the Declaration, these Articles and the Bylaws;

- M. To sue in all courts and participate in actions and proceedings judicial, administrative, arbitrative or otherwise; and
- To engage in all other activities permitted by law to facilitate any of the purposes established hereunder.

Capitalized terms not otherwise defined herein shall have the meaning given to them as set forth in the Beclaratio 1, defined above.

### ARTICLE III

The co poration is organized upon a non-stock basis.

2. a. The description and value of its real property assets are:

None

b. The description and value of its personal property assets are:

None

c. The corporation is to be financed under the following general plan:

Assessment of the Members

d. The corporation is organized on a membership basis.

# ARTICLE IV The address of the registered office is: Ann Arbor Michigan 48108 2834 Carpenter Road (Zip Code) (City) (Street Address) The mailing address of the registered office, if different than above: Michigan . (Zip Code) (City) (Stre at Address or P.O. Box) The name of the resident agent at the registered office is: Todd W. Griffin ARTICLE / The name s) and address(es) of the incorporator(s) is (are) as follows: Residence or Business Address: Name 110 Miller Avenue, Suite 300 San dra Sorini Elser Ann Arbor, MI 48104 Bod nan LLP

## ARTICLE VI

The term of corporate existence is perpetual.

# ARTICLE VII

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The qualifications of Members, the manner of their admission to the Association, the termination of members ip, and voting by such Members shall be as follows:

Developer and every Owner of a Lot or Unit in the Community shall be a Member of the A: sociation. All membership rights and obligations shall be appurtenant to and may not be  $s \in parated$  from the ownership of any Lot.

The Association shall have two (2) classes of Members, which are as follows:

C ass A Members shall consist of all owners of Lots or Units other than Developer. Every Owner shall become a Class A Member from and after the conveyance of such Lot or Unit to the Owner. Each Class A Member shall be entitled to one vote on each matter submitted to a vote of the Members for each Lot or Unit owned by the Class A Member. Where title to a Lot or Unit in the Community is held by more than on person or entity, all such persons or entities shall be Members and jointly shall be entitled to only one vote per Lot or Unit. Where a Lot or Unit has been sold pursuant to a land contract, the purchaser under said land contract shall be entitled to the vote for said Lot or Unit. Multiple Owners (including co-purchasers under a land contract) may exercise said one vote per Lot or Unit as they may mutually agree, and such Owners or co-purchasers shall notify the Association in writing of the person entitled to such vote. In the event any multiple Owner fails to provide such notice to the Association within thirty (30) days prior to the date set for a meeting, the Owner whose name first appears on record title shall be deemed to be the Member authorized to vote on behalf of all the multiple Owners of a Lot or Unit and any vote cast in person or by proxy by said Owner, or the failure of said Owner to vote, shall be binding on all such multiple Owners.

- ii. Developer shall be the sole Class B Member. To assure the orderly development and maintenance of the Community Facilities, the General Common Elements and Units of a Condominium, and the Common Areas and Lots of a Subdivision, the Class B Member shall be entitled to three (3) votes for each Lot or Unit in the Community, including all those Lots or Units proposed for development in the Community. Class B membership shall terminate as to any Lots or Units owned by Developer from and after conveyance of such Lot or Unit to the Owner, and the Owner of such Lot or Unit shall thereafter by a Class A Member.
  - The share of a Member in the funds and assets of the Association cannot be assigned, pledged, encumbered or transferred in any manner, except as an appurtenance the Member's Lot or Unit.
  - Voting by Members shall be in accordance with the provisions of these Articles of Incorporation, the Bylaws of the Association and the Declaration.

# ARTICLE /III

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# LIMITATION OF LIABILITY OF VOLUNTEER DIRECTORS AND VOLUNTEER OFFICERS

No member of the Board of Directors of the Corporation who is a Volunteer Director as that term is defined in the Michigan Nonprofit Corporation Act (the "Act"), and no officer who is a Volunteer Officer shall be personally liable to this Corporation or its members for monetary damages for breach of fiduciary duty arising under the Act by such Volunteer Director or Volunteer Officer; provided, however, that this provision shall not eliminate or limit the liability of Volunteer Director or Volunteer Officer for any of the following:

- (1 A breach of the director or officer's duty of loyalty to the Corporation;
- (2 Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- (3 A violation of Section 551(1) of the Act, as amended;
- (4 A transaction from which the director or officer derived an improper personal benefit;
- (5 An act or omission occurring before the effective date of this Article;
- (6 An act or omission that is grossly negligent.

The Corporation assumes the liability for all acts or omissions of a Volunteer Director, Volunteer O ficer or other volunteer as defined in the Act occurring on or after the effective date of this provision if all of the following are met:

- (1) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (2) The volunteer was acting in good faith;
- (3) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (4) The volunteer's conduct was not an intentional tort;
- (5) The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Act.

If the Act is amended after approval of this Article to authorize the further elimination or limitation of the liability of directors or officers of nonprofit corporations, then the liability of directors or officers of the Corporation, in addition to the limitation, elimination and assumption of personal liability contained in this Article shall be assumed by the Corporation or eliminated or limited to the fullest extent permitted by the Act as so amended. No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of a director or officer of the Corporation for or with respect to any acts or omissions occurring prior to the effective date of such amendment or repeal.

# ARTICLE X

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# **INDEMNIFICATION**

Fach person who is or was an officer of the Corporation or a member of the Board of Directors, and each person who serves or has served at the request of the Corporation as a director, officer, partner, trustee, employee, agent or committee member of any other corporation, partnership, joint venture, trust or other enterprise shall be indemnified by the Corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The Corporation may purchase and maintain it surance on behalf of any such person in any such capacity or arising out of such status, whether or not the Corporation would have power to indemnify such person against such liability under the laws of the State of Michigan. This right of indemnification shall continue as to a person who ceases to be a director or officer, and shall increase to the benefit of the heirs, executors, and administrators of that person.

# ÀRTICLE X

### WRITTEN CONSENT

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

### ÀRTICLE XI

### **AMENDMENT**

hese Art cles of Incorporation may only be amended by the consent of two-thirds (2/3) of all Members.

the inco porator sign my name this 19th day of September, 2006.

Sandra Sorini Elser

C&S 502

# Plum Grove Community Association

# Proposed First Annual Budget (2007)

Plum Grove Community Association

Pool/Clubhouse Expenses (see page 2)	\$ 34,840
Management Fees (\$3/unit/month)	6,480
Grounds Services for Common Areas (mowing/flower beds)	3,000
Storm Drainage Facilities Maintenance	1,500
Utilities (water/irrigation and electricity for community entrance)	1,800
Irrigation System Operation Costs (at community entrance)	800
	ф. 40. 400
	\$ 48,420

Plum Grove Community Association consists of owners of Lots or Units in the Estates at Plum Grove (54 Lots), The Park at Plum Grove (60 Units), and The Village at Plum Grove (66 Units). In accordance with the *Declaration of Easements, Covenants, Conditions and Restrictions* for the Plum Grove Community, the owner of each Lot or Unit shares equally in the expenses of the Plum Grove Community Association. This budget requires an annual Community Association Assessment of \$269 for each Lot or Unit.

# Plum Grove Community Association

(Page 2)

# Proposed First Annual Budget (2007) Pool/Exercise/Clubhouse Facility at Plum Grove<sup>1</sup>

Pool Services Contract	\$ 6,000
(Opening/Closing; daily monitoring of chemicals and system)	
Pool Repairs / Supplies	2,500
Utilities	5,000
(Gas, Electric, Water)	,
Property and Liability Insurance	6,000
(estimated increase above general Association Liability Insurance)	,
Cleaning Services	3,120
(Clubhouse, Restrooms, Exercise Facility weekly)	
Security System Contract	800
(Monitoring system for after-hours breach of clubhouse doors/windows)	
Grounds Services	4,500
(Lawn Service, Snow Removal and flowerbed maintenance)	
Telephone	600
Irrigation Service to Grounds	§ 800
(if applicable)	
Clubhouse/Exercise Facility Maintenance and Repairs	1,800
Clubhouse/Exercise Facility Supplies	480
(Facility supplies, rest room supplies)	
Reserve Funding for Capital Expenditures (10%)	3,240
	\$ 34,840

<sup>&</sup>lt;sup>1</sup> This budget assumes that the clubhouse, pool and exercise room will not be staffed with an attendant or lifeguard.



# THE CONDOMINIUM BUYER'S HANDBOOK

The Condominium Buyer's Handbook is created by the Michigan Department of Licensing and Regulatory Affairs as required by the Condominium Act (PA 59 of 1978, as amended).

This edition includes Public Act 385 of 2002 amendments.

# **PREFACE**

The Department of Licensing & Regulatory Affairs has <u>NO</u> authority to enforce or regulate any provisions of the Act or the bylaws of condominium developments.

The Condominium Buyer's Handbook is a guide for people who are interested in buying a condominium. For your protection, you should read this booklet before you sign a purchase agreement. This handbook contains a summary of portions of the Condominium Act. Although the information is directed primarily toward residential condominium buyers, the Act also covers business, manufactured housing, campground and marina condominium developments. The last section of the handbook describes the legal remedies that are available to you based on the Condominium Act.

Although the Department of Licensing and Regulatory Affairs is the designated administrator in the Act, the Legislature repealed the Department's regulatory and enforcement responsibilities in 1983.

Additional information may be found on our website at: www.michigan.gov/condo

**NOTE:** A person or association of co-owners adversely affected by a violation of, failure to comply with, the Condominium Act, administrative rules, or any provision of your bylaws or master deed may take action in a court of competent jurisdiction.

# **CONDOMINIUM OWNERSHIP**

Condominium unit co-owners have exclusive ownership rights to their unit and the right to share the common elements of the condominium development with other co-owners. The condominium subdivision plan, which is part of the master deed, identifies which areas are units and which areas are common elements.

The co-owners own and maintain the development once the developer has sold all the units, unless the local government agrees to take responsibility for maintaining a portion of the development. Roads are an example of a portion of a condominium development that may become public.

The master deed provides the percentage of ownership for each condominium unit in the development. This percentage is the basis for determining your obligation for payment of monthly maintenance fees, assessments for major repairs, and may determine your voting percentage at association meetings. The association of co-owners determines how much the monthly maintenance fee will be and assesses each owner for repairs to the common elements.

# **READ THE BYLAWS**

Read the bylaws for the association and condominium development as they contain provisions outlining your rights and obligations as a co-owner.

You are obligated the pay the monthly maintenance fee and any assessments. If there are no restrictions in the bylaws that place limits on increasing the monthly fee, the association has the right to determine the amount. If the roads, or any other portion of the common elements in the development need repair, the association will determine the amount each owner is responsible for paying. If there are no restrictions in the bylaws regarding assessments, the association has the right to determine the amount. If you fail to pay an assessment or monthly fee, the association may place a lien on your unit.

Modifications or repairs to your unit may require approval of the co-owners association. If you do not obtain approval, the association may take legal action against you.

Before signing a purchase agreement, you should be aware of any restrictions on pets, renting, displaying items outdoors, and other prohibitions in the bylaws. Even if a restriction is not in the bylaws when you purchase, the association may amend the bylaws. Only changes that materially affect the co-owners require a vote of all co-owners.

You may not have the right to attend association meetings unless the bylaws specify that you may attend. The bylaws may not require associations to provide minutes of their meetings to co-owners.

# PRELIMINARY RESERVATION AGREEMENTS

A preliminary reservation agreement gives you the opportunity, for a specified time, to purchase a particular condominium unit upon sale terms to be determined later. The developer must place the payment you make in an escrow account with an escrow agent. If you make a payment under a preliminary reservation agreement and cancel the agreement, the developer must fully refund the money. If you enter into a purchase agreement, the developer must credit the payment toward any payment due in the purchase agreement.

# **PURCHASE AGREEMENTS**

A purchaser may withdraw from a signed purchase agreement without cause or penalty within nine business days as long as the property has not been conveyed to the purchaser. The nine-business day window starts the day the purchaser receives all the documents that the developer is required to provide. The developer must deposit payments made under a purchase agreement in an escrow account with an escrow agent.

Before signing an agreement, it is advisable to seek professional assistance to review all condominium documents.

# Some issues to consider before buying include the following:

- Do not rely on verbal promises insist that everything be in writing and signed by the appropriate parties involved in the transaction.
- The bylaws may contain a variety of restrictions. You may be required to receive association approval for certain actions. If you do not obtain prior approval, the association has authority to enforce the legal restrictions in the bylaws.
- You may be subject to a binding purchase agreement before construction is complete. Determine whether the agreement will provide you with adequate rights if the developer does not finish the unit in time to meet the occupancy date.
- You may wish to contact the local government to determine if the developer is contractually obligated to finish the development.
- Review all restrictions, covenants, and easements that might affect the condominium project or your unit.
- Determine if the developer has reserved any rights to alter the project.
- Before signing a purchase agreement, make sure you have financing, or that the agreement specifies it is dependent on your ability to obtain a mortgage commitment for the unit.
- When buying a condominium unit in a structure, you may also be a joint owner of the furnace, roof, pipes, wires and other common elements. Ask for an architect's or engineer's report on the condition of all building components, their expected useful life and building maintenance records.

 There is no governmental agency that regulates condominium associations and management companies. Only a judge has authority to order an association to comply with the Condominium Act and bylaws.

# DOCUMENTS THE DEVELOPER MUST PROVIDE

The developer <u>must</u> provide copies of the following documents to a prospective purchaser:

- 1. The recorded master deed.
- 2. A copy of the purchase agreement and the escrow agreement.
- 3. The condominium buyer's handbook.
- 4. A disclosure statement that includes:
  - The developer's previous experience with condominium projects.
  - Any warranties undertaken by the developer.
  - The extent to which financial arrangements have been provided for completion of all structures and improvements labeled "must be built" on the subdivision plan.
  - An itemization of the association's budget.

# ASSOCIATION OF CO-OWNERS (CONDOMINIUM BOARD)

Initially, the developer appoints the board of directors, who govern the development until the first annual meeting. The provisions for holding the annual meeting and designating the voting procedures should be included in the condominium development bylaws. The Condominium Act, (Section 52), describes the procedure for transitioning from the developer to the association of co-owners for the governing of the development. (Also see "Election of Association of Co-owners Board of Directors" later in this handbook.)

The co-owners elect the association, which is responsible for governing the development and maintaining the general common elements. The general common elements may consist of hallways, lobbies, building exteriors, lawns, streets (if the roads are private), recreation facilities, heating, water and electric systems. The association may hire a management company to provide services for the development. They also have the right to assess co-owners for repairs. After the creation of the association, the association may adopt bylaws for the operation of the association. Rules governing the condominium development are in the bylaws that the developer created for the condominium development.

A condominium association is a private, not public entity. Meetings of the association are not subject to the Open Meetings Act, which requires public agencies to make attendance at meetings open to the public and requires the provision of minutes that describe actions taken at the meeting.

Associations are required by law to keep books and records with a detailed account of the expenditures and receipts affecting the project and its administration, and which specify the operating expenses. The developer must

provide a disclosure statement itemizing the association's budget at the time you receive the master deed.

Associations are required to maintain a reserve fund for major repairs and replacement of common elements. The minimum amount is 10% of the annual budget on a non-cumulative basis. If the association needs additional funds for major repairs, they may have the right to assess each owner. Monthly fees and assessments are a lien on the condominium unit. You may not be exempt from monthly fees and assessments by nonuse of the common elements or by abandonment of the condominium unit.

If you have a complaint with the association or other co-owners, review the condominium bylaws to determine what recourse you have. Generally, only professional arbitrators or the courts have jurisdiction over complaints between these parties.

# **DOCUMENTS THE ASSOCIATION MUST PROVIDE**

The association must provide a financial statement annually to each co-owner. The books, records, and contracts concerning the administration and operation of the condominium project must be available for examination by any of the co-owners at convenient times. All books and records must be audited or reviewed by an independent accountant annually, but the audit does not have to be certified. The association must keep current copies of the master deed, all amendments to the master deed, and other condominium documents available at reasonable hours to co-owners, prospective purchasers and prospective mortgagees.

# SITE CONDOMINIUMS

The term "site condominium" is not legally defined in the Condominium Act. It is used to describe a condominium development with single-family detached housing instead of two or more housing units in one structure.

Site condominium developments must comply with the Act. The Act requires developers to notify the appropriate local government of their intent to develop a condominium project. The type of review the development is subject to depends on the local government's ordinances. Site condominium documents are not reviewed by the State for conformance with the Condominium Act.

Another type of single-family-residential housing development in Michigan is a subdivision which is regulated according to the Land Division Act. Although a site condominium development may look like a subdivision developed in accordance with the Land Division Act, they are not the same. Subdivisions developed pursuant to the Land Division Act are subject to state review for conformance with the Land Division Act. Subdivisions developed pursuant to the Land Division Act must be approved for compliance with the Land Division Act before the developer may sell any real estate.

# **LIMITED OR GENERAL COMMON ELEMENTS**

Common elements mean the portions of the condominium project other than the condominium unit. Limited common elements are areas with usage restrictions. A carport space assigned to a unit is a limited common element. The yard of a single family detached unit, for use by the owner of that unit, may be a limited common element. General common elements such as roads, open space areas and recreation facilities are available for use by everyone in the development. The master deed specifies which areas of your condominium development are designated as limited or general common elements. Use of the common elements is governed by the bylaws for the condominium development.

# **ADVISORY COMMITTEE**

The advisory committee is established when one of the following occurs, whichever happens first: 120 days after 1/3 of the units are sold or one year after a unit is sold to a non-developer co-owner.

The purpose of the advisory committee is to meet with the development's board of directors to facilitate communication and aid in the transition of control from the developer to the association of co-owners. The advisory committee ceases when a majority of the association of co-owners is elected by the (non-developer) co-owners.

# ELECTION OF ASSOCIATION OF CO-OWNERS BOARD OF DIRECTORS

No later than 120 days after 25% of (non-developer) co-owners have title to the units; that may be created, at least one director, and not less than 25% of the board of directors shall be elected by the co-owners.

No later than 120 days after 50% of (non-developer) co-owners have title to the units that may be created, at least one third of the board of directors shall be elected by the co-owners.

No later than 120 days after 75% of (non-developer) co-owners have title to units, and before 90% are sold, the co-owners shall elect all but one director on the board. The developer shall have the right to designate one director only if the developer owns and offers for sale at least 10% of the units, or as long as 10% of the units remain to be created.

If titles to 75% to 100% of the units that may be created have not been sold 54 months after the first conveyance, the (non-developer) co-owners shall elect the number of board members equal to the percentage of units they hold. If the developer has paid all assessments, the developer has the right to elect the number of board members equal to the percentage of units that are owned by the developer.

# **CONDOMINIUM DOCUMENTS**

The condominium documents include the master deed, condominium subdivision plan, bylaws for the condominium project, and any other documents referred to in the master deed or bylaws. In addition, the developer is required to provide a disclosure statement.

Once the association is established, it may adopt another set of bylaws pertaining to the association's operation. The association or management company must keep books and records with a detailed account of the expenditures and receipts affecting the project and its administration, and which specify the operating expenses.

# AMENDMENTS TO CONDOMINIUM DOCUMENTS

If the condominium documents contain a statement that the developer or association of co-owners has reserved the right to amend the documents for that purpose, then the documents may be amended without the consent of the co-owners, as long as the change does not materially alter or change the rights of a co-owner.

The master deed, bylaws and condominium subdivision plan may be amended, even if the amendment will materially alter or change the rights of a co-owner with the consent of at least 2/3 of the votes of the co-owners and mortgagees.

The method or formula used to determine the percentage of value of each unit for other than voting purposes cannot be modified without the consent of each affected co-owner.

A co-owner's condominium unit dimensions or limited common elements may not be modified without the co-owner's consent.

The association of co-owners may amend the condominium documents as to the rental of units or terms of occupancy. The amendment does not affect the rights of any lessors or lessees under a written lease executed before the effective date of the amendment, or condominium units that are owned or leased by the developer.

# REMEDIES AVAILABLE PURSUANT TO THE CONDOMINIUM ACT

A developer who offers or sells a condominium unit in violation of the Act is liable to the purchaser for damages.

A person or association of co-owners adversely affected by a violation of, or failure to comply with, the Act, the administrative rules issued under the authority of the Act, or any provision of an agreement or a master deed may take action in a court with jurisdiction. The court may award costs to the prevailing party.

A co-owner may take action against the association of co-owners to compel the association to enforce the condominium documents. To the extent that the condominium documents expressly provide, the court shall determine costs of the proceeding and the successful party shall recover those costs.

A co-owner may take action against another co-owner for injunctive relief or for damages for noncompliance with the terms of the condominium documents or the Act.

For condominium projects established on or after May 9, 2002, the bylaws must contain a provision that disputes relating to the interpretation of the condominium documents or arising out of disputes among co-owners may be resolved through arbitration. Both parties must consent to arbitration and give written notice to the association. The decision of the arbitrator is final and the parties are prohibited from petitioning the courts regarding that dispute.

A co-owner, or association of co-owners, may execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action. A purchaser or co-owner has the exclusive option to execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action and involves less than \$2,500. All costs will be allocated in the manner provided by the arbitration association. A contract to settle by arbitration must specify that the arbitration association will conduct the arbitration. The method of appointment of the arbitrator will be pursuant to rules of the arbitration association. Arbitration will be in accordance with Public Act No. 236 of 1961, (MCL 600.5001 to 5065), which may be supplemented by rules of the arbitration association. An arbitration award is binding on the parties to the arbitration.

The Condominium Act provides the right to notify the governmental agency that is responsible for the administration and enforcement of construction regulations of an alleged violation of the state construction code, other applicable building code, or construction regulation.

A person who willfully and knowingly aids in misrepresentation of the facts concerning a condominium project, as described in the recorded master deed, is guilty of a misdemeanor and shall be punished by a fine, imprisonment, or both. Actions under MCC 559.258 shall be brought by the prosecuting attorney of the county in which the property is located, or by the department of attorney general.

A person can not take action arising out of the development or construction of the common elements, or the management, operation, or control of a condominium project, more than three years from the transitional control date or two years from the date of the cause of the action, whichever occurs later. The transitional control date is the date the board of directors takes office by an election where the co-owners' votes exceed the developer's votes for the board members.

A condominium developer may be required to be a licensed residential builder under the Occupational Code (PA 299 of 1980, Article 24, as amended). A complaint for a violation of the **Michigan Occupational Code** or administrative rules, must be made within 18 months after completion, occupancy, or purchase of a residential structure. Conduct subject to penalty is described in the Occupational Code (MCL 339.2411). Complaints concerning construction may be filed with:

Michigan Department of Licensing and Regulatory Affairs
Bureau of Commercial Services
Enforcement Division
P. O. Box 30018
Lansing, MI 48909
Phone: (517) 241-9202
www.michigan.gov/lara

The **Michigan Consumer Protection Act** prohibits certain methods, acts, practices, and provides for certain investigations and prescribes penalties. Complaints regarding an alleged violation of the Consumer Protection Act may be filed with:

Michigan Department of Attorney General Consumer Protection Division P. O. Box 30213-7713 Lansing, MI 48909 Phone: (517) 373-1140 www.michigan.gov/ag

### **LEGAL REFERENCES**

Condominium Act, P.A. 59 of 1978, as amended, MCL 559.101 et seq.
Condominium Rules, R559.101 et seq. 1985 Michigan Admin Code.
Occupational Code, P.A. 299 of 1980, as amended, MCL 339.101 et seq.
Consumer Protection Act, P.A. 331 of 1976, as amended, MCL 445.901 et seq.
Stille-DeRossett-Hale Single State Construction Code Act, P.A. 230 of 1972, as amended, MCL 125.1501 et seq.

Approval: LARA Director PUB-C-0139 (4/11)