

L: 5443 P: 804 6610612 ADM 09/03/2021 09:42 AM Total Pages: 45 Lawrence Kestenbaum, Washtenaw Co



# AMENDED AND RESTATED MASTER DEED OF RIVER POINTE

(ACT 59, PUBLIC ACTS OF 1978 AS AMENDED)

WASHTENAW COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 114

This Amended and Restated Master Deed is made and executed on this 31st day of, August, 2021, by the Milan River Pointe Condominium Association, a Michigan Nonprofit Corporation, hereinafter referred to as "Association", whose Registered Office mailing address is P.O. Box 262, Milan MI 48160, the ("Association"), represented herein by Matt Cosgro, the President of the Milan River Pointe Condominium Association, who is fully empowered and qualified to act on behalf of the Association, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act."

#### WITNESSETH:

WHEREAS, the Association desires by recording this Amended and Restated Master Deed, together with the Amended and Restated Condominium Bylaws attached hereto as Exhibit "A", and the Condominium Subdivision Plan (as amended in Replat No. 1 recorded in the First Amendment to Master Deed) attached to the original Master Deed as Exhibit "B", which is hereby incorporated by reference and made a part hereof as Exhibit B, to reaffirm the establishment of the real property described in Article II below, together with all of the improvements now located upon such real property and the appurtenances thereto, as a residential condominium project under the provisions of the Condominium Act of Michigan. The original Master Deed of River Pointe, recorded in Liber 2311 at Page 92, et. seq, and the First Amendment to Master Deed of River Pointe, recorded in Liber 2985, at Page 869 et, Washtenaw County Records, and the Milan River Pointe Condominium Association Bylaws are superseded and replaced by this Amended and Restated Master Deed and Exhibit A. The Condominium Subdivision Plan attached to the original Master Deed as Exhibit "B", as amended in Replat No. 1, included in the First Amendment to Master Deed, is retained and incorporated herein by reference as Exhibit B, hereof.

(6)

Time Submitted for Recording
Date 1-3 20 1 Time 9:30 4W

Lawrence Kestenbaum

Washtenaw Gounty Glerk/Register

NOW THEREFORE, the Association does, upon the recording hereof, reaffirm the establishment of Condominium as a Condominium under the Condominium Act and does declare that River Pointe (hereinafter referred to as the "Condominium", "Project" or the "Condominium Project"), shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations, and affirmative obligations set forth in this Amended and Restated Master Deed and Exhibits "A" and "B" applicable hereto, all of which shall be deemed to run with the real property described in Article II below and shall be a burden and a benefit to the Association, its successors and assigns, and any persons acquiring or owning an interest in such real property, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of the Condominium Project, IT IS PROVIDED AS FOLLOWS:

### ARTICLE I TITLE AND NATURE

Section 1. <u>Condominium Name and Subdivision Plan No.</u> The Condominium shall be known as RIVER POINTE, Washtenaw County Condominium Subdivision Plan No. 114, consisting of 25 Units, numbered 1 through 11, and 13 through 26. The Condominium Project is established in accordance with the Act.

Section 2. Condominium Units and Co-owner Rights of Access to Common Elements. The Units contained in the Condominium, including the number, boundaries and dimensions of each Unit therein, are set forth completely in the Condominium Subdivision Plan applicable to this Amended and Restated Master Deed as Exhibit "B" (which is the Condominium Subdivision Plan attached to the original Master Deed as Exhibit "B", as amended in Replat No. 1, included in the First Amendment to Master Deed). Each Unit is capable of individual utilization on account of having its own access to a Common Element of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to his Unit and shall have undivided and inseparable rights to share with the other Co-owners the Common Elements of the Condominium Project as are designated by the Amended and Restated Master Deed.

**Section 3.** <u>Voting.</u> Co-owners shall have voting rights in the Milan River Pointe Condominium Association as set forth herein, in the Restated Condominium Bylaws and Articles of Incorporation of such Association.

#### ARTICLE II LEGAL DESCRIPTION

The land that comprises the Condominium Project, as amended, is particularly described as follows:

Land located in the City of Milan, Washtenaw County, Michigan described as:

Commencing at the east 1/4 corner of Section 34, T4S, R6E, City of Milan, Washtenaw County, Michigan, thence south along the east line of said Section 34 and the centerline of Platt Road S 01 degrees 05 minutes 20 seconds W 955.35 feet to a Point of Beginning;

thence continuing S 01 degrees 05 minutes 20 seconds W 264.47 feet along the east line of said Section 34 and the centerline of Platt Road;

thence N 89 degrees 08 minutes 14 seconds W 655.63 feet;

thence N 02 degrees 25 minutes 40 seconds E 264.67 feet:

thence S 89 degrees 07 minutes 41 seconds E 649.45 feet to the Point of Beginning,

being a part of the east half of the southeast 1/4 of Section 34, T4S, R6E, City of Milan, Washtenaw County, Michigan containing 3.96 acres of land, more or less, being subject to the rights of the public over the most easterly 60.0 feet thereof as occupied by Platt Road, being subject to an easement over the most northerly 20.0 feet thereof as recorded in Liber 1486, page 855, Washtenaw County Records and being subject to other easements or restrictions of record, if any.

Tax code #: 19-19-34-405-011

#### ARTICLE III DEFINITIONS

Section 1 General Description of Terms Used. Certain terms are utilized not only in this Amended and Restated Master Deed and Exhibits "A" and "B" applicable 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 Milan River Pointe Condominium Association, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in River Pointe Condominium, as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

- A. The "Act" or "Condominium Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended. If any provision of this Amended and Restated Master Deed or its exhibits is found to conflict with any provision of the Act, or if any provision required by the Act is omitted herefrom, then the provisions of the Act are incorporated herein by reference and shall supersede and cancel any conflicting provision hereof.
- B. "Association" or "Association of Co-owners" means Milan River Pointe Condominium Association, a non-profit corporation organized under Michigan law of which all Co-owners are members, which corporation shall administer, operate, manage and maintain the Condominium in accordance with all applicable laws and the Condominium Documents. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- C. "Association Bylaws" or "Corporate Bylaws" shall refer to those portions of the Amended and Restated Condominium Bylaws, pertaining to operation of the Milan River Pointe Condominium Association, the Michigan non-profit corporation organized to manage, maintain and administer the Condominium.
- D. "Common Elements" where used without modification means both the General and Limited Common Elements described in Article IV hereof, and does not refer to Condominium Units.
- E. "Amended and Restated Condominium Bylaws" means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners.

- F. "Condominium Documents", wherever used, means and includes this Amended and Restated Master Deed and Exhibit "A" hereof, the Condominium Subdivision Plan attached to the Frist Amendment to Master Deed as (being Replat No. 1) Exhibit "B", together with the Articles of Incorporation and Rules and Regulations, if any, of the Association.
- G. "Condominium Premises" means and includes the land and the buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging to Condominium as described above.
- H. "Condominium Project", "Condominium" or "Project" means River Pointe Condominium as a Condominium Project established in conformity with the provisions of the Act.
- I. "Condominium Subdivision Plan" means the Condominium Subdivision Plan attached to the originally recorded Master Deed as Exhibit "B", (and as amended by Replat No. 1), which is hereby incorporated by reference and made a part hereof as Exhibit "B".
- J. "Unit" or "Condominium Unit" each mean a single complete Unit in River Pointe, as such may be described in Article VI hereof and on Exhibit B applicable hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.
- K. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium. The term "owner", wherever used, shall be synonymous with the term "Co-owner". Both Land Contract vendees and vendors shall be considered Co-owners, and shall be jointly and severally liable for all obligations and responsibilities of Co-owners under the Condominium Documents of River Pointe and the Act.
- L. "Amended and Restated Master Deed" means this document which when recorded shall reaffirm the establishment of the Condominium, and to which the Amended and Restated Condominium Bylaws are attached, and the Condominium Subdivision Plan attached to the originally recorded Master Deed as Exhibit "B", as amended by Replat No. 1 thereof, is made applicable.
- M. "Percentage of Value" means the percentage assigned to each Condominium Unit in Article VI hereof. The percentages of value of all Units shall total one hundred (100%) percent. Percentages of value shall be determinative only with respect to those matters to which they are specifically deemed to relate either in the Condominium Documents or in the Act. Percentages of value for each Condominium Unit have been determined with reference to reasonably comparative characteristics.
- N. "Person" means an individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof.
- O. "Record" means to record pursuant to the laws of the State of Michigan relating to the recording of deeds.

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

#### ARTICLE IV COMMON ELEMENTS

<u>Common Elements</u>. The Common Elements of the Condominium described below and in the Condominium Subdivision Plan and the respective responsibilities for maintenance, decoration, repair or replacement thereof are as follows:

### A. <u>General Common Elements</u>.

The General Common Elements are:

- (1) <u>Land</u>. The land described in Article II hereof, including any entry and any road signs, perimeter fences, driveways, roads, sidewalks and parking areas, to the extent not designated as Limited Common Elements, and all beneficial easements;
- (2) <u>Electrical</u>. The electrical transmission system throughout the project, , up to, but not including the electrical meters for each Unit;
- (3) <u>Gas</u>. The gas distribution system throughout the project, up to, but not including the gas meter for each Unit;
- (4) <u>Water Distribution</u>. The water distribution system throughout the Project, including all water meters and main feeder lines within each Unit, up to and including the main water shut off valve within each Unit. Any exterior hose bibb and water supply lines including all fittings up to the point of connection to each unit's individual water supply system shall also be General Common Elements;
- (5) <u>Telephone and Cable</u>. The telephone and cable systems throughout the project up to the point of entry to each unit;
- (6) <u>Storm Drainage</u>. The storm drainage system throughout the project including building drain tile systems;
- (7) <u>Sanitary Sewer</u>. The sanitary sewer system throughout the Project below the surface of basement floors;
- (8) <u>Construction</u>. The foundations, supporting columns, Unit perimeter walls, (including windows, doorwalls and doors therein but excluding window and door storms and screens), roofs, ceilings, floor construction between Unit levels, chimneys and fireplace flues and such other walls as may be designated in the Condominium Subdivision Plan as General Common Elements;
- (9) <u>Irrigation</u>. The irrigation system throughout the Project, including water lines, meters, valves, sprinkler heads, timers, pumps and electrical equipment. If any;
- (10) Other. All elements of the project not herein designated as General or Limited Common Elements which are not enclosed within the boundaries of a Condominium Unit which are not designated as Limited Common Elements in Exhibit "B" or in subsection B of this Article and which are intended for common use or necessary to the existence, upkeep and safety of the project.

Some or all of the utility lines, systems (including mains and service leads) and equipment described above may be owned by the local public authority or by the company that is providing

the pertinent service. Accordingly, such utility lines, systems and equipment shall be General Common Elements only to the extent of the Co-owners' interest therein, if any.

Some or all of the utility lines, systems (including water mains) and equipment, described above ("utility system") service the building containing more than one condominium unit. Accordingly, and where necessary or applicable, there shall be an easement for that common element through each condominium unit to enable the utility system to appropriately serve each of the condominium units in the subject building.

- B. <u>Limited Common Elements</u>. Limited Common Elements shall be subject to the exclusive use and enjoyment of the owner of the Unit(s) to which the Limited Common Elements are appurtenant or otherwise assigned on the Condominium Subdivision Plan. The Limited Common Elements are:
- (1) Certain parking spaces on driveways in front of garages, sidewalks, and porches are appurtenant to certain units as limited common elements as designated in Exhibit "B" attached hereto.
- (2) Each individual patio and landscape area in the project is restricted in use to the co-owner of the unit which opens into such patios or area as shown on Exhibit "B" hereto.
- (3) Each individual exterior air-conditioning unit and the concrete pad upon which it sits shall be restricted in use to the co-owner of the unit to which it is connected.
- (4) Fireplace combustion chambers and flues, the interior surfaces of unit perimeter valis (including windows and doors therein), ceilings and floors contained within a unit shall be subject to the exclusive use and enjoyment of the co-owner of such unit,
- (5) Existing balconies or decks, whether or not shown on Exhibit B, are restricted in use to the co-owner of the unit to which it is connected.
- C. <u>Responsibility</u>. Subject at all times to the Association's exclusive right and obligation to control and approve the exterior appearance, structural integrity, and use of all Units and appurtenant Limited Common Elements, as set out herein and in the relevant sections of Article VI of the Amended and Amended and Restated Condominium Bylaws (Exhibit "A" to this Amended and Restated Master Deed) and Rules and Regulations promulgated in accordance therewith, the respective responsibilities for the maintenance, decoration, repair and replacement of the Units and Common Elements comprising the Condominium are as follows:

### (1) <u>Co-owner Responsibilities</u>:

(a) Unit, Limited Common Elements. The primary responsibility for cleaning, maintenance, decoration, repair and replacement, including all costs associated therewith, of a Unit, including all fixtures, improvements and personal property located therein or elsewhere throughout the Project, and the Limited Common Elements attached, assigned, or appurtenant thereto, including any portion of the General Common Elements necessary and/or used for the support or function of such Limited Common Element, (as in the case of balconies and/or decks), except as may be otherwise stated to the contrary herein, and any General Common Elements as may

be described under the various subsections, immediately below, shall be borne by the Co-owner of the Unit.

- (I) Additional Responsibilities of Co-owners. In clarification of the Co-owner's responsibility hereunder each Co-owner shall be responsible for the cost of decorating, maintaining, repairing and replacing the following items:
  - (i) All appliances and equipment within the Unit and supporting hardware, including, but not limited to, furnace and air conditioner and related ductwork, humidifier, air cleaner, any personal alarm system, garbage disposal, dishwasher, range, oven, refrigerator, vent or exhaust fans and related ductwork, dryer venting, vent covers and filters, and individual hot water heaters;
  - (ii) The plumbing, gas and electrical fixtures, lines and piping from and including the water shut off for each Unit and gas and electric meters for each Unit, including shut-off valves, supply lines, drains, rings, washers, outlets, switches, lighting fixtures (excluding those on the exterior of the buildings, and other fixtures;
  - (iii) All cabinets; counters; interior trim, doors; closet doors; sinks; tile, either floor or wall; and related hardware;
  - (iv) All improvements or decorations, including, but not limited to, paint, wallpaper, window treatments, carpeting and other floor covering and trim;
  - (v) Interior drywall, ceilings and interior wall construction, even though to some extent designated as General Common Elements;
  - (vi) Any individual Unit drain lines and floor drains located within the Unit;
  - (vii) All windows, doorwalls, entry doors, and storms, screens and all hardware, even though designated as General Common Elements (with the exception of exterior painting by the Association as part of any regular painting program);
  - (viii) Co-owner landscaping and plantings as approved by the Association, if any;
  - (ix) All fireplace combustion chambers, dampers and cleaning and repair of the flue (even though designated as General Common Element), if any;
  - (x) Garage doors themselves, garage door openers, garage door opener remotes and remote's mechanisms;

even though such may be or are designated as General Common Elements

- (xi) Garage floors even though designated as General Common Elements;
- (xii) The cost of maintenance, repair and replacement of all items referred to in Article V, Section 3 of the Condominium Bylaws shall be borne by the Co-owner, except as otherwise provided in the Condominium Documents.
- (xiii) All other items not specifically enumerated above, but which are located within the boundaries of a Unit.
- (b) <u>Utility Charges</u>. All individually metered utility services shall be borne by the Co-owner of the Unit to which such services are furnished.
- (c) Co-owner Additions, Modifications. Co-owner improvements, additions or modifications as may not otherwise be specifically referenced herein, even though approved by the Association, shall not otherwise be considered Limited or General Common Elements in any case, but shall be the complete responsibility of the Co-owner for the cost of maintenance, repair and replacement. Should the Association require access to any elements of the Project that require the moving or destruction of all or part of any such addition or modification, all costs, damages and expenses involved in providing access and restoring the addition or modification shall be borne by the Co-owner.
- (d) Co-owner Fault. Any and all costs for maintenance, decoration, repair and replacement of any Common Element caused by the intentional or unintentional act(s) of any Co-owner, or family, guests, tenants, invitees or pets of a Co-owner, shall be borne by the Co-owner. The Association may incur such costs and charge and collect them from the responsible Co-owner in the same manner as an assessment in accordance with Article II of the Amended and Restated Condominium Bylaws.
- (e) Repair to Association Specifications. All maintenance, repair and replacement and replacement obligations of the Co-owners as described above and as provided in the Amended and Restated Condominium Bylaws shall be performed subject to the Association's mandatory prior approval and control with respect to color, style, timing, material, appearance, and/or engineering, construction and/or structural integrity requirements. In the event of failure by a Co-owner to follow such specifications and approval requirements, the Co-owner shall be assessed for, and shall be responsible for, all costs of correction and for bringing the altered element into conformity with these requirements, including but not limited to, possible complete removal and replacement.

### (2) Association Responsibilities:

- (a) General Common Elements. The costs of maintenance, repair and replacement of the garage door cables, garage door springs, garage door tracks, and garage door rollers (but not the garage door itself) and the costs of any maintenance service call for those previous items, together with the costs of maintenance, decoration, repair and replacement of all General Common Elements (except those assigned to the Co-owners under the various subsections of Section 1(a)l, above, above, shall be borne by the Association, in accordance with the provisions of this Article and the Amended and Restated Condominium Bylaws.
- (b) <u>Unauthorized Repair</u>. The Association shall not be obligated to reimburse Co-owners for repairs for which the Co-owner contracts. The Association shall only be responsible for payments to contractors for work authorized by the Board of Directors or by the management company hired by the Association.
- (3) <u>Unusual Expenses</u>. Any other unusual common expenses benefiting less than all of the Condominium Units, or any expenses incurred as a result of the conduct of less than all of those entitled to occupy the Condominium Project, or by their licensees or invitees, shall be specifically assessed against the Condominium Unit or Condominium Units involved in accordance with Section 69 of the Michigan Condominium Act.

#### ARTICLE V USE OF PREMISES

No Co-owner shall use his or her Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium or in any manner that will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his or her Unit or the Common Elements.

### ARTICLE VI CONDOMINIUM UNIT DESCRIPTION AND PERCENTAGE OF VALUE

**Section 1.** Condominium Unit Description. Each Unit in the Project is described in this paragraph with reference to the Condominium Subdivision Plan of River Pointe Condominium, as amended and made applicable hereto as Exhibit "B". Each Unit shall include, with respect to the upper floors of the Unit, all that space contained within and including the perimeter wall and ceiling drywall and all floors between levels, all as shown on the floor plans and sections in Exhibit "B" applicable hereto and delineated with heavy outlines. Building elevations are shown in detail in architectural plans and specifications on file with the City of Milan.

In the event that the dimensions of any Unit differ from the dimensions on the typical foundation and upper floor plans for such Unit as contained in the Condominium Subdivision Plan, then the typical foundation and upper floor plans for such Unit as contained in the Condominium Subdivision Plan shall be deemed to be automatically changed to the extent of the measured dimensions.

**Section 2.** Calculation of Percentage of Value. The percentage of value assigned to each Unit shall be determinative of the proportionate share of each respective Co-owner in the proceeds and expenses of the administration and the value of such Co-owner's vote at meeting

of the Association of Co-owners and the undivided interests of the Co-owner in the Common Elements. The total percentage value of the project is 100. The comparative characteristics of the Units in the Condominium are approximately equal and that percentages of value shall be based on a formula which divides one hundred percent (100%) by the number of Units in the Condominium to determine the percentage of value of each Unit. The value of such Co-owners vote at meetings of the Association of Co-owners shall be equal.

### ARTICLE VII EASEMENTS.

Section 1. Easements for Encroachment, Utilities, and Support. In the event any Condominium Unit or Common Element encroaches upon another Unit or Common Element, whether by deviation from the plans in the construction, repair, renovation, restoration, or replacement of any improvement, or by reason of the settling or shifting of any land or improvement, a valid easement for the encroachment shall exist, except to the extent limited by Section 40 of the Act.

There shall be easements to, through and over those portions of the land, structures, building, improvements and walls contained therein for the installation, maintenance and servicing of all utilities in the Condominium, including, but not limited to, lighting, heating, power, sewer, water and communications including telephone and cable television lines.

There shall exist easements of support with respect to any Unit wall that supports a Common Element.

**Section 2** Association's Right to Grant Easements. The Board of Directors of the Association may grant easements over or through any portion of any General Common Elements of the Condominium for utility, roadway, construction or safety purposes. The Association further has the right to dedicate all utilities and utility easements located on the Condominium Premises to the public for such consideration as the Association shall determine in its sole discretion.

Section 3. Association's Easement for Maintenance, Repair and Replacement. The Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair. decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law, or to respond to any emergency or common need of the Condominium. It is a matter of concern that a Co-owner may fail to properly maintain his Unit or any Limited or General Common Elements for which the Co-owner is assigned responsibility in a proper manner and in accordance with the standards set forth in this Amended and Restated Master Deed, the Amended and Restated Condominium Bylaws and any Rules and Regulations promulgated by the Association. Therefore, in the event a Co-owner fails, as required by this Amended and Restated Master Deed, the Amended and Restated Bylaws or any Rules and Regulations of the Association, to properly and adequately maintain, decorate, repair, replace or otherwise keep his Unit or any improvements or appurtenances located therein, or any Limited or General Common Elements for which the Co-owner is assigned responsibility. the Association shall have the right, and all necessary easements in furtherance thereof. (but not the obligation) to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace the Unit, its appurtenances or any of the Limited or

General Common Elements for which the Co-owner is assigned responsibility, all at the expense of the Co-owner of the Unit. The Association shall not be liable to the Co-owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents that grant such easements, rights of entry or other means of access. Failure of the Association to take any such action shall not be deemed a waiver of the Association's right to take any such action at a future time. All costs incurred by the Association in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his monthly assessment next falling due, in accordance with Article II of the Amended and Restated Condominium Bylaws; further, the lien for non-payment shall attach as in all cases of regular assessments, and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

Section 4. Telecommunications Agreements. The Association, acting through its duly constituted Board of Directors shall have the power to make or cause to be made such installations and/or 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 or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. 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 of administration of the Condominium Project within meaning of the Act and shall be the property of the Association.

#### ARTICLE VIII AMENDMENTS

This Amended and Restated Master Deed and any Exhibit hereto may be amended as provided in the Act in the following manner.

**Section 1** <u>Co-owner Approval</u>. Amendments may be made and recorded by the Association upon being approved by the Co-owners of a simple two-thirds (2/3) of the Units in the Condominium entitled to vote as of the record date for such vote, except as hereinafter provided.

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgages (as defined in Section 90A (9) of the Act), such amendment shall require the consent of not less than two-thirds (2/3) of all mortgagees of record. A mortgagee shall have one vote for each mortgage held. Mortgagee approval shall be solicited in accordance with Section 90A of the Act.

Section 3. Modification of Units, Common Elements and Percentage of Value. Notwithstanding any other provision of this Article VIII, the method or formula used to determine the percentages of value of Units in the Condominium, as described in Article VI hereof, may not be modified without the consent of each affected Co-owner and mortgagee, except as permitted by the provisions of the Michigan Condominium Act, as amended. A Co-owner's Condominium Unit dimensions or appurtenant Limited Common Elements may not be modified without the Co-owner's consent. The Condominium may be terminated only in accordance with Section 50 of the Act. Common Elements can be assigned and re-assigned only in accordance with Section 39 of the Act.

IN WITNESS WHEREOF, the Association has caused this Amended and Restated Master Deed to be executed the day and year first above written.

MILAN RIVER POINTE CONDOMINIUM ASSOCIATION,

a Michigan Nonprofit Corporation

BY: MATTHEW COSGRO

ITS: PRESIDENT

STATE OF MICHIGAN )
)ss

COUNTY OF WASHTENAW

On this 3/st day of August, 2021, the foregoing Amended and Restated Master Deed was acknowledged before me by MATTHEW COSGRO, the President of Milan River Pointe Condominium Association, a Michigan nonprofit corporation, on behalf of and by authority of the Corporation.

Drafted by and when recorded return to:

Jeffery R. Jones

30140 Orchard Lake Road Farmington Hills, MI 49334

refregy istores , Notary Public

Living Stov County, Michigan

Acting in <u>NASHTENAW</u> County, MI My commission expires: 15-19-25

### AMENDED AND RESTATED CONDOMINIUM BYLAWS

### RIVER POINTE CONDOMINIUM

#### EXHIBIT A

ASSOCIATION OF CO-OWNERS

Section 1. The Association. RIVER POINTE CONDOMINIUM, a residential Condominium project located in the City of Milan, Washtenaw County, Michigan, shall be administered by an association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project, subject to and in accordance with the Amended and Restated Master Deed, these Amended and Restated Condominium Bylaws, the Articles of Incorporation, and any and all duly adopted Rules and Regulations of the Association, and the laws of the State of Michigan. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the previously mentioned Condominium Documents.

Section 2. Purpose of the Bylaws. These Bylaws are designated as both the Condominium Bylaws, relating to the manner in which the Condominium and the common affairs of the Co-owners of the Condominium Units shall be administered, as required by Act No. 59 of the Public Acts of Michigan of 1978, as amended, and the Association or Corporate Bylaws, governing the operation of the Association as a corporate entity, as required by Act No. 162 of the Public Acts of Michigan of 1982, as amended.

### ARTICLE II ASSESSMENTS

Section 1. Taxes and Assessments; Expenses of Administration. 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. Governmental special assessments and property taxes shall be assessed against the individual Condominium Units identified as Units on the Condominium Subdivision Plan and not on the total property of the project or any other part thereof. Governmental special assessments and property taxes in any year in which the property existed as an established condominium project on the Tax Day shall be assessed against the individual Condominium Unit, notwithstanding any subsequent vacation of the condominium project. The levying of all property taxes and governmental special assessments shall comply with Section 131 of the Act.

Section 2. <u>Assessments for Common Elements</u>. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the Common Elements or the administration of the Condominium shall be expenses of administration; and

all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests of the Co-owners against liabilities or losses arising within, caused by or connected with the Common Elements or the administration of the Condominium shall be receipts of administration, within the meaning of Section 54(4) of the Act, except as modified by the specific assignment of responsibilities for costs contained in Article IV, Section 1, C of the Amended and Restated Master Deed.

# **Section 3.** <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:

- A. Annual Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year that may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves. Any budget adopted shall include an allocation to a reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis, in accordance with subsection D. hereof. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for the year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments.
- Additional Assessments. The Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary in the Board's sole discretion, provided that the same shall be required for only the following: (i) to meet deficits incurred or anticipated because current assessments are insufficient to pay the costs of operation and maintenance; (ii) to provide repairs or replacements of existing Common Elements; (iii) to provide for additions to the Common Elements at an annual cost not exceeding 5% of the annual operating budget, or (iv) for any emergencies. The Board of Directors shall also have the authority, without the necessity of Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. At least thirty (30) days prior to the date when the additional assessment or the initial installment of an additional assessment becomes due and payable, the Association shall deliver or send to each Co-owner, at the last address registered with the Association, an itemized statement of the projected costs and expenses giving rise to the additional 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 its members, and shall not be enforceable by any creditors of the Association or its members.
- C. <u>Special Assessments</u>. Special assessments, in addition to those described in subparagraph A. above, may be made by the Board of Directors from time to time if approved by the Co-owners as provided herein, to meet other requirements of the Association, including, but not limited to: (i) assessments for additions to Common Elements whose total annual cost exceeds 5% of the annual operating budget annually; (ii) assessments to purchase a Unit upon foreclosure of the lien for assessments described hereafter; or (iii) assessments for any other appropriate purpose not elsewhere described. Special Assessments as provided for by this subparagraph shall not be levied without the prior approval of more than sixty (60%) percent of all Co-owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and its members and shall not be enforceable by any creditors of the Association or its members.

D. Reserve Fund. The Board of Directors shall maintain a reserve fund solely for major repairs and replacements of common elements and emergency expenditures, which reserve fund shall be in the amount of not less than ten (10%) percent of the Association's annual budget (excluding that portion of the budget allocated to the reserve fund itself) on a noncumulative basis. The Association may increase or decrease the reserve fund but may not reduce it below ten (10%) percent of the annual budget of the Association. The reserve must be funded at least annually from the proceeds of the regular monthly payments set forth in Subparagraph A of this Section, rather than by special assessments, but may be supplemented by additional or special assessments if determined necessary by the Board of Directors. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium to determine if a greater amount should be set aside in reserve or if additional reserve funds should be established for any other purposes. The Board may adopt such rules and regulations as it deems desirable from time to time with respect to type and manner of investment, funding of the reserves, disposition of reserves or any other matter concerning the reserve account(s).

Section 4. Payment of Assessments and Penalty for Default. All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners equally. Annual assessments shall be payable by Co-owners annually or in such installments as may be provided by the Board in its sole discretion, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the highest rate allowed by law until paid in full. In addition, all assessments, or installments thereof, which remain unpaid as of ten (10) days after the due date, shall incur a uniform late charge of twenty-five percent (25%) of the assessment not paid, but in no event less than thirty-five (\$35.00) dollars, to compensate the Association for administrative costs incurred as a result of the delinquency. The Board of Directors may revise said uniform late charges, and may levy additional late fees for special and additional assessments, pursuant to Section 11 of Article VI of these Bylaws, without the necessity of amending these Bylaws, in accordance with duly adopted Rules and Regulations promulgated in accordance with Article VI, Section 11 of these Bylaws. In the event of any delinquency, the Board shall have the right to accelerate any of the remaining unpaid installments of the annual assessment for that fiscal year and declare them immediately due and payable. Each Co-owner (whether one or more persons) shall be personally liable for the payment of all assessments (including late fees and costs of collection and enforcement of payment, including actual attorney's fees) levied against his Unit while such Co-owner has an ownership interest therein. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including attorney's fees; second, to any interest charges, fines and late fees on such installments; and third, to installments in default in order of their due dates. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve account or other asset of the Association.

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

#### Section 6. Enforcement.

- Statutory Lien. Sums assessed to a Co-owner which are unpaid, together with interest of such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorneys fees and fines (as allowed by the Condominium Documents or the Act), constitute a lien upon the Unit or Units in the development owned by the Co-owner at the time of the assessment before other liens except tax liens on the Condominium Unit in favor of any state or federal taxing authority and sums unpaid on the first mortgage of record, except that past due assessments which are evidenced by a notice of lien, recorded as provided hereafter in this Section 6, have priority over a mortgage recorded subsequent to the recording of the notice and affidavit of lien. The lien upon each Condominium Unit owned by the Co-owner shall be in the amount assessed against the Condominium Unit, plus a proportionate share of the total of all other unpaid assessments attributable to Condominium Units no longer owned by the Co-owner but which became due while the Co-owner had title to the Condominium Units. The lien may be foreclosed by judicial action or by advertisement in the name of the condominium project on behalf of the other Co-owners as hereinafter provided.
- Remedies. The Association may enforce collection of delinquent B. assessments by a suit of law for money judgment or by foreclosure of the statutory lien that secures payment of assessments. A Co-owner may not assert in an answer, or set-off to a complaint brought by the Association for non-payment of assessments, the fact that the Association or its agents have not provided services or management to a Co-owner. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project, shall not be qualified to run for or function as an officer or Director of the Association, 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 his 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 him, and if the Unit is not occupied by the Co-owner, to lease the Condominium Unit and collect and apply the rental therefrom. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XVI of these Bylaws. All remedies shall be cumulative and not alternative.
- Foreclosure of Lien. 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 of the lien securing payment of assessments, costs and expenses, either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, and the provisions of Section 108 of the Act, 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 obligation 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 (and improvements) with respect to which assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this Section 6 and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

- 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 his or their last known address, of a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the Such written notice shall be accompanied by a written affidavit of an date of mailing. authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of records. Such affidavit shall be recorded in the Office of the Register of Deeds in the County in which the Project is located prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as previously mentioned. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the representative designated above and shall inform such representative that he may request a judicial hearing by bringing suit against the Association.
- E. <u>Expenses of Collection</u>. All expenses incurred in collecting unpaid assessments, including interests, fines, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens or costs paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.
- Section 7. <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, or its successors and assigns, which comes into possession of the Unit pursuant to the foreclosure remedies provided in the mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which become due prior to the acquisition of title to the Unit by such person or entity, 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 claims evidenced by a Notice of Lien recorded prior to the recordation of the first mortgage.
- Section 8. Assessment Status Upon Sale of Unit. Upon the sale or conveyance of a Condominium Unit, any unpaid assessments, interest, late fees, fines, costs and attorney's fees against the Condominium Unit shall be paid out of the net proceeds of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision thereof for taxes or special assessments due and unpaid and (b) payments due under first mortgages having priority to the Association's lien for unpaid assessments. A purchaser of a Condominium Unit is entitled to a written statement from the Association setting forth the amount of unpaid assessments, interest, late fees, fines, costs and attorney's fees in ot liable for any unpaid assessments, interest, late fees, fines, costs and attorney's fees in excess of the amount set forth in such written statement, nor shall the Unit be subject to any lien for any amounts in excess of the amount set forth in the written statement. Any purchaser or grantee who fails to request a written statement from the Association as provided herein at least five (5) days before the conveyance shall be liable for any unpaid

assessments against the Unit together with interest, late fees, fines, costs and attorneys' fees incurred in connection with the collection of such assessments.

- Section 9. Construction Liens. Construction liens attaching to any portion of the condominium premises shall be subject to the following limitations and Section 132 of the Act:
  - A. Except as provided herein, a construction lien for work performed upon a Condominium Unit or upon a Limited Common Element may attach only to the Condominium Unit upon which the work was performed.
  - B. A construction lien for work authorized by the Association may attach to each Condominium Unit only to the proportionate extent that the Co-owner of the Condominium Unit is required to contribute to the expenses of administration as provided by the condominium documents.
  - C. A construction lien may not arise or attach to a Condominium Unit for work performed on the Common Elements not contracted for by the Association.

### ARTICLE III ARBITRATION

- **Section 1.** Arbitration. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners, or between a Co-owner or Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, if applicable, be submitted to arbitration and parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time-to-time hereafter shall be applicable to any such arbitration.
- **Section 2.** Right to Judicial Action. In the absence of the election and written consent of the parties pursuant to Section 1, above, no Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.
- **Section 3.** <u>Effect of Election to Arbitrate</u>. Election by the parties to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.
- **Section 4.** <u>Civil Actions by Association</u>. Any civil action proposed by the Board of Directors on behalf of the Association, other than for collection of delinquent assessments through foreclosure or otherwise, or actions for enforcement of the provisions of the Condominium Documents, shall be subject to the prior approval of sixty percent (60%) of the co-owners.
- Section 5. Mediation. Regardless of the other remedies available under these Bylaws or the Act, the parties to any dispute shall have the ability to agree to mediate any disputes. In instances involving a dispute between two or more co-owners that has been presented to the Association, the Association may compel the disputing co-owners to first attempt to mediate the dispute before considering any other action. In all other instances, mediation shall be totally voluntary and upon agreement of the disputing parties.

### ARTICLE IV INSURANCE

- Section 1. Extent of Coverage. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements of the Condominium that are the Association's responsibility under Article IV of the Amended and Restated Master Deed, Fidelity Bond coverage for the members of the Board and any management agent who has access to and authority over any monies received by or payable to the Association, Directors and Officers Liability coverage, and such other insurance as the Board of Directors deems advisable, and all such insurance shall be carried and administered in accordance with the following provisions:
- Respective Responsibilities. All Association insurance shall be purchased by the Association for the benefit of the Association, 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. Each Co- owners shall obtain additional insurance upon their Units and appurtenant Limited Common Elements, at their own expense, in addition to the coverage carried by the Association. It shall be each Co-owner's responsibility to obtain insurance coverage for the interior of the Unit (everything including drywall, window, floor and wall coverings), personal property located within a Unit or elsewhere in the Condominium, fixtures, equipment and trim within or serving a Unit, as well as for all improvements and betterments to the Unit and Limited Common Elements, in an amount of no less than \$100,000.00 and for personal liability and property damage for occurrences within a Unit or upon Limited Common Elements appurtenant to a Unit for which the Co-owner is responsible pursuant to Article IV of the Amended and Restated Master Deed, and also for alternative living expense in event of fire and other casualty, and the Association shall have absolutely no responsibility for obtaining such coverages. Co-owners are strongly advised to consult their insurance advisors to make sure they have all necessary and appropriate coverage required by this Section. To evidence the continued existence of all insurance required to be maintained by the Co-owner hereunder, each Co-owner shall deliver certificates of insurance to the Association from time to time, at least every 12 months within 14 days after renewal or acquisition of a new policy.. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums therefore 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 may be collected in accordance with Article II hereof. The Association and all Co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association. The liability insurance carried by the Association shall, where appropriate, contain cross-liability endorsements to cover liability of the Co-owners as a group to another Co-owner.
- B. <u>Insuring of Common Elements</u>. All General Common Elements of the Condominium and those Limited Common Elements for which the Association is assigned responsibility in Article IV of the Amended and Restated Master Deed shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with its appropriate professional advisors. Such coverage may also include as secondary coverage

pursuant to Subparagraph E, below, interior walls within any Unit. If the Association elects to include such items under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said Co-owner and collected as a part of the assessments against said Co-owner under Article II hereof.

- C. <u>Cost of Insurance</u>. All premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- D. Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, the Co-owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction, and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Condominium unless all of the institutional holders of first mortgages on Units in the Condominium have given their prior written approval.
- E. Determination of Primary Carrier. It is understood that there may be overlapping coverage between the Co-owners' policies and those of the Association, as required to be carried pursuant to this Article. In situations where both coverages/policies are applicable to a given loss, the provisions of this subsection shall control in determining the primary carrier. In cases of property damage to the Unit and its contents, Limited Common Element or other element or property for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments), or incidental or consequential damages to any other Unit resulting from an item, element or occurrence for which the Co-owner is assigned responsibility in Article IV of the Amended and Restated Master Deed, the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of property damage to the General Common Elements or a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed, the Association's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the Unit or in/upon a Limited Common Element for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments), the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the General Common Elements or in/upon a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments), the Association's policy/carrier shall be deemed to be the primary carrier. In all cases where the Association's policy/carrier is not deemed the primary policy/carrier, if the Association's policy/carrier contributes to payment of the loss, the Association's liability to the Co-owner shall be limited to the amount of the insurance proceeds. and shall not in any event require or result in the Association paying or being responsible for any deductible amount under its policies. In cases where the Co-owner's policy is deemed primary for the purpose of covering losses where the damage is incidental or caused by a General Common Element or the repair or replacement thereof, the insurance carrier of the Co-owner shall have no right of subrogation against the Association or its carrier.

Section 2. Association as Attorney-in-Fact. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project, his Unit and the Common Elements thereof. 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 3. Indemnification. Each individual Co-owner shall indemnify and hold harmless every other Co-owner and the Association from all damages and costs, including attorneys' fees, which such other Co-owners 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 Association. This Section 3 shall not, however, be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

# ARTICLE V RECONSTRUCTION OR REPAIR IN CASE OF CASUALTY

- **Section 1.** <u>Determination of Responsibility.</u> This Article shall apply only to damage by casualty or another insurable event. Any other situations involving maintenance, repair and replacement shall be governed by the allocation of responsibilities contained in Article IV, Section C of the Amended and Restated Master Deed. If any part of the Condominium shall be damaged by insured casualty, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:
- A. <u>Repair or Reconstruction</u>. If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by the affirmative vote of eighty (80%) percent of the Co-owners in the Condominium that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given prior written approval of such termination.
- B. <u>Decision Not to Repair or Reconstruct</u>. If the Condominium is so damaged that no Unit is tenantable, and if each institutional holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval of the termination of the Condominium, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless eighty (80%) percent or more of all Co-owners in number and value agree to reconstruction by vote or in writing within ninety (90) days after the destruction.
- Section 2. Repair and Reconstruction to Condition Existing Prior to Damage. Any such reconstruction or repair shall be substantially in accordance with the Amended and Restated Master Deed and the plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise.
- Section 3. Co-owner Responsibility for Reconstruction or Repair.

- A. <u>Definition of Responsibility</u>. If the damage is only to a part of a Unit or common elements which are the responsibility of a Co-owner to maintain and repair and/or insure, it shall be the responsibility of the Co-owner to promptly repair such damage in accordance with Subsection B. hereof. In all other cases, the responsibility for reconstruction and repair, although not necessarily the costs thereof, shall be that of the Association.
- Co-owner Items. Regardless of the cause or nature of any damage or deterioration, including but not limited to incidents where the damage is incidental or caused by a general common element or the repair or replacement thereof, each Co-owner shall be responsible for the reconstruction and repair of the interior of the Co-owner's Unit and all fixtures, equipment, trim and personal property, including, but not limited to, drywall, floor coverings, window shades, draperies, interior walls (but not any General Common Elements therein), wall coverings, interior trim, furniture, light fixtures, and all appliances, whether Each Co-owner shall be further responsible for the repair, freestanding or built-in. reconstruction and maintenance of all items for which the Co-owner is assigned such responsibility in Article IV of the Amended and Restated Master Deed. In the event any damage to Common Elements is the responsibility of the Association's insurance carrier pursuant to the provisions of Article IV, Section 1 E hereof, then the reconstruction or repair of the same shall be the responsibility of the Association in accordance with Section 4 of this Article, although the responsibility for costs thereof shall be allocated in accordance with the provisions of this Section and Section 4. If any interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, and the carrier of such insurance is responsible for paying a claim pursuant to the provisions of Article IV, Section 1 E hereof, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, only in the absence of Co-owner coverage, (but the Co-owner shall be responsible for any deductible amount), and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly, to be used solely for the necessary repairs. 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 Unit in the Condominium.
- Section 4. Association Responsibility for Reconstruction or Repair of Common Elements. Subject to the responsibility of the individual Co-owners as outlined in Section 3 above, and other provisions of these Bylaws or the Amended and Restated Master Deed applicable to such situations, the Association shall be responsible for the reconstruction and repair of the General Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair or reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated 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 costs thereof are insufficient, assessments shall be made against the Co-owners who are responsible for the costs of reconstruction or repair of the damaged property (as provided in Article IV of the Amended and Restated Master Deed) in sufficient amounts to provide funds to pay the estimated or actual costs of repair.

**Section 5.** <u>Timing</u>. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.

- **Section 6.** Eminent Domain. Section 133 of the Act (to the extent not inconsistent with the following) and the following provisions shall control upon any taking by eminent domain:
- A. <u>Common Elements Taken by Eminent Domain</u>. If any portion of the Common Elements is taken by eminent domain, the award therefor shall be allowed to the Co-owners in proportion to their respective undivided interests in the Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-owners for any taking of the Common Elements and any negotiated settlement approved by more than two-thirds (2/3) of the Co-owners in number and value shall be binding on all Co-owners.
- B. <u>Condominium Unit Taken by Eminent Domain</u>. If a Unit is taken by eminent domain, the undivided interest in the Common Elements appertaining to the Condominium Unit shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The Court shall enter a decree reflecting the reallocation of the undivided interest in the Common Elements as well as for the Condominium Unit.
- C. Partial Taking of a Condominium Unit. If portions of a Condominium Unit are taken by eminent domain, the court shall determine the fair market value of the portions of the Condominium Unit not taken. The undivided interest of such Condominium Unit in the Common Elements shall be reduced in proportion to the diminution in the fair market value of such Condominium Unit resulting from the taking. The portions of undivided interest in the Common Elements thereby divested from the Co-owners of such Condominium Unit shall be reallocated among the other Condominium Units in the condominium project in proportion to their respective undivided interests in the Common Elements. A Condominium Unit partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court under this subsection. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Condominium Unit partially taken for that portion of the undivided interest in the Co-owner Elements divested from the Co-owner and not re-vested in the Co-owner pursuant to the following subsection, as well as for that portion of the Condominium Unit taken by eminent domain.
- D. Impossibility of Use of Portion of Unit not Taken by Eminent Domain. If the taking of a portion of a Condominium Unit makes it impractical to use the remaining portion of that Condominium Unit for a lawful purpose permitted by the condominium documents, then the entire undivided interest in the Common Elements appertaining to that Condominium Unit shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The remaining portion of that Condominium Unit shall thenceforth be a Common Element. The court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Condominium Unit for the Co-owner's entire undivided interest in the Common Elements and for the entire Condominium Unit.
- E. <u>Future Expenses of Administration Appertaining to Condominium Unit(s) Taken by Eminent Domain</u>. Votes in the Association of Co-owners and liability for future expenses of administration appertaining to a Condominium Unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their relative voting strength in the Association. A Condominium Unit partially

taken shall receive a reallocation as though the voting strength in the Association was reduced in proportion to the reduction in the undivided interests in the Common Elements.

- F. <u>Condominium Continuation after the taking by Eminent Domain</u>. In the event the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly. Such amendment may be affected 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, but only with the prior written approval of all holders of first mortgage liens on individual Units in the Condominium.
- G. <u>Condemnation or Eminent Domain Proceeding</u>. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements, or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
- **Section 7.** Rights of First Mortgagees. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

### ARTICLE VI RESTRICTIONS

### Section 1. Use of Condominium Unit.

- A. <u>Single Family Use</u>. No Unit in the Condominium shall be used for other than single-family residential purposes (as defined by the City of Milan Zoning Ordinances), and the Common Elements shall be used only for purposes consistent with the use herein stated. No Co-owner shall carry on any commercial activities anywhere on the premises of the Condominium, except that Co-owners shall be allowed to have offices in their homes, provided the same do not constitute a violation of any ordinances or regulations of the City of Milan, and do not involve additional pedestrian or vehicular traffic and/or congestion within the Condominium, do not disturb other Co-owners, do not involve additional expense to the Association (such as utility charges and insurance), and do not violate any other provision or restriction contained in the Condominium Documents.
- B. Occupancy Restrictions. All Units shall be occupied in strict conformance with the restrictions and regulations of the BOCA National Property Maintenance Code, or such other codes or ordinances that may be adopted by the City of Milan from time to time. Accordingly, the number of persons allowed to reside in any Unit shall be restricted by the size of the bedrooms and other areas of said Unit. Such restrictions shall automatically change, without the necessity of an amendment to this document, upon the adoption of alternative regulations by the City of Milan, such that the occupancy of all Units in the Condominium shall be in accordance with all City regulations at all times.

### Section 2. Leasing and Rental of Units.

A. Right to Lease. A Co-owner may lease any Unit within the Condominium for the same purposes as set forth in Section 1, above, in accordance with the provisions of

this Section. A Co-owner desiring to rent or lease a Condominium Unit, shall disclose that fact in writing to the Association at least thirty (30) days before by presenting the Association the Board of Directors a copy of the approved and required Lease Form or required form of a Lease Addendum of a potential lessee, and shall supply the Association with a copy of the completed exact Lease Form or an approved Lease Addendum and "other" lease form for Board of Directors review for its compliance with the Condominium Documents. The co-owner shall pay all expenses incurred by the Association (including any legal fees) in having leases reviewed, altered or brought into compliance. The Association shall be entitled to approve or not approve any such proposed lease transaction in accordance with the provisions of this Section. The required and Association approved Lease Form or Lease Addendum to be used shall be obtained from the Association by the co-owner, who shall supply the Board of Directors with the completed and/or "filled in" applicable required form and any other lease which shall include the name and address of the potential lessee or other occupant(s), along with the amount and due dates of any rental or compensation payable to the co-owner, and the term of the proposed arrangement. No Co-owner shall lease less than an entire Unit in the Condominium and subleasing is not allowed. All leases shall (i) be for an initial term of no less than eighteen (18) months; (ii) require the lessee to comply with the Condominium Documents and Rules and Regulations of the Association; (iii) provide that failure to comply with the Condominium Documents and Rules and Regulations constitutes a default under the lease, and (iv) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after 15 days' prior written notice to the Condominium Unit Co-owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may revise the require standard Lease Form and/or Lease Addendum for use by all Unit Co-owners pursuant Section 11 of this Article VI. Each Coowner of a Condominium Unit shall, promptly following the execution of any approved lease of a Condominium Unit, forward a conformed copy thereof to the Board of Directors. Under no circumstances shall transient tenants be accommodated. For purposes of this Section 2., A, a "transient tenant" is a Non-Co-owner residing in a Condominium Unit for less than sixty days, who has paid consideration therefor. For the purposes of this Section 2, "lease" shall refer to any occupancy agreement, whether or not in writing or for rent or other consideration, where the Unit is not occupied by the owner thereof as a primary or secondary residence for a majority of the year. The Board of Directors may charge reasonable administrative fees for reviewing, approving and monitoring lease transactions in accordance with this Section as the Board may establish. Any administrative fees shall be assessed to and collected from the leasing Co-owner in the same manner as the collection of assessments under Article II of these Amended and Restated Bylaws. 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 and all leases, rental agreements and occupancy agreements shall so state.

- B. <u>Default Procedures</u>. If the Association determines that the tenant or Non-Co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
- (1) The Association shall notify the Co-owner by certified mail advising of the alleged violation by tenant.
- (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.

- (3) 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 an action for eviction against the tenant or Non-Co-owner and tenant or Non-Co-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this Section may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages caused by the Co-owner or tenant in connection with the Condominium Unit. The Co-owner shall be responsible for reimbursing the Association for all costs incurred in obtaining judicial enforcement of its rights, including actual attorney's fees. The Co-owner shall also have their privilege to rent the Unit suspended if any violation is not cured to the satisfaction of the Association.
- C. <u>Co-owner Arrearages</u>. When a Co-owner is in arrears to the Association for assessments, the Co-owner's right to lease the Unit shall terminate. The Association may also give written notice of the arrearage to a tenant occupying a Co-owner's Condominium 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 future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the 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 (1) issue a statutory Notice to Quit for non-payment of rent, and enforce that notice by summary proceedings, or (2) initiate proceedings pursuant to Section 112(4)(b) of the Act.

### Section 3. Alterations and Modifications.

Alterations and Modifications. 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, including changes in use, in any of the Common Elements, limited or general, without the express written approval of the Board of Directors, including but not limited to, exterior painting, replacement of doors or windows, or the erection of lights, awnings, shutters, basketball backboards, newspaper holders, mailboxes, spas, hot tubs, decks, structures, fences, walls, landscaping or other exterior attachments or modifications. The erection of antennas, DBS reception devices, and other technologies regulated by the Federal Communications Commission, not to exceed one meter in diameter may be placed within a Unit or on the Limited Common Elements appurtenant to the Unit without approval of the Association. All other installations and installations upon or attaching to or penetrating General Common Elements must be approved in advance in writing by the Association in accordance with duly promulgated rules and regulations of the Association, which shall at all times be construed so as not to violate FCC regulations applicable thereto. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves or any other element that must be accessible to service the Common Elements or any element that affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access. The Co-owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Co-owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the

same manner as provided for the collection of assessments in Article II hereof. The Co-owner shall indemnify and hold the Association harmless from and against all costs, damages, and liabilities incurred with respect to said modification and/or improvement.

- B. Modifications or Improvements to Accommodate the Disabled. Notwithstanding the previous subparagraph A, a Co-owner may make improvements or modifications to the Co-owner's Condominium Unit, including Common Elements and the route from the public way to the door of the Co-owner's Condominium Unit, at the Co-owner's expense, if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities who reside in or regularly visit the unit or to alleviate conditions that could be hazardous to persons with disabilities who reside in or regularly visit the unit, subject to the following:
- (1) The improvement or modification shall not impair the structural integrity of a structure or otherwise lessen the support of a portion of the Condominium Project, nor unreasonably prevent passage by other residents of the Condominium Project upon the Common Elements.
- (2) The Co-owner shall be liable for the cost of repairing any damage to a Common Element caused by building or maintaining the improvement or modification, and such improvement or modification shall comply with all applicable state and local building requirements and health and safety laws and ordinances and shall be made as closely as possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed modification.
- (3) Before an improvement or modification allowed by this subsection is made the Co-owner shall submit plans and specifications for such alteration to the Association for approval. If the proposed alteration substantially conforms to the requirements of this subsection, the Association shall not deny the same without good cause. A denial shall be in writing, delivered to the Co-owner, listing the changes needed for the proposed alteration to conform. Any requests for approval by the Association under this subsection shall be acted upon not later than sixty (60) days after the required plans and specifications are submitted. Failure of the Association to approve or deny a request within the sixty (60) day period shall entitle the Co-owner to undertake the alteration without the approval of the Association.
- (4) Any Co-owner making an alteration pursuant to this subsection shall maintain liability insurance and provide the Association with proof thereof prior to undertaking the alteration or modification, underwritten by an insurer authorized to do business in this state, in an amount adequate to compensate for personal injuries caused by the exterior improvement or modification, and naming the Association as an additional insured, but the Co-owner shall not be liable for acts or omissions of the Association with respect to the exterior alteration, and the Co-owner shall not be required to maintain liability insurance with respect to any Common Element.
- (5) Responsibility for the cost of any maintenance, repair or replacement of an exterior alteration allowed by this Section shall be in accordance with the provisions of Section 47(a) of the Michigan Condominium Act.
- (6) A Co-owner having made an improvement or modification allowed by this subsection shall notify the Association in writing of the Co-owner's intention to convey any interest in or lease (if permitted) his or her Condominium Unit to another, not less than thirty (30) days before the effective date of the conveyance or permitted lease. Not more than thirty

(30) days after receiving such a notice, the Association may require that the Co-owner remove the improvement or modification and restore the premises at the Co-owner's expense. In the absence of the required notice of conveyance or permitted lease, the Association may at any time remove or require the Co-owner to remove the improvement or modification at the Co-owner's expense, however, the Association may not remove or require the removal of an improvement or modification if the Co-owner intends to resume residing in the Unit within 12 months or a Co-owner conveys or leases (if permitted) the Condominium Unit to a person with disabilities who needs the same type of improvement or modification, or who has a person residing with him or her who requires the same type of improvement or modification. As used in this Section, "person with disabilities" means that term as defined in Section 2 of the State Construction Code Act of 1972 – MCL 125.1502.

Section 4. Conduct upon the Condominium Premises. No noxious, improper, unlawful or offensive activity shall be engaged in on or upon the Common Elements, Limited or General, or any Unit, 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 upon the Common Elements or any Unit. There shall not be maintained any animals or device or thing of any sort whose normal activities or existence is in any way noxious, noisy, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the reasonable enjoyment of other Units in the Condominium. The Board of Directors of the Association shall be the final arbiter of whether a particular animal, device, or thing is in violation of the foregoing restrictions, and disputes among Co-owners that cannot be amicably resolved shall be mediated by the disputing Co-owners. No Co-owner shall do or permit anything to be done or keep or permit to be kept on his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without 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.

Animals upon the Condominium Premises. Domestic pets, such as dogs or cats, Section 5. limited to one dog (which shall under the weight of forty (40) pounds) and/or two cats per Unit (but no more than three total pets and only one dog and no more than two cats) and only after registration and reasonable identification of such animal with the association-are permitted to be kept in the Condominium subject to the provisions of this Section and any rules and regulations adopted by the Association. No other animal, other than such domestic pets, shall be kept or allowed on the Condominium Premises by any Co-owner. Under no circumstances shall any dog or cat be permitted if such animal is that which is commonly understood to be an "aggressive breed" or as may otherwise be determined as such by any recognized national entity or authority, regardless of the weight of such animal or even if such animal was otherwise erroneously registered with the Association by any Co-owner. If any such domestic pet and/or co-owner thereof does not comply with the Condominium Bylaws (and specifically this Article VI, Section 5) they shall still be subject the Association's Remedies for Default, regardless of any City of Milan ordinance that may otherwise permit, suggest, and/or infer that such domestic pet might otherwise be acceptable and/or non- restricted by the City of Milan.

A. <u>Restrictions Applicable to Pets in the Project</u>. No animals may be kept or bred for any commercial purpose. Any pets permitted to be kept in the Condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No animal may be permitted to be housed outside of a Unit, in a pen or otherwise, nor shall pets be tied or restrained outside or be allowed to be loose upon the Common Elements. All pets (whether that of a co-owner or a co-owner's guest or invitee) shall be

leashed when outdoors with the leash being held and controlled at all times by a responsible adult person in accordance with any ordinances of the City of Milan that may apply. Anywhere in the Condominium Project, each Co-owner shall be responsible for the collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner or as may have been permitted to be upon the Condominium Project premises by a co-owner's, guest or invitee. No savage or dangerous animal of any type shall be kept and any Co-owner who causes any animal to be brought, maintained or kept on the premises of the Condominium for any length of time shall indemnify and hold harmless the Association for any loss, damage or liability, including attorney fees and costs, which the Association may sustain as a result of the presence of such animal on the premises, whether such animal is permitted or not, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. No animal that creates noise and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. All animals kept in accordance with this Section shall be licensed by any and all applicable municipal agencies having jurisdiction, and proof of the animal's requisite and commonly understood "shots" shall be provided to the Association upon request. The term "animal" or "pet" as used in this section shall not include fish. Any exotic pets or animals are strictly prohibited.

B. <u>Association Remedies</u>. The Association may adopt such additional reasonable rules and regulations with respect to animals, as it may deem proper. The Association may, after notice and hearing, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium that it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulation of the Association.

Section 6. <u>Use of Common Elements</u>. The Common Elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. All rubbish, trash, garbage and other waste shall be regularly removed from each Unit and shall not be allowed to accumulate therein. Trash receptacles shall be maintained in unit garages and shall not be permitted to remain elsewhere on the Common Elements, except for such short periods of time established by the Board of Directors as necessary to permit periodic collection of trash. The Common Elements shall not be used in any way for the drying or airing of clothing or other fabrics. In general, no activity shall be carried on nor condition maintained by a Co-owner either in his Unit or upon the Common Elements, which detracts from or spoils the appearance of the Condominium. No unsightly condition shall be maintained on any porch, patio, or deck, and only furniture and equipment consistent with the normal seasonal use of such areas shall be permitted.

Section 7. Obstruction of Common Elements. 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 bicycles, vehicles, chairs, benches, toys, baby carriages, obstructions or other personal property may be left unattended on or about the Common Elements. Garage doors shall remain closed at all times when garage is not in use.

Section 8. Vehicles upon the Condominium Premises. No recreational vehicles of any kind, such as pickup campers, house trailers, boat trailers, watercraft, boats, motor homes, camping vehicles/trailers, snowmobiles, snowmobile trailers, trailers of any other kind, off the road vehicles, all -terrain vehicles, commercial vehicles or vehicles other than automobiles,

motorcycles and noncommercial pickup trucks, SUVs and passenger vans, used as an occupant's primary means of transportation, and not for any commercial purposes, may be parked or stored upon the premises of the Condominium, but must instead be stored or parked completely in a Unit garage with the door closed, except in accordance with any applicable provisions of this Section. No Co-owner shall use, or permit the use by an occupant, agent, employee, invitee, guest or member of his/her family of any casual, personal, motorized transportation or entertainment anywhere within the Project, including, but not limited to, motorized scooters, mo-peds, go-carts, dirt bikes and the like. Maintenance of more than two (2) cars by the occupants of any one condominium unit shall be prohibited, except with the revocable written approval of the Association in the event space is determined by the Board to be reasonably available therefore, and that any such revocable approval may require that any additional vehicle shall be exclusively maintained in the co-owner's garage.

- A. <u>Temporary Presence</u>. The Board of Directors shall have discretion to issue rules and regulations that provide for the temporary presence of the above enumerated recreational/leisure vehicles upon the Condominium Premises for proper purposes, such as loading and unloading of said vehicles. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area therefor.
- Commercial Vehicles. Commercial vehicles and trucks shall not be B. parked in or about the Condominium unless while making deliveries or pickups in the normal course of business. For purposes of this Section, commercial vehicles shall include vehicles or trucks with a curb weight of more than 10,000 pounds, overall length in excess of 19 feet, or with more than two axles, vehicles with commercial license plates, vehicles with any commercial markings or advertising appearing on the exterior, vehicles not intended for personal transportation, or any vehicle either modified or equipped with attachments, equipment or implements of a commercial trade, including, but not limited to, storage racks, ladder or material racks, snow blades, tanks, spreaders, storage bins or containers, vises, commercial towing equipment or similar items. For purposes of this Section, passenger vans, SUVs and pick-up trucks, used for primary transportation, and no commercial purpose whatsoever, shall not be considered commercial vehicles provided they do not meet the definition of a commercial vehicle contained herein. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area thereof.
- C. <u>Standing Vehicles, Repairs</u>. Non-operational vehicles or vehicles with expired license plates shall not be parked on the Condominium Premises, other than inside a Co-owner's garage, without written permission of the Board of Directors. Non-emergency maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises, unless specifically approved by the Board of Directors.
- D. <u>Association Rights</u>. The Association may cause vehicles parked or stored in violation of this Section, or of any applicable rules and regulations of the Association, to be stickered and/or removed (towed) from the Condominium Premises, and the cost of such removal may be assessed to, and collected from, the Co-owner of the Unit responsible for the presence of the vehicle in the manner provided in Article II hereof. In such cases, the Co-owner shall be responsible for costs incurred in having a towing company respond, even if the vehicle is moved and properly parked before the towing contractor arrives at the Condominium. The Board of Directors may promulgate reasonable rules and regulations governing the parking and use of vehicles in the Condominium Project consistent with the

provisions hereof, and may levy fines for violations of such rules and regulations or this Section.

Section 9. Prohibition of Dangerous Items upon the Condominium Premises. No Co-owner shall use, or permit the use by an occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows, slingshots, or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Premises, nor shall any Co-owner use or permit to be brought into the Condominium any explosives, highly volatile of flammable material or other items deemed to be extra-hazardous to life, limb, or property, without in each case obtaining the written consent of the Association.

Section 10. Signs upon the Condominium Premises and Mailboxes. No signs or other advertising devices shall be displayed which are visible from the exterior of a Unit or the Common Elements, including "for sale" signs, without written permission from the Board of Directors.

Section 11. Regulations Consistent with the Act. Reasonable regulations consistent with the Act, the Amended and Restated Master Deed, and these Bylaws, concerning the use of the Common Elements or the rights and responsibilities of the Co-owners and the Association with respect to the Condominium or the manner of operation of the Association and of the Condominium may be made and amended from time to time by any Board of Directors of the Association. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective as stated in said rule or regulation. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Co-owners in number.

Section 12. Association Access to Units and/or Limited Commons Elements. 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 or other elements for which the Association has or has assumed responsibility. The Association or its agents 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 telephone number for emergency purposes and means of access to his 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, at the Co-owner's expense, and shall not be liable to such Co-owner for any necessary damage to his Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 13. Landscaping and Decoration of Common Elements. No Co-owner shall perform any landscaping, plant, trim or remove any trees or shrubs or place any ornamental materials, including but not limited to statuary, bird feeders, exterior lighting, furniture, implements, rocks or boulders, fencing or other decorative items upon the Common Elements, Limited or General, including any "gardening areas" shown on Exhibit B as limited common elements, unless the same is approved by the Association in writing, and is in total conformance with the Association's policies on landscaping as are published from time to time. Any landscaping performed by the Co-owner and any such trees or shrubs planted by the Co-owner, if and

when approved, shall be the responsibility of the Co-owner to maintain. In the event that such Co-owner fails to adequately maintain such approved landscaping performed by the Co-owner and any such trees, shrubs, or flowers planted by the Co-owner to the satisfaction of the Association, the Association shall have the right to perform such maintenance, or to remove the same and restore the area to its previously existing condition, and assess and collect from the Co-owner the cost thereof in the manner provided in Article II hereof. The Co-owner shall also be liable for any damages to the Common Elements or other Units arising from the performance of such landscaping or the planting of such trees or shrubs, or the continued maintenance thereof. Should access to any Common Elements of any sort be required, or should any materials specified in this Section interfere with maintenance or services provided by the Association, the Association may remove any obstructions of any nature that restrict such access and/or services and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access and/or performance of such services, nor shall the Association be responsible for monetary damages of any sort arising out of any such actions.

Section 14. Co-owner Maintenance of Unit and Limited Common Elements. Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto (including any "gardening areas" designated as such) for which he 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, water, gas, plumbing, electrical, cable TV or other utility conduits and systems and any other Common 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 damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, or by casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or common elements which are the responsibility of the Co-owner to maintain, repair and replace, unless such damages or costs are covered by primary insurance carried by the Association, in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount.) Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. Each individual Co-owner shall indemnify the Association and all other Coowners against such damages and costs, including attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement as soon as it is discovered.

**Section 15.** Common Element Recreational Use. Use of the common elements by guests of Co-owners or any other party not residing in the Condominium shall be subject to the prior approval of the Association, and nothing herein shall be construed to prevent the Association from denying use at any time in the Association's discretion.

<u>Section 16.</u> Costs of Enforcing Documents. Any and all costs, damages, fines, expenses and/or actual attorney's fees incurred or levied by the Association in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 11 of these Bylaws, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to, secured by the statutory lien on

the Unit and collected from the responsible Co-owner or Co-owners in the manner provided in Article II hereof. This specifically includes actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations, and responding to and defending actions relating to violations in small claims court, or any other court of competent jurisdiction.

**Section 17.** Association Approvals Revocable. All approvals given by the Association in accordance with these Bylaws shall be revocable and in the nature of a license, and can be withdrawn upon thirty (30) days written notice in the event of noncompliance with the conditions of such approval. None of the restrictions contained in this Article VI shall apply to the activities of the Association in furtherance of its powers and purposes set forth herein, the Amended and Restated Master Deed and in its Articles of Incorporation, as the same may be amended from time to time

### ARTICLE VII MORTGAGES

- Section 1. <u>Notification of Mortgage</u>. Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units." The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association may give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.
- **Section 2.** <u>Notification to Mortgagee of Insurance Company</u>. The Association shall notify each mortgagee appearing in said book of the name of each company ensuring the Condominium Common Elements against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.
- **Section 3.** <u>Notification to Mortgagee of Meetings</u>. Upon 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 VIII MEMBERSHIP AND VOTING

- **Section 1.** Membership in the Association. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:
- A. <u>Designation of Members</u>. Each Co-owner shall be a member of the Association and no other person or entity shall be entitled to membership.
- B. <u>Co-owner's Share of the Funds</u>. 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 a Unit in the Condominium.
- C. <u>Co-owner Voting Designation</u>. Except as limited in these Amended and Restated Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned, provided that said Co-owner is in good standing and not in default of any payment of regular or special assessments against said Co-owner's Unit. Voting shall be by number. In

the case of any Unit owned jointly by more than one Co-owner, the voting rights appurtenant to that Unit may be exercised only jointly as a single vote.

- D. <u>Evidence of Ownership for Voting Purposes</u>. No Co-owner shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Co-owner may be cast only by the Co-owner or by a proxy given by such individual representative.
- E. <u>Designation of Voting Representative</u>. In the event a Unit is owned jointly, or otherwise, by more than one person or entity, each such multiple individuals owning a Unit and each corporate, partnership, LLC or other business or legal entity Co-owner, that is not a natural person, shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association (one vote per Unit) and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, LLC, association, trust or other entity that is the Co-owner. Such notice shall be signed and dated by all the individual Co-owners of a Unit or the authorized person of such legal entity. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided. At any meeting the filing of such written notice as a prerequisite to voting may be waived by the chairperson of the meeting.
- F. Quorum. The presence in person or by proxy of thirty five percent (35%) in number of Units qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy, or by such date as is established for voting in cases where no meeting is held, shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.
- G. <u>Voting</u>. Votes may be cast in person, in writing duly signed by the designated voting representative, or by any other means allowed by the voting procedures adopted by the Association for a given vote, provided the same are not in violation of the provisions of these Amended and Restated Bylaws. Any proxies, written votes or other votes cast by means allowed hereunder must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association or voting deadline if no meeting is held. Votes may be cast by mail, fax, delivery, e-mail or any other method approved by the Association through Board action, in advance of the vote. Cumulative voting shall not be permitted.
- H. <u>Majority</u>. Unless otherwise provided, any action that could be authorized at a meeting of the members shall be authorized by the vote of a simple majority in number of those Co-owners voting in person or by proxy at said meeting, or by alternative means, in accordance with the provisions of these Bylaws. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.
- I. <u>Action Without Meeting</u>. Any action that may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner (with respect to notice) as provided in Article IX, Section 4, hereof. Such solicitations shall specify (a) the

number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast. Votes may be cast in accordance with this paragraph by mail, hand delivery, electronically or by facsimile.

### Section 2. Association Records and Books; Audit or Review.

- Association Records and Books. The Association shall maintain current copies of the Condominium Documents. The Association shall also 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 the Association's behalf and the Co-owners. The Association's books shall be maintained in accordance with Section 57 of the Condominium Act. Subject to any Association rules and regulations, the books, records, contracts, and financial statements concerning the administration and operation of the Condominium shall be open for inspection by the Coowners and their mortgagees during reasonable working hours and at mutually convenient times. The Association shall prepare and distribute to each Co-owner at least one (1) time a year a financial statement, the contents of which shall be defined by the Board, prepared by or at the direction of the Treasurer and signed by the President of the Association, and which may be distributed by electronic transmission, provided that any Co-owner may receive a written financial statement upon written request. Any institutional holder of a first mortgage lien on any Unit is entitled to receive a copy of the annual financial statement within ninety (90) days following the end of the Association's fiscal year if requested in writing.
- B. Audit or Review. The Association shall have its books, records and financial statements independently audited or reviewed on an annual basis by a certified public accountant, as defined in Section 720 of the occupational code (MCL 339.720); provided, however, that the Association may opt out of a certified audit or review on an annual basis by an affirmative vote of a majority of the Co-owners in good standing. In the event the Association does opt out of such action by a certified public accountant, nevertheless, the books of account shall be "reviewed" 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. The costs of any such audit and any accounting expenses shall be expenses of administration.

# ARTICLE IX MEETINGS

**Section 1.** Place of Meetings. Meetings of the Association members shall be held at any suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association members shall be conducted in accordance with Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not

otherwise in conflict with the Articles of Incorporation, the Master Deed or the laws of the State of Michigan. Only Co-owners in good standing, and their legal representatives, may speak at meetings of the Association and/or address the Board or co-owners at any such meetings. Any person in violation of this provision or the rules of order governing the meeting may be removed from such meeting, without any liability to the Association or its Board of Directors.

Section 2. Annual Meetings. The annual meetings of members of the Association shall be held in the month and at such time and place as shall be determined by the Board of Directors. The Board of Directors may, acting by a majority vote, change the date of the annual meeting in any given year provided that at least one such meeting is held in each calendar year. Written notice of each annual meeting, as well as any change in the date of the annual meeting as provided for herein, shall be given to all co-owners at least ten (10) days before the date for which the meeting is or was originally scheduled. At the annual meeting, there shall be elected by ballot of the co-owners a Board of Directors in accordance with the requirements of Article X of these Bylaws. The co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

**Section 3.** Special Meetings. It shall be the duty of the President to call a special meeting of the co-owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one third (1/3) of the co-owners in number presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of such Association officer or the management company, as directed by the Board of Directors to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each co-owner, 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 VIII, Section 1., E of these Bylaws or to the address of the unit owned by the co-owner shall be deemed notice served, or, in lieu of the foregoing, notice may be given by electronic transmission, or notice may be hand delivered to a Unit if the Unit address is designated as the voting representative's address or the Co-owner is a resident of the Unit. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association shall be deemed due notice.

Section 5. Remote Communication Attendance; Remote Communication Meetings. Co-owners may participate in Association meetings by a conference telephone or by other means of remote communication through which all persons participating in the meeting may hear each other, if the Board determines to permit the participation and (a) the means of remote communication permitted are included in the notice of the meeting or (b) if notice is waived or not required. All participants shall be advised of the means of remote communication in use and the names of the participants in the meeting shall be disclosed to all participants. Co-owners participating in a meeting by means of remote communication are considered present in person and may vote at the meeting if all of the following are met: (a) the Association implements reasonable measures to verify that each person considered present and permitted to vote at the meeting by means of remote communication is a Co-owner or proxy holder; (b) the Association implements reasonable measures to provide each Co-owner and proxy holder a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Co-owners, including an opportunity to read or hear the proceedings of the meeting

substantially concurrently with the proceedings; and (c) if any Co-owner or proxy holder votes or takes other action at the meeting by means of remote communication, the Association maintains a record of the vote or other action. A Co-owner may be present and vote at an adjourned Association meeting by means of remote communication if they were permitted to be present and vote by the means of remote communication in the original meetings notice given. The Board may hold an Association meeting conducted solely by means of remote communication.

**Section 6.** Adjournment for Lack of Quorum. If any meeting of owners cannot be held because a quorum is not in attendance, the 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. The quorum for each subsequent meeting shall be reduced by one-half from the quorum requirement of the previously scheduled meeting.

**Section 7** Minutes. Minutes or a similar record of the proceedings of meetings of members, or of the Board of Directors, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

# ARTICLE X BOARD OF DIRECTORS

- **Section 1.** Qualification and Number of Directors. The affairs of the Association shall be governed by a Board of Directors all of who must be co-owners of Units in River Pointe. The Board shall consist of five (5) members. No two occupants of the same Unit may serve on the Board of Directors at the same time. Upon notice and disclosure to the association at an annual or special meeting, and in the budget and financial statement, upon an affirmative vote by the Board, Directors may receive compensation in the form of a \$40.00 per month reduction in amount of the monthly assessments to be paid by such Co-owner Director.
- **Section 2.** <u>Term of Directors</u>. All directors shall serve two-year terms, and shall hold office until their successors have been elected and hold their first meeting.
- **Section 3.** Powers and Duties. The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association and may do all acts and things necessary thereto subject always to the Condominium Documents and applicable laws. In addition to the foregoing general powers and duties imposed by these Amended and Restated Bylaws, or any further powers and duties that may be imposed by law or the Articles of Incorporation, the Board of Directors shall be responsible specifically for the following:
- A. <u>Management and Administration</u>. To manage and administer the affairs of and maintenance of the Condominium Project and the Common Elements thereof, all to the extent set forth in the Amended and Restated Master Deed, or elsewhere in the Condominium Documents.
- B. <u>Collecting Assessments</u>. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- C. <u>Insurance</u>. To carry insurance and collect and allocate the proceeds thereof in the manner set forth in Article IV hereof.

- D. <u>Rebuild Improvements</u>. To rebuild improvements after casualty, subject to the terms hereof.
- E. <u>Contract and Employ Persons</u>. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- F. <u>Real or Personal Property</u>. 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 any easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- G. <u>Easements and Telecommunications</u>. To grant such easements, licenses and other rights of entry, use and access, and to enter into any contract or agreement, including wiring agreements, utility agreements, right of way agreements, access agreements and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber 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 Condominium or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium, within the meaning of the Act, and shall be paid over to and shall be the property of the Association.
- H. <u>Borrow Money</u>. To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association, provided, however, that any such action shall also be approved by affirmative vote of more than sixty percent (60%) of all of the members of the Association, except in the case of financing or refinancing of a Unit acquired through foreclosure of the statutory lien for unpaid assessments, which shall require no such approval..
- I. <u>Rules and Regulations</u>. To make rules and regulations in accordance with Article VI, Section 11 of these Bylaws.
- J. <u>Committees</u>. To establish such committees as it 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, or any specific Officers or Directors of the Association any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.
- K. <u>Enforce Documents</u>. To enforce the provisions of the Condominium Documents.
- Section 4. <u>Professional Management</u>. In the event of a future need for a professional management company as may be determined by the Board of Directors, the Board may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3 of this Article X, 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 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, with or without cause, to the other party. In the event the Board does employ professional management for the Association, the Board shall secure the written approval of each institutional holder of a first mortgage lien on any Unit in the Condominium prior to terminating professional management and assuming self-management.

- **Section 5.** <u>Vacancies</u>. Vacancies in the Board of Directors 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. Each person so appointed shall be a director until the end of the term of the Director who he/she replaced and a successor is elected at such annual meeting of the Association.
- Section 6. Removal of Directors. At any regular or special meeting of the Association duly called and held, any one or more of the directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent of all Co-owners, and a successor may then and there be elected to fill the vacancy thus created. The quorum requirement for the purpose of filling any vacancy shall be the normal 25% requirement set forth in Article VIII, Section 1 F. Any director whose removal has been proposed by the co-owners shall be given an opportunity to be heard at the meeting.
- **Section 7.** First Meeting of New Board. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place and time 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, provided a majority of the entire Board is present at such a meeting.
- **Section 8.** Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors. At least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, or by mail, electronically or by telephone prior to the date named for such meeting, unless waived by said director.
- **Section 9.** Special Meetings. Special meetings of the Board of Directors may be called by the president on notice to each director, given personally, or by mail, electronically or by telephone, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of two directors.
- **Section 10.** Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing or orally, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meetings of the Board shall be deemed a waiver of notice by that director of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.
- Section 11. 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. A Director will be considered present and may vote on matters before the Board by proxy, by teleconference, electronically or by any other method giving the remainder of the Board sufficient notice of the absent Director's vote and position on any given matter, provided however, that any vote not in writing is confirmed in writing not later than the next meeting of the Board. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that 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 12. Action Without Meeting. Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid if consented to in writing by the requisite majority of the Board of Directors. Further, the presiding officer of the Association, in exceptional cases requiring immediate action, may poll all Directors by phone for a vote, and provided the action is consented to by the requisite number of Directors, such vote shall constitute valid action by the Board, provided the results of the vote and the issue voted upon are noted in the minutes of the next Board meeting to take place.

Section 13. Closing of Board of Directors' Meetings to Members; Privileged Minutes. The Board of Directors, in its discretion, for good and sufficient reason, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

**Section 14.** Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish fidelity bonds in the amount of at least One Hundred Thousand (\$100.000.00), which amount may be increased upon an affirmative vote of the Board of Directors. The premiums for such bonds shall be expenses of administration.

### ARTICLE XI OFFICERS

Section 1. <u>Designation</u>. The principal officers of the Association shall be a president, secretary and treasurer. There need not be a vice-president. The directors may appoint such other officers as in their judgment may be necessary. Any two offices except that of president and treasurer may be held by one person. The President must be a member of the Board of Directors. All officers must be Co-owners.

**Section 2.** Appointment. The officers of the Association shall be appointed annually by the Board of Directors and shall hold office at the pleasure of the Board.

**Section 3.** Removal. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed by the Board of Directors either with or without cause,

and the successor to the removed officer may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

- Section 4. President. The president shall be the chief executive officer of the Association, and shall preside at all meetings of the Association and of the Board of Directors. The president shall have all of the general powers and duties which are usually vested in the office of the president of a corporation, including, but not limited to, the power to appoint committees from among the members of the Association from time to time in the president's discretion as may be deemed appropriate to assist in the conduct of the affairs of the Association.
- Section 5. <u>Vice President</u>. The vice president shall take the place of the president and perform the president's duties whenever the president shall be absent or unable to act. If neither the president nor any vice president is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The vice president shall also perform such other duties as shall from time to time be imposed by the Board of Directors.
- **Section 6.** <u>Secretary</u>. The secretary shall keep the minutes of all Board and Association meetings, have charge of the corporate minute book, and of such books and papers as the Board of Directors may direct; and shall in general, perform all duties incident to the office of the secretary.
- Section 7. Treasurer. The treasurer or management agent shall have responsibility for all 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 or management agent shall be responsible for the deposit of all monies and other valuable papers of the Association, in the name of and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall prepare and deliver to the Board of Directors regular reports at each regular Board meeting, the dates and times of such regular meetings as may be determined by the Board in compliance with these Bylaws. All such reports shall include a copy of any and all statements from any depository financial institution holding any association funds as may have been issued from the date of the previous report, and a "ledger"/register or accounting log showing the association's source and allocation of funds from the date of such prior report.

### ARTICLE XII FINANCES

- **Section 1.** Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Board of Directors. The commencement date of the fiscal year of the Association shall be subject to change by the Board of Directors for accounting reasons or other good cause.
- Section 2. Banking. The funds of the Association shall be deposited in such bank or other depository as may be designated by the Board of Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The Association shall use its best efforts to use depository/financial institutions that are a City of Milan institution or maintain an office in the City of Milan. The Association may maintain its assets in one or multiple such institutions as determined by the Board.
- Section 3. <u>Investment of Funds</u>. Funds of the Association shall only be held in accounts that are fully insured and/or backed by the full faith and credit of the United States

Government. Only depositories or instruments where there is no risk of principal loss may be utilized by the Association for investment of its monies. The amounts dedicated to and or deposited for the association's "reserve" and/or "reserve for replacement" shall be maintained in a separate account from that which is maintained for the ongoing day to day budgeted operation of the Association and the Condominium Project

### ARTICLE XIII INDEMNIFICATION

Indemnification of Directors and Officers. Every director and every officer of the Section 1. Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon the director or officer in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which the director or officer may be a party or in which he/she may become by reason of his/her being or having been a director or officer of the Association, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty or willful or wanton misconduct or gross negligence in the performance of the director's or officer's duties, and except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the 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 that it has approved, the Board of Directors shall notify all Co-owners thereof.

Section 2. <u>Directors' and Officers' Insurance</u>. The Association shall provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a director or an officer of the Association may waive any liability insurance for such director's or officer's personal benefit. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof.

### ARTICLE XIV

Section 1. Compliance with The Documents. The Association of Co-owners and all present or future Co-owners, tenants, future tenants, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the provisions of the Act, Amended and Restated Master Deed, these Bylaws, the Articles of Incorporation of the Association and the Rules and Regulations of the Condominium. In the event that such Amended and Restated Master Deed, these Bylaws or Articles of Incorporation conflict with the provisions of any Statute, the Statute shall govern. If any provision of these

Bylaws conflicts with any provision of the Amended and Restated Master Deed, the Amended and Restated Master Deed shall govern.

- **Section 2.** Amendment. These Bylaws may be amended in accordance with the Act and the provisions of Article VIII of the Amended and Restated Master Deed for River Pointe.
- **Section 3.** <u>Definitions</u>. All terms used herein shall have the same meaning as set forth in the Amended and Restated Master Deed to which these Bylaws are attached as an Exhibit, or as set forth in the Act.

# ARTICLE XV REMEDIES FOR DEFAULT

- **Section 1.** <u>Default by a Co-owner</u>. Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:
- A. Remedies for Default by a Co-owner to Comply with the Documents. 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.
- B. Costs Recoverable from Co-owner. Failure of a Co-owner and/or non-Co-owner resident or guest to comply with the Condominium Documents shall entitle the Association to recover from such Co-owner or non-Co-owner resident or guest the pre-litigation costs and actual reasonable attorneys' fees incurred in obtaining their compliance with the Condominium Documents. In addition, in any proceeding arising because of an alleged default by any Co-owner, or in cases where the Association must defend an action brought by any Co-owner(s) or non-Co-owner resident or guest, (regardless if the claim is original or brought as a defense, a counterclaim, cross claim or otherwise), the Association, if successful, shall be entitled to recover from such Co-owner or non-Co-owner resident or guest pre-litigation costs, the costs of the proceeding and actual attorney's fees (not limited to statutory fees), incurred in defense of any claim or obtaining compliance or relief, but in no event shall any Co-owner be entitled to recover such attorney's fees or costs against the Association.
- C. <u>Association's Right to Abate</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, 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 its exercise of its removal and abatement power granted hereunder.
- D. <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 in accordance with Article XVI of these Bylaws. Fines may be assessed only upon notice to the offending Co-owners as prescribed in said Article XVI. Section 2, and after a hearing at which such Co-owner may, offer evidence in defense of the alleged violation. All

fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

- **Section 2.** Failure to Enforce Rights. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition that 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, provisions, covenant or condition in the future.
- **Section 3.** <u>Cumulative Rights</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 aforesaid 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 4. Rights of Co-owners. A Co-owner may maintain an action the Association to compel enforcement of the provisions of the Condominium Documents, and may maintain an action for injunctive relief or damages against any other Co-owner for noncompliance with the Condominium Documents. Even if successful, Co-owners may not recover attorney's fees from the Association, but may recover such fees from another Co-owner if successful in obtaining compliance with the Condominium Documents.

### ARTICLE XVI

- Section 1. General. The violation by any Co-owner, occupant or guest of any of the provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.
- **Section 2.** <u>Procedures</u>. Upon any such violation being alleged by the Board, the following procedures will be followed:
- A. <u>Notice</u>. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the Co-owner at the address on file with the Association.
- B. <u>Hearing</u>. The claimed offending Co-owner shall be scheduled for a hearing before the Board of Directors, at which time the Co-owner shall have an opportunity to offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting or the Board's earliest convenience, but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.
- C. <u>Default</u>. Failure to appear at the hearing or respond to the notice of violation by the date set for the hearing constitutes a default.

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

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

FIRST VIOLATION No fine will be levied

SECOND VIOLATION \$25.00 Fine

3. THIRD VIOLATION \$50.00 Fine

4. FOURTH VIOLATION \$100.00 Fine AND ALL SUBSEQUENT VIOLATIONS

The Board of Directors, without the necessity of an amendment to these Bylaws, may make such changes in said fines or adopt alternative fines, including the indexing of such fines to the rate of inflation, in accordance with duly adopted Rules and Regulations promulgated in accordance with Article VI, Section 11 of these Bylaws. For purposes of this Section, the number of the violation (i.e., first, second etc.) is determined with respect to the number of times that a Co-owner violates the same provision of the Condominium Documents, as long as that Co-owner may be an owner of a Unit or occupant of the Project, and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur each successive seven-day period into which a violation continues. Nothing in this Article shall be construed as to prevent the Association from pursuing any other remedy under the Condominium Documents and/or the Act for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

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

### ARTICLE XVII SEVERABILITY

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