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RECORDED WASHTENAW  
COUNTY REGISTRATION OF  
DEEDS  
DATE 5/29/90  
LIBER 2408  
PAGE 379

MASTER DEED  
ASHFORD PLACE

(Act 59 of the Public Acts of 1978 as amended)

This Master Deed made and executed this 29 day of May, 1990, by ASHFORD PLACE, INC., a Michigan corporation, d/b/a TRI-MOUNT/ASHFORD PLACE, INC. hereinafter sometimes referred to as the "Developer" whose address is 41115 Jo Drive, Novi, Michigan 48050, and pursuant to the provisions of Act 59 of the Public Acts of 1978 as amended, and Act 538 of the Public Acts of 1982, as amended, hereinafter referred to as the "Act".

**W I T N E S S E T H:**

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

**NOW, THEREFORE**, the Developer does, upon the recording hereof, establish ASHFORD PLACE as a Condominium Project under the Act and declare that ASHFORD PLACE (hereinafter referred to as "The Condominium Project") shall after 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, restrictions, conditions, uses, limitation and affirmative obligations set forth in this Master Deed together with Exhibits "A" and "B" hereto, all of which shall be deemed to run with the land and shall be a burden and of benefit to the Developer, its successors and assigns, and any person acquiring or owning an interest in the said real property, their grantees, successors, heirs, executors, administrators and assigns in furtherance of the establishment of the said "Condominium Project", it is hereby provided as follows:

**ARTICLE I**

**TITLE AND NATURE**

The Condominium Project shall be known as ASHFORD PLACE, Washtenaw County Condominium Subdivision Plan No. 129. The architectural plans for the Project were approved in accordance with the requirements of the City of Ann Arbor, Michigan. The Condominium Project is established in accordance with the Act. The buildings and units contained in the Condominium, including the number, boundaries, dimensions and area of each unit therein are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto. Each building contains individual units for residential purposes and each unit is capable of individual utilization on account of having its own entrance from and exit 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 other co-owners the common elements of the Condominium Project as are designated by the Master Deed.

ARTICLE I

ARTICLE II

LEGAL DESCRIPTION

LEGAL DESCRIPTION

submitted to the Condominium Project  
The land which is submitted to the Condominium Project  
as described as follows:

established by this Master Deed is described as follows:

Section 15, T2S, R6E, City of Ann Arbor, Michigan, described as commencing at the northeast corner of Section 15 and proceeding thence south 00°05'10" west 365.26 feet to the point of beginning; thence south 00°05'10" west 304.00 feet along the east line of Section 15; thence south 89°32'38" west 1266.61 feet to the east line of Nixon Road; thence along said line north 00°02'50" east 520.94 feet; thence north 66°11'04" east 43.45 feet; following four courses and distances along the south R.O.W. line from Green Road (100 feet wide); 116.63 feet along the arc of a curve to the right, having a radius of 1176.24 feet, a central angle of 05°40'55", a chord length of 116.60 feet and a chord bearing of south 74°45'23" east and south 71°54'55" east 417.75 feet along the arc of a curve to the left having a radius of 1250.00 feet, a central angle of 17°41'15", a chord length of 384.35 feet and a chord bearing of south 80°45'32" east and south 89°36'10" east 337.88 feet to the point of beginning, being subject to easements and restrictions of record.

A part of Section 15, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan, described as commencing at the northeast corner of Section 15 and proceeding thence south 00°05'10" west 365.26 feet to the point of beginning; thence south 00°05'10" west 304.00 feet along the east line of Section 15; thence south 89°32'38" west 1266.61 feet to the east line of Nixon Road; thence along said line north 00°02'50" east 520.94 feet; thence north 66°11'04" east 43.45 feet; thence the following four courses and distances along the south R.O.W. line from Green Road (100 feet wide); 116.63 feet along the arc of a curve to the right, having a radius of 1176.24 feet, a central angle of 05°40'55", a chord length of 116.60 feet and a chord bearing of south 74°45'23" east and south 71°54'55" east 417.75 feet and 385.88 feet along the arc of a curve to the left having a radius of 1250.00 feet, a central angle of 17°41'15", a chord length of 384.35 feet and a chord bearing of south 80°45'32" east and south 89°36'10" east 337.88 feet to the point of beginning, being subject to easements and restrictions of record.

ARTICLE III

ARTICLE III

DEFINITIONS

DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as by way of example and not by way of limitation, the Articles of Incorporation and Corporation Bylaws and Rules and Regulations of the ASHFORD PLACE ASSOCIATION, a Michigan non-profit corporation, deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of or transfer of interest in ASHFORD PLACE as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as by way of example and not by way of limitation, the Articles of Incorporation and Corporation Bylaws and Rules and Regulations of the ASHFORD PLACE ASSOCIATION, a Michigan non-profit corporation, deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of or transfer of interest in ASHFORD PLACE as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

The "Act" means Act 59 of the Public Acts of 1978, as amended and Act 538 of the Public Acts of 1982, as amended.

The "Act" means Act 59 of the Public Acts of 1978, as amended and Act 538 of the Public Acts of 1982, as amended.

"Association of Co-Owners" shall mean the non-profit corporation organized under the Michigan Law of which all co-owners shall be members, which corporation shall administer, operate, manage and maintain the condominium. Any actions 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.

"Association of Co-Owners" shall mean the non-profit corporation organized under the Michigan Law of which all co-owners shall be members, which corporation shall administer, operate, manage and maintain the condominium. Any actions 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.

The Association is the person designated in the Condominium Documents to administer the Condominium Project.

- C. "Condominium Bylaws" means Exhibit "A" attached hereto being the Bylaws setting forth the substantive rights and obligations of the co-owners and required by the "Act" to be recorded as part of the Master Deed.
- D. "Corporation Bylaws" means the corporate Bylaws of ASHFORD PLACE ASSOCIATION, the Michigan non-profit corporation organized to manage, maintain and administer the Condominium.
- E. "Unit" means the enclosed space constituting a single, complete, residential unit in ASHFORD PLACE as such space may be described in Exhibit "B" hereto as the term "Condominium Unit" as defined by the Act.
- F. "Condominium Documents" wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of Incorporation, Corporation Bylaws and Rules and Regulations, if any, of the Association.
- G. "Condominium" or "Project" means ASHFORD PLACE as an approved Condominium Project established in conformity with the provisions of the Act.
- H. "Condominium Subdivision Plan" means Exhibit "B" hereto.
- I. "Consolidating Master Deed" means the final Amended Master Deed which shall describe ASHFORD PLACE as a completed condominium project and shall reflect the entire land area added to the condominium from time to time pursuant to the provisions of this Master Deed and all units and common elements therein and which shall express percentages of value pertinent to each unit as finally readjusted. Such Consolidating Master Deed when recorded in the office of the Washtenaw County Register of Deeds shall supersede the previously recorded Master deed for the condominium and all amendments thereto.
- J. "Construction and Sales Period". For purposes of the condominium documents and the rights reserved to the Developer thereunder, the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any unit which it offers for sale, or for so long as the Developer is entitled to expand the project as provided in the Master Deed.
- K. "Developer" means ASHFORD PLACE, INC. d/b/a TRI-MOUNT/ASHFORD PLACE, INC., a Michigan corporation which has made and executed this Master Deed and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however, and wherever such terms are used in the condominium documents.

a person, firm, corporation, partnership, trust or other legal entity or any combination thereof who owns one or more units in the Condominium Project. The term "Owner" shall be synonymous with the term "Co-Owner".

**L. "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 Project. The term "Owner" wherever used will be synonymous with the term "Co-Owner".

"Condominium Premises" means and includes the land and buildings, all improvements and structures thereon.

**M. "Condominium Premises"** means and includes the land and buildings, all improvements and structures thereon.

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

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

"First Annual Meeting" means the initial meeting at which non-developer co-owners are permitted to vote for the election of all directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after fifty (50%) percent of the units which may be created are sold, or (b) mandatorily within (i) 54 months from the date of the first unit conveyance, or (ii) 120 days after seventy-five (75%) percent of all units which may be created are sold, whichever first occurs.

**O. "First Annual Meeting"** means the initial meeting at which non-developer co-owners are permitted to vote for the election of all directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after fifty (50%) percent of the units which may be created are sold, or (b) mandatorily within (i) 54 months from the date of the first unit conveyance, or (ii) 120 days after seventy-five (75%) percent of all units which may be created are sold, whichever first occurs.

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

**P. "Transitional Control Date"** means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

"Condominium Premises" means and includes the land described in Article II above, all improvements and structures thereon and all easements, rights and appurtenances belonging to ASHFORD PLACE as described above.

**Q. "Condominium Premises"** means and includes the land described in Article II above, all improvements and structures thereon and all easements, rights and appurtenances belonging to ASHFORD PLACE as described above.

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 a singular, a reference shall also be included to the plural where the same would be appropriate.

**R.** 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 a singular, a reference shall also be included to the plural where the same would be appropriate.

**ARTICLE IV**

**ARTICLE IV**

**COMMON ELEMENTS**

**COMMON ELEMENTS**

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

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

**A. The General Common Elements are:**  
1. The land described in Article II hereof, including sidewalks and roadways but specifically excluding the approach and driveways leading from the main roadways into the garage area of each condominium unit

**A. The General Common Elements are:**  
1. The land described in Article II hereof, including sidewalks and roadways but specifically excluding the approach and driveways leading from the main roadways into the garage area of each condominium unit

2. The electrical transmission system throughout the project up to but not including the electric meter for each unit, together with common lighting for the project.

3. The gas distribution system throughout the Project up to but not including the gas meter for each unit.

4. The telephone system throughout the Project up to the point of entry to each unit.

5. The water distribution system throughout the project up to the point of connection where each unit's water line connects with a particular plumbing facility serving a particular condominium unit including that contained within unit walls. Where applicable, the water line (general common element) may pass through a condominium unit other than that served by the particular water line.

6. The sanitary sewer system throughout the project up to the point of connection with a plumbing facility which may be located in an individual condominium unit.

7. The storm drainage systems throughout the project.

8. The foundations, supporting columns, unit roofs, walls, as shown on Exhibit "B" ceilings, floor construction and furnace chimneys which protrude from the roof excluding windows and doors appurtenant to each condominium unit.

9. All elements of the project designated as general common elements in Exhibit "B" to this Master Deed.

10. Such other 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.

11. The telecommunications system, if and when it may be installed, up to but not including connections to provide service to individual units.

Some or all of the utility lines, systems (including mains and service leads) and equipment, described above may be owned by the local public authorities 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 a co-owner's interest therein, if any, and the Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.

Some or all of the utility lines, systems (including mains and service leads) and equipment described above ("utility system") may service single buildings containing more than one condominium unit.

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.

Common Elements are:

**B. The Limited Common Elements are:**

1. Interior surfaces of unit perimeter walls, ceilings, and floors contained within such units all of which shall be subject to the exclusive enjoyment and usage of the co-owner of each such unit.
2. All windows, doors and screens shall be limited in use to the owners of the units to which they are attached.
3. Each individual furnace, air conditioner and compressor shall be limited in use to the co-owner of the individual unit which is served by each such described appliance including all duct work and transmission lines appurtenant thereto.
4. Cooling and heating duct work, electrical wiring, floor and ceilings of each unit shall be limited in use to the co-owner who is served by such cooling and heating duct work.
5. Each building contains a single sump pump which services all of the condominium units in that building. That sump pump is a Limited Common Element limited in use to and applicable to all of the individual condominium units included in the applicable building.
6. Meters for natural gas and electricity shall be Limited Common Elements respectively pertinent to each unit for which they measure such utility service.
7. The driveway approach leading from the private drive ("Maitland Drive") servicing all of the condominium units to the garage entrance of each individual condominium unit, as indicated on Sheet 3 of Exhibit "B" to this Master Deed shall be limited in use to the co-owners whose units are served by such driveway approach.
8. Each porch and patio deck appurtenant to each condominium unit shall be limited in use to the co-owner of the applicable individual condominium unit.
9. The walkway from the driveway approach to the front porch and entranceway of each unit shall be limited in use to the co-owner of the applicable individual condominium unit.
10. Each building contains a single water meter which provides and measures water used by all of the condominium units located in each such building. That water meter is a Limited Common Element limited in use to and applicable to all of the individual condominium units included in the applicable building.
11. Those areas designated as Limited Common Elements in Sheet 3 and Sheets 5 through 10, inclusive of Exhibit "B" hereto.

C. Costs of maintenance, repair and replacement of all general common elements described in sub-paragraph A of this Article shall be borne by the Association except as noted below.

1. The common expenses associated with the maintenance, repair, renovation, restoration or replacement of a limited common element shall be specifically assessed against the condominium unit to which that limited common element was assigned at the time the expenses are incurred. Any other unusual common expenses benefitting 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 the reasonable provisions and as is set forth in Section 69 of the Act.

2. The amount of all common expenses not specifically assessed in accordance with the foregoing shall be assessed against the condominium unit in proportion to the number of votes in the Association of Co-Owners appurtenant to each condominium unit in the manner set forth in Section 69(3) of the Act.

3. The Association shall have the specific responsibility to decorate, maintain, repair and replace the following items; the cost for these items shall be considered expenses of administration:

- a. All landscaped areas.
- b. All sidewalks and private roadways.
- c. The exterior of all buildings including trim and hardware.
- d. Mailbox and mailbox stands, if any.
- e. Rubbish removal systems, if any.
- f. All common lighting.
- g. The underground water sprinkling system.
- h. All other items as set forth in Section A above and referred to as General Common Elements.
- i. All exterior painting including windows and doors.

4. Each co-owner shall have the responsibility to decorate, maintain, repair and replace the following items:

a. All appliances within a unit and supporting hardware including but not limited to furnace, humidifier, air cleaner, air conditioning and compressor, garbage disposal, dishwasher, range and oven, vent fan, duct work, vent covers and filters and hot water heaters.

b. Individual unit entry doors, all doors and windows (including door-walls), screens related hardware within the individual unit. Painting and decorating of the exterior of such units shall be the responsibility of the Association in accordance with the provisions of Subparagraph C.3., hereinabove.

- c. All electrical fixtures or appliances within an individual unit including but not limited to, lighting fixtures, switches, outlets, antenna outlets and circuit breakers. Any modification to the existing electrical system must be approved by the Board of Directors in writing and completed by a licensed electrician.
- d. Any electrical outlets connected to an individual unit's electrical meter but located on the exterior of a unit.
- e. All plumbing fixtures including shut-off valves, wax rings and washers located on or within an individual unit's perimeter walls.
- f. All cabinets, counters, interior doors, closet doors, sinks, tile (either floor or wall) and related hardware.
- g. All improvements or decorations including but not limited to paint, wallpaper, carpeting and trim.
- h. Individual unit drain lines located within the unit perimeter walls.
- i. All limited common elements assigned to an individual condominium unit excluding driveway approaches and driveways.
- j. All other items not specifically enumerated above which may be located within an individual unit's perimeter walls.
- k. The costs of decoration and maintenance of all surfaces referred to in Article IV B.1 shall be borne by the co-owner of each unit to which said Limited Common Elements are appurtenant.

No co-owner shall use his unit or the common elements in any manner inconsistent with the purposes of the project or in any manner which will interfere with or impair the rights of any other co-owner in the use and enjoyment of his unit or the common elements.

**ARTICLE V**  
**UNIT DESCRIPTION AND PERCENTAGE OF VALUE**

**ARTICLE V**  
**UNIT DESCRIPTION AND PERCENTAGE OF VALUE**

Each unit in the condominium project is described in this paragraph with reference to the Condominium Subdivision Plan of ASHFORD PLACE as surveyed by ZEIMET-WOZNIAK & ASSOCIATES, INC. and attached hereto as Exhibit "B". Each condominium unit shall include all that space contained within the interior, finished, unpainted walls and ceilings and from the finished sub-floor or basement floor where applicable, and including garage area, all as is shown on the floor plans and sections in Exhibit "B" hereto. The dimensions shown on the perimeter plan in Exhibit "B" have been or will be physically measured. In the event that the dimensions on a measured perimeter plan of any specific unit, including the garage area, differ from the dimensions of the typical foundation or perimeter plan for such unit in Exhibit "B", then the typical upper-floor plan for such unit, including the garage area, shall be deemed to be automatically changed for such specific unit in elevations.

A. Each unit in the condominium project is described in this paragraph with reference to the Condominium Subdivision Plan of ASHFORD PLACE as surveyed by ZEIMET-WOZNIAK & ASSOCIATES, INC. and attached hereto as Exhibit "B". Each condominium unit shall include all that space contained within the interior, finished, unpainted walls and ceilings and from the finished sub-floor or basement floor where applicable, and including garage area, all as is shown on the floor plans and sections in Exhibit "B" hereto. The dimensions shown on the perimeter plan in Exhibit "B" have been or will be physically measured. In the event that the dimensions on a measured perimeter plan of any specific unit, including the garage area, differ from the dimensions of the typical foundation or perimeter plan for such unit in Exhibit "B", then the typical upper-floor plan for such unit, including the garage area, shall be deemed to be automatically changed for such specific unit in elevations.

B. The percentage of value assigned to each condominium unit is set forth in subparagraph C below. The percentages of value are computed on the basis of assigning an equal percentage of value for each unit with the resulting percentages reasonably adjusted to total precisely 100%. The percentage of value assigned to each unit shall be determinative of each co-owner's undivided interest in the common elements, the proportionate share of each prospective co-owner in the proceeds and expenses of the administration and the value of each co-owner's vote at meetings of the Association of Co-Owners. The total value of the project is 100%. The percentage of value allocated to each condominium unit may be changed only with the unanimous consent of all co-owners expressed in an amendment to this Master Deed, duly approved and recorded, except that changes may be specifically made in the percentages of value by the Developer without the consent of any co-owners and without the consent of the mortgagee of any co-owner for the purposes of enlarging the condominium development in accordance with the provisions of Article VI so as to increase the number of condominium units and reallocate the percentage of value computed in accordance with the foregoing formula and distributed over the entire condominium development as enlarged shall not exceed and shall equal 100%, or for the purpose of increasing the number of condominium units by converting units designated as "need not be built" to "must be built". Any increase in the total number of condominium units by such redesignation shall require the Developer, without the consent of the co-owners or their mortgagees, to reallocate the percentage of value set forth below so that the total percentage of value computed in accordance with the foregoing formula and distributed over the entire condominium development as so increased, shall not exceed and shall equal 100%. The Developer's rights to reallocate and reassign percentages of value as set forth in this paragraph shall not be limited and may be exercised by the Developer repeatedly up to but not exceeding the inclusion of the total of Sixty-Eight (68) condominium units. Thereafter, the Developer's rights to reassign percentages of value without the consent of the co-owners shall expire.

C. Set forth below are:

- (1) Each condominium unit number as it appears on the Condominium Subdivision Plan.
- (2) The percentage of value assigned to each condominium unit.

<u>UNIT NUMBER</u>	<u>PERCENTAGE OF VALUE</u>
1	.25
2	.25
3	.25
4	.25

Each condominium unit shall have an undivided interest in the common elements proportionate to its percentage of value as hereinabove set forth in the manner provided for in Section 37 of the Act

of units and/or limited common elements described in Exhibit "A" may be modified in the Developer's sole discretion by enlargement or reduction in size by amendment affected solely by the Developer and its successors, without the consent of any other person so long as such modifications do not unreasonably impair or diminish the appearance of the project or the view, privacy or other significant attribute or amenity of any unit which adjoins or is proximate to the modified unit of limited common element. Such modified unit shall not be constructed without the prior amendment of the Master Deed. The Developer may in connection with any such amendment, readjust percentages of value for all units in a manner which gives reasonable recognition to such unit or limited common element modification based upon the method of original determination of percentage of value for the project. All of the co-owners and mortgagees of units or other persons interested to become interested in the project from time to time shall be deemed to have unananimously consented to such amendment to this Master Deed to effectuate the foregoing and, subject to the limitations set forth herein, proportionate reallocations of percentages of value of existing units which the Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint the Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing.

D. The dimensions of units and/or limited common elements appurtenant to any units described in Exhibit "B" may be modified in the Developer's sole discretion by enlargement or reduction in size by amendment affected solely by the Developer and its successors, without the consent of any other person so long as such modifications do not unreasonably impair or diminish the appearance of the project or the view, privacy or other significant attribute or amenity of any unit which adjoins or is proximate to the modified unit of limited common element. Such modified unit shall not be constructed without the prior amendment of the Master Deed. The Developer may in connection with any such amendment, readjust percentages of value for all units in a manner which gives reasonable recognition to such unit or limited common element modification based upon the method of original determination of percentage of value for the project. All of the co-owners and mortgagees of units or other persons interested to become interested in the project from time to time shall be deemed to have unananimously consented to such amendment to this Master Deed to effectuate the foregoing and, subject to the limitations set forth herein, proportionate reallocations of percentages of value of existing units which the Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint the Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing.

ARTICLE VI

ARTICLE VI

SCOPE OF THE CONDOMINIUM

EXPANSION OF THE CONDOMINIUM

The condominium project established pursuant to this initial Master Deed of ASHFORD PLACE consists of four (4) units. Each of these units, designated 1 through 4, inclusive, must be built. Units 5 through 32 need not be built. In addition thereto, the Developer reserves the right to expand the condominium up to a maximum of Sixty Eight (68) condominium units. The expansion will utilize the future development area indicated in Sheet 3 of Exhibit "B". Those units need not be built as is set forth in Article VII of this Master Deed.

The condominium project established pursuant to this initial Master Deed of ASHFORD PLACE consists of four (4) units. Each of these units, designated 1 through 4, inclusive, must be built. Units 5 through 32 need not be built. In addition thereto, the Developer reserves the right to expand the condominium up to a maximum of Sixty Eight (68) condominium units. The expansion will utilize the future development area indicated in Sheet 3 of Exhibit "B". Those units need not be built as is set forth in Article VII of this Master Deed.

Any provisions of this Master Deed notwithstanding, the number of units in the project may at the option of the Developer or its successors or assigns, from time to time be increased by the addition to the condominium of any portion of the future development and the construction of residential units thereon. The location, nature, appearance, design (interior and exterior) and structural components of all such additional units as may be constructed thereon shall be determined by the Developer in its sole discretion, subject only to approval by the City of Ann Arbor. Such increase in size of this condominium shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law. Such amendment or amendments shall be prepared by and at the discretion of the Developer or its successors and in which the percentages of value as set forth in Article V hereof shall be proportionately readjusted in order to reserve a total value of 100% for the entire project resulting from such amendment or amendments to this Master Deed.

Any provisions of this Master Deed notwithstanding, the number of units in the project may at the option of the Developer or its successors or assigns, from time to time be increased by the addition to the condominium of any portion of the future development and the construction of residential units thereon. The location, nature, appearance, design (interior and exterior) and structural components of all such additional units as may be constructed thereon shall be determined by the Developer in its sole discretion, subject only to approval by the City of Ann Arbor. Such increase in size of this condominium shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law. Such amendment or amendments shall be prepared by and at the discretion of the Developer or its successors and in which the percentages of value as set forth in Article V hereof shall be proportionately readjusted in order to reserve a total value of 100% for the entire project resulting from such amendment or amendments to this Master Deed.

The precise determination of the readjustments and percentages of value shall be made within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the method of original determination of percentages of value for the project.

Any amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of general or limited common elements as may be necessary to adequately describe, serve and provide access to the additional condominium units being added to the project by such amendment. In connection with any such amendment, the Developer shall have the right to change the nature of any common element previously included in the project for any purpose reasonably necessary to achieve the purposes of this Article, including but not limited to, the connection of roadways and sidewalks in the project to any roadway and sidewalk that may be located on or planned for the area of future development and to provide access to any unit that is located on or planned for the area of future development from the roadways and sidewalks located in the project.

All of the co-owners and mortgagees of units and other persons interested or to become interested in the project from time to time shall be deemed to have irrevocably and unambiguously consented to such amendment or amendments to this Master Deed to effectuate the foregoing and to any proportion or reallocation of percentages of value of existing units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint the Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording the entire Master Deed or the exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the exhibits hereto; provided, however, that a Consolidating Master Deed shall be recorded pursuant to the Act when the project is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of the development. The Consolidating Master Deed when recorded shall supersede the previously recorded Master Deed and all amendments thereto. The Developer, or its successors and assigns, may in its discretion establish all or a portion of said future development as a rental development, a separate condominium project, or any other form of development. There are no restrictions on the election of the Developer to expand the project other than as explicitly set forth herein. There is no obligation on the part of the Developer to construct those condominium units designated on Exhibit "B" as "Need Not Be Built" all as is set forth in the succeeding Article in this Master Deed.

In no event shall there be any change in the percentage interests in the common elements more than six (6) years after the effective date of this Master Deed.

#### ARTICLE VII

#### NON-REQUIRED CONSTRUCTION

The land comprising this condominium project has been approved by the City of Ann Arbor for the construction of up to Sixty Six (66) condominium units.

As is designated in Exhibit "B", units 1 through 4, inclusive, must be built. Units 5 through 32 need not be built. Additional units which may be constructed in the future development area indicated in Sheet 3 of Exhibit "B" need not be built. Construction of those buildings and the condominium units contained therein, together with any other condominium units up to and including the total of Sixty Six (66) condominium units as set forth in the site plan approved by the City of Ann Arbor, shall be at the sole option of the Developer and shall be subject to the Developer's uncontrolled discretion. In the event that any condominium unit labeled "need not be built" on Exhibit "B" to this Master Deed shall, at the option of the Developer, be constructed, the Developer shall file an amendment to this Master Deed redesignating such proposed construction as "must be built", and shall thereupon include in that amendment a reallocation of the percentages applicable to the increased number of units and applying a pro-rata application of the percentage of value to each unit in accordance with the formula set forth in Article V so that the resulting total of percentages of value applied over the increased number of condominium units that "must be built" equal 100%, all as is set forth in Article V.

SECTION VIII  
OF LIMITED COMMON ELEMENTS

**ARTICLE VIII**

**ASSIGNMENT OF LIMITED COMMON ELEMENTS**

Any limited common element as set forth within the Master Deed may be reassigned in accordance with Section 39 of the Act. The limited common elements may be reassigned upon the written application of the co-owners concerned to the principal officer of the Association of Co-Owners. The officer or persons to whom the application is duly made shall promptly prepare and execute an amendment to the Master Deed reassigning all rights and obligations with respect to the limited common element involved. The amendment shall be delivered to the co-owners of the condominium units concerned upon payment by them of all reasonable costs for the preparation and recording of the amendment to the Master Deed.

A common element not previously assigned as a limited common element shall be so assigned only in pursuance of the provisions of the condominium documents and of the Act.

SECTION IX  
OF CONVERTIBLE AREA  
AND COMMON ELEMENTS

**ARTICLE IX**

**CONVERSION OF CONVERTIBLE AREA INTO UNITS OR COMMON ELEMENTS**

The Developer may convert all or any portion of any convertible area into condominium units or common elements, including, without limitation, limited common elements to facilitate the purposes set forth in Article VIII. In such event, the Developer shall promptly prepare, execute and record an amendment to the Master Deed describing the conversion. The amendment shall assign an identifying number to each condominium unit formed out of convertible areas and shall allocate to each condominium unit a portion of the undivided interest in the common elements appertaining to that area. The amendment shall describe or delineate any limited common elements formed out of the convertible area showing or designating the condominium unit or condominium units to which each is assigned.

The convertible area referred to in this Article is designated in Exhibit "B" to this Master Deed. Condominium units may be created within the convertible area resulting in a total of up to Sixty Six (66) condominium units in the Condominium Project. The condominium units shall be residential dwellings similar in value and compatible in design with those units theretofore constructed. To facilitate the purpose of this Article, the Developer does hereby reserve the unrestricted right as may be necessary in the Developer's sole discretion to create limited common elements within the convertible area and to designate common elements therein which may be subsequently assigned as limited common elements to fulfill the purpose of expanding the condominium development to a potential of Sixty Six (66) condominium units.

The provisions set forth in this Article shall expire six (6) years from the date of recording of this Master Deed.

## ARTICLE I

### SUBDIVISION CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, units in the condominium may be subdivided, consolidated, modified and the boundaries relocated in accordance with Section 48 and 49 of the Act and this Article; such changes in the affected unit or units shall be promptly reflected in a duly recorded Amendment or Amendments to this Master Deed.

#### A. BY THE DEVELOPER

The Developer reserves the sole right during the Construction and Sales Period and without the consent of any other co-owner or any mortgagee of any unit to take the following action:

- A) To subdivide or re-subdivide any units which it owns and in connection therewith to construct and install walls, floors, ceilings, utility conduits and connections and any other improvements reasonably necessary to affect the subdivision, any or all of which may be designated by the Developer as general or limited common elements; such construction shall not adversely affect the structural integrity of the buildings nor disturb any utility connections serving units other than temporarily. Such subdivision or re-subdivision of units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns.
- B) To consolidate under single ownership two or more units which are separated only by unit perimeter walls. In connection with such consolidation, the Developer may alter or remove all or portions of the intervening wall, provided that the structural integrity of the building is not affected thereby and provided that no utility connections serving other units are disturbed other than temporarily.

units shall be given effect by amendments to this Master Deed which amendment or amendments shall be at the sole discretion of the Developer. Such consolidation of units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by Law, which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns.

C) To relocate any boundaries between adjoining units separated only by unit perimeter walls or other common elements not necessary for the reasonable use of units other than those subject to the relocation. In connection with such relocation, Developer may alter or remove all or portions of the intervening walls, provided that the structural integrity of the building is not affected thereby and provided further that no utility connections serving other units are disturbed other than temporarily. The relocation of such boundaries shall be given effect by appropriate amendment or amendments to this Master Deed in the manner provided by Law, which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns.

D) In any amendment or amendments resulting from the exercise of the rights reserved to the Developer above, each portion of the unit or units resulting from such subdivision shall be separately identified by number and the percentage of value as set forth in Article V hereof for the unit or units subdivided, consolidated or as to which boundaries are relocated shall be proportionately allocated to the new condominium units resulting in order to preserve a total value of 100% for the entire project resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustments and percentages of value shall be within the sole judgment of Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value among the various units. Such amendment or amendments to the Master Deed shall also contain such further definitions of general or limited common elements as may be necessary to adequately describe the buildings and units in the condominium project as so subdivided. All of the co-owners and mortgagees of units and other persons interested or to become interested in the project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording an entire Master Deed or exhibits hereto.

## ARTICLE XI

### EASEMENTS

#### A. EASEMENTS FOR MAINTENANCE OF ENCROACHMENTS

In the event that any portion of a Condominium Unit or Common Element encroaches upon another Condominium Unit or Common Element due to shifting, settling or moving of a building or due to survey errors or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment so long as such encroachment exists for the maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls (including interior unit walls) contained therein for the continuing maintenance and repair of all utilities of the Condominium. There shall exist easements of support with respect to any unit's interior wall which supports the Common Element.

#### B. RESERVATION OF EASEMENT BY DEVELOPER FOR SALES FACILITIES

The Developer reserves for the benefit of itself, its successors and assigns such easements as may be necessary for access to a sales office on the premises and for the continued use of such sales office until all of the Condominium Units have been sold. Accordingly, the Developer and its duly authorized agents, representatives and employees may maintain offices, model units and other facilities on the subject premises and may make such uses of said facilities as are reasonably necessary or desirable to facilitate the sale of the units in the project. The Developer shall pay all costs related to the Condominium Units or Common Elements while owned by the Developer and shall restore the facility to habitable status upon termination of use in accordance with Section 45 of the Act.

#### C. RESERVATION OF EASEMENT BY DEVELOPER FOR USE OF ROADS, DRIVEWAYS AND WALKWAYS

The Developer reserves for the benefit of itself, its successors and assigns perpetual easements for the unrestricted use of all roads, driveways and walkways in the condominium project for purposes of ingress and egress to or from all or any portion of the parcel described in Article II or any portion or portions thereof and any other land contiguous to the condominium premises which may be now owned or hereafter acquired by the Developer or its successors.

#### D. RESERVATION OF EASEMENT BY DEVELOPER FOR USE OF UTILITY LINES

The Developer also hereby reserves for the benefit of itself, its successors and assigns and all future owners of the land described in Article II or any portion or portions thereof perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located in the condominium premises including but not limited to, water, gas, telephone, electrical, cable television, storm and sanitary sewer mains. In the event that the Developer, its successors or assigns, utilizes, taps, ties into, extends or enlarges any utilities located on the condominium premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the condominium premises to their state immediately prior to such utilization, tapping, tying in, extensions or enlargements.

All expenses of maintenance, upkeep, repair and replacement of utility mains described in this Article shall be shared by this condominium and any developed portions of the land described in Article II who may benefit from such utility mains.

The co-owners of this condominium shall be responsible from time to time for payment of its proportionate share of said expenses, which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of dwelling units in this condominium, and the denominator of which is comprised of the number of such units plus all other dwelling units in the land described in Article II who benefit from such utility mains, provided, however, that the foregoing expenses are to be so paid and shared only if such expenses are not borne by a governmental agency or public utility; provided, further, however, that the expense sharing shall be applicable only to utility mains and all expenses of maintenance, upkeep, repair and replacement of utility leads shall be borne by the Association to the extent such leads are located on the condominium and by the owner or owners of the land described in Article II or a portion thereof upon which are located the dwelling units which such lead or leads service.

**E. RESERVATION OF RIGHTS BY DEVELOPER TO DEDICATE UTILITY LINES TO APPROPRIATE GOVERNMENTAL AGENCIES**

Developer reserves the right at any time during the construction and sales period to grant easements for utilities over, under and across the condominium to appropriate governmental agencies or public utility companies and to transfer title of the utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit "B" hereto as recorded in the Washtenaw County Records. All of the co-owners and mortgagees of units and other persons interested in the project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments or this Master Deed as may be required to effectuate the foregoing grant of easements or transfer of title.

**F. AUTHORITY DESIGNATED TO ASSOCIATION TO GRANT EASEMENTS**

The Association acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, licenses, rights of way over and rights of entry, under and across the condominium premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the condominium, or for any land described in Article II hereof, subject, however, to the approval of the Developer so long as the construction and sales period has not expired.

**G. ESTABLISHMENT OF EASEMENTS FOR DEVELOPER, ASSOCIATION AND THE UTILITIES FOR MAINTENANCE AND REPAIR**

The Developer, 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 and maintenance, repair, decoration or replacement, which they or any of them are required or permitted to perform under the condominium documents or by law.

These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler control valves, sump pumps and other common elements located within any individual condominium unit or its appurtenant limited common elements.

**H. AUTHORITY OF ASSOCIATION TO GRANT MISCELLANEOUS EASEMENTS AND RIGHTS OF WAY AS MAY BE REQUIRED FOR CONSTRUCTION AND COMPLETION OF PROJECT**

The Association, acting through its duly constituted Board of Directors (including but not limited to any Board of Directors acting prior to the Transitional Control Date) and subject to the Developer's approval during the Construction Sales Period shall have the power to grant such easements, licenses and other rights of way and rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, rights 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, video text, 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 affecting the administration of the condominium project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

**ARTICLE XIII**

**LEASING OF CONDOMINIUM UNITS**

The Developer reserves the right to lease one or more Condominium Units in accordance with the provisions of Section 112 of the Act.

**ARTICLE XIII**

**IMPROVEMENTS OR ALTERATIONS TO CONDOMINIUM UNITS**

A Co-Owner may make improvements or alterations within the interior of a Condominium Unit provided that said improvements or alterations do not impair the structural integrity of the structure or otherwise lessen the import of a portion of the Condominium Project. No Co-Owner shall do anything which would change the exterior appearance of a Condominium Unit or any other portion of the Condominium Project except by the following procedure:

- A. Application for such alterations or changes shall be made to the Board of Directors of the Association together with sufficient plans, drawings, or renderings as may be necessary to enable the Association to understand and evaluate the proposed changes.

... shall then appoint an architectural committee for purposes of reviewing the proposal. The members of said committee need not be members of the Board of Directors but a Director shall not be disqualified from serving on such committee.

C. The Committee may seek opinions from the Co-Owners of the Development and shall, within a reasonable time prescribed by the Directors render a recommendation and report to the Board of Directors.

D. The Board of Directors shall thereupon adopt a resolution either granting the permission for such alteration or denying same.

E. In the event that such application for changes are approved by the Board of Directors it shall be subject to a written undertaking by the Co-Owner acknowledging that all of the improvements are to be at the Co-Owner's sole expense. That injury, if any, to the Common Elements will be repaired promptly by the Co-Owner at his sole expense and that the improvements will be completed by a date to be determined and established by the Board of Directors.

F. Through and including the time that the Developer conveys the last of the maximum number of condominium units which may be built pursuant to the provisions of this Master Deed, all actions of the Architectural Control Committee pursuant to this Article shall require the specific approval of the Developer.

The Developer is specifically excluded from the provisions of this paragraph. The Developer specifically reserves to itself the right to alter, change, modify, redesign, or improve any Condominium Unit through and including such time as a Deed has been executed and delivered from the Developer to an individual purchaser.

All proceedings under this Article shall be specifically in accordance with Section 47 of the Act.

ARTICLE XIV  
CONDEMNATION

Except as may otherwise be provided by statute, in the case of condemnation or substantial loss to the units and/or common elements of the Condominium Project and at least 2/3 of the first mortgagees (based upon one vote for each mortgage owned) or owners (other than the Sponsor, Developer or Builder) of the individual condominium units have given their prior written approval, the Condominium Owners Association shall not be entitled to:

- A. By act or omission to seek to abandon or terminate the Condominium Project;
- B. Change the pro-rata interest or obligations of any condominium unit for purposes of levying assessments or charges, for allocating distributions of hazard insurance proceeds or condemnation awards, or determining the pro-rata share of ownership of each unit in the common elements;

C. Partition or subdivide any condominium unit;

D. By act or omission to seek to abandon, partition, subdivide and encumber, sell or transfer the common elements. The granting of leases for public utilities or for other public purposes consistent with the intended use of the common elements by the Condominium Project shall not be deemed a transfer within the meaning of this clause.

E. Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such improvements.

ARTICLE XV

ASSIGNMENT

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

ARTICLE XVI

DEVELOPER'S RIGHT TO CONTRACT THE CONDOMINIUM

The condominium project shall be a contractable condominium pursuant to the provisions of MCLA 559.133. Developer has reserved the right to contract the condominium project at any time prior to May 24, 1996, six (6) years following the date of recording of this Master Deed without the consent of the co-owners or mortgagees.

The land which may be withdrawn from the condominium shall be that area designated as "future development area" as indicated on Sheet 3 of Exhibit "B".

ARTICLE XVII

AMENDMENT

A. Administration of the condominium project shall be governed by Bylaws recorded as part of this Master Deed and designated as Exhibit "A" to this Master Deed. An amendment to the Bylaws shall be governed by the provisions of those Bylaws, Exhibit "A" to this Master Deed and by Section 54 of the Act. Any amendment shall be inoperative until recorded.

B. A change in the condominium project shall be reflected by an amendment to the appropriate condominium documents. If a change involves a change in the boundaries of a condominium unit or the addition or elimination of condominium units, a replat of the Condominium Subdivision Plan shall be prepared and recorded assigning a condominium unit number to each condominium unit in the amended project. The foregoing shall conform to the requirements of Section 67 of the Act

(1) The condominium documents may be amended without the consent of co-owners or mortgagees if the amendment does not materially alter or change the rights of co-owner or mortgagee. Accordingly, the Developer does hereby reserve the right to effectuate such an amendment for that purpose. An amendment which does not materially change the rights of a co-owner or mortgagee includes, without limitation, a modification of the types and sizes of unsold condominium units and appurtenant limited common elements.

(2) Except as provided in this Article, the Master Deed, Bylaws and Condominium Subdivision Plan may be amended, even if the amendment will materially alter or change the rights of the co-owners or mortgagees with the consent of not less than two-thirds (2/3) of the votes of the co-owners and mortgagees. The mortgagee shall have one vote for each mortgage held.

(3) The Developer does hereby reserve the right to amend materially, the condominium documents to achieve the purposes designated elsewhere in this Master Deed excluding, however, an amendment of the method or formula used to determine the percentage of value of units in the project for other than voting purposes and any provisions relating to the ability or terms under which a co-owner may rent a unit. Such modifications require the consent of each affected co-owner and mortgagee. The co-owner's condominium unit dimensions or appurtenant limited common elements may not be modified without the consent of the affected co-owner. The Developer further reserves the right to amend the site plan set forth in Exhibit "B", to alter, amend, change or refine the number and designation of condominium units, the location of roadways, the design and specifications applicable to unbuild units and the size and selling price of such units, or to change, alter or amend other physical characteristics of the project.

(4) Co-owners and mortgagees of record shall be notified of proposed amendments under this Section, not less than ten (10) days before the amendment is recorded.

(5) The person causing or requesting an amendment to the condominium documents shall be responsible for the costs and expenses of the amendment except for amendments based upon a vote of two-thirds (2/3) of co-owners and mortgagees or based upon the advisory committee's decision, the costs of which are expenses of administration.

(6) A Master Deed amendment including the Consolidating Master Deed dealing with the addition, withdrawal or modification of units or other physical characteristics of the project shall comply with the standards prescribed in Section 66 for preparation of an original condominium subdivision plan for the project.

(7) Nothing contained in this Article shall be deemed to abridge in any way the Developer's right to amend this Master Deed for purposes of enlarging the condominium in accordance with the provisions of Article VI of this Master Deed.

Amendments pursuant to said Article VI may be made unilaterally by the Developer without consent of any co-owners at the Developer's sole discretion.

(8) Any person causing or requesting an amendment to the Condominium Documents shall be responsible for costs and expenses of the amendment except for amendments based upon a vote of a prescribed majority of Co-owners or based upon the Advisory Committee's decision; the costs of which are expenses of administration.

(9) An amendment to the Master Deed or other recorded condominium documents shall not be effective until the amendment is recorded.

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

WITNESSES:

ASHFORD PLACE, INC. d/b/a  
TRI-MOUNT/ASHFORD PLACE, INC.,  
a Michigan corporation,

Nancy M. [Signature]  
NANCY M. [Signature]  
Karen S. [Signature]  
KAREN S. [Signature]

By: Stanley M. Moffitt  
Stanley M. Moffitt, Secretary

State of Michigan)  
) ss  
County of Oakland)

On this 24<sup>th</sup> day of 7/24, 1990, before me a Notary Public in and for said County, personally appeared STANLEY M. MOFFITT, to me personally known, who being by me duly sworn, did say that he is the person named in and who executed the within instrument, and that said instrument was signed by himself as his free act and deed on behalf of ASHFORD PLACE, INC., d/b/a TRI-MOUNT/ASHFORD PLACE, INC.

[Signature]  
Notary Public  
County, Michigan  
My Commission Expires: 7/17/91  
Wayne County

DRAFTED BY AND WHEN RECORDED  
RETURN TO:

David S. Snyder, Esq.  
SNYDER AND HANDLER, P.C.  
1365 American Center  
27777 Franklin Road  
Southfield Michigan 48034



## ASHFORD PLACE

### AMENDED AND RESTATED EXHIBIT "A"

#### BYLAWS

#### ARTICLE I

#### ASSOCIATION OF CO-OWNERS

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

#### ARTICLE II

#### ASSESSMENTS

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

**Section 1. Assessments for Common Elements.** All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute

expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

**Section 2. Determination of Assessments.** Assessments shall be determined in accordance with the following provisions:

(a) **Budget.** The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular monthly payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a non-cumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the delivery of a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$1,500.00 annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely

with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

(b) Special Assessments. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding \$1,500.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, (3) assessments to purchase a Unit for use as a resident manager's Unit, or (4) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Co-owners in number and in value.

The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in 12 equal monthly installments, 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. A late charge of \$25 per installment per month may be added to each installment in default for 5 or more days until each installment together with the applicable rate charges is paid in full. Each Co-owner (whether 1 or more persons) including a land contract vendee, shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally

liable for all such assessment levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection, and enforcement of payment, including reasonable attorneys fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

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

**Section 5. Enforcement.**

(a) **Remedies.** In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or, other services to a Co-owner in default upon 7 days written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from 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. The Association may assess an automatic late charge, not to exceed \$25 for each month that a maintenance assessment remains delinquent. Maintenance assessments shall be deemed to be delinquent if not paid within 30 days after they become due. Additionally, the Association may assess additional fines for chronic late payment or non-payment of assessments in accordance with the provisions of Article XIX, Section 4 of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) **Foreclosure Proceedings.** Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing

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

(c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, a written notice that 1 or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within 10 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative, of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien (iii) the amount outstanding (exclusive of interest, costs, attorney's fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record.

Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10 day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

(d) Expenses of Collection. The expenses incurred in collecting unpaid, assessments, including interest, costs, actual attorneys fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.

**Section 6. Liability of Mortgagee.** Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgagee or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

**Section 7. Developer's Responsibility for Assessments.** During the Construction and Sales period as defined in Article III of the Master Deed, the Developer of the Condominium, even though a member of the Association, shall not be responsible for payment of the monthly Association assessment. Developer, however, shall during the Construction, and Sales Period pay a proportionate share of the Association's current maintenance expenses actually incurred from time to time based upon the ratio of completed Units owned by Developer at the time the expense is incurred to the total number of Units in the Condominium. In no event shall Developer be responsible for payment, during the Construction and Sales Period, of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to occupied Units owned by it. Developer shall not be responsible at any time for payment of said monthly assessment or payment of any expenses whatsoever with respect to unbuilt Units notwithstanding the fact that such unbuilt Units may have been included in the Master Deed. "Occupied Unit" shall mean a Unit used as a residence. "Completed Unit" shall mean a Unit with respect to which a certificate of occupancy has been issued by the City of Ann Arbor, Washtenaw County.

**Section 8. Property Taxes and Special Assessments.** All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

**Section 9. Personal Property Tax Assessment of Association Property.** The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and

personal property taxes based thereon shall be treated as expenses of administration.

**Section 10. Mechanic's Lien.** A mechanic's lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

**Section 11. Statement as to Unpaid Assessments.** The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least 5 days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

### ARTICLE III

#### ARBITRATION

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

**Section 2. Judicial Relief.** In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from

petitioning the courts to resolve any such disputes, claims or grievances.

**Section 3. Election of Remedies.** Such election and written consent by Co-owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

#### ARTICLE 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 and certain other portions of the Condominium Project, as set forth below, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) **Responsibilities of Co-owners and Association.** All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners. Each Co-owner may obtain insurance coverage at his own, expense upon his Unit. It shall be each Co-owner's responsibility to determine by personal investigation or from his own insurance advisors the nature and extent of insurance coverage adequate to his needs and thereafter to obtain insurance coverage for his personal property and any additional fixtures, equipment and trim (as referred to in subsection (b) below) located within his Unit or elsewhere on the Condominium and for his personal liability for occurrences within his Unit or upon Limited Common Elements appurtenant to his Unit, and also for alternative living expense in event of fire, and the Association shall have absolutely no responsibility for obtaining such coverages. The Association, as to all policies which it obtains, and all Co-owners, as to all policies which they obtain, 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.

(b) **Insurance of Common Elements and Fixtures.** All Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage

endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors, of the Association in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium Project with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total project destruction if the insurance proceeds failed, for some reason, to be equal to the total cost of replacement). All information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours so that Co-owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting to change the nature and extent of any applicable coverages, if so determined.

Upon such annual re-evaluation and effectuation of coverage, the Association shall notify all Co-owners of the nature and extent of all changes in coverages. Such coverage shall also include interior walls within any Unit and the pipes, wire, conduits and ducts contained therein. It shall be each Co-owner's responsibility to determine the necessity for and to obtain insurance coverage for all fixtures, equipment, trim and other items or attachments within the Unit or any Limited Common Elements appurtenant thereto, and the Association shall have no responsibility whatsoever for obtaining such coverage unless agreed specifically and separately between the Association and the Co-owner in writing.

(c) Premium Expenses. All premiums upon 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, and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

**Section 2. Authority of Association to Settle Insurance Claims.** 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 appurtenant thereto, with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

## ARTICLE V

### RECONSTRUCTION OR REPAIR

**Section 1. Determination to Reconstruct or Repair.** If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

(a) **Partial Damage.** 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 a unanimous vote of all of the Co-owners in the Condominium that the Condominium shall be terminated.

(b) **Total Destruction.** If the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt unless 80% or more of the Co-owners in value and in number agree to reconstruction by vote or in writing within 90 days after the destruction.

**Section 2. Repair in Accordance with Plans and Specifications.** Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Project 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 Repair.**

(a) **Definition of Co-owner Responsibility.** If the damage is only to a part of a Unit which is the responsibility of a Co-owner to maintain and repair, it shall be the respon-

sibility of the Co-owner to repair such damage in accordance with subsection (b) hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

(b) Damage to Interior of Unit. Each Co-owner shall be responsible for the reconstruction, repair and maintenance of the interior of his Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls (but not any Common Elements therein), interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event of damage to interior walls within a Co-owner's Unit, or to pipes, wires, conduits, ducts or other Common Elements therein, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 4 of this Article V. If any other interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgagee lien on any of the Units in the Condominium.

**Section 4. Association Responsibility for Repair.** Except as provided in Section 3 hereof, the Association shall be responsible for the reconstruction, repair and maintenance of the Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

**Section 5. Timely Reconstruction and Repair.** If damage to Common Elements or a Unit adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property without delay, and shall complete such replacement within 6 months after the date of the occurrence which caused damage to the property.

**Section 6. Eminent Domain.** Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

(a) **Taking of Unit.** In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Co-owner and his mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and his mortgagee, as their interests may appear.

(b) **Taking of Common Elements.** If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

(c) **Continuation of Condominium After Taking.** In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly; and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner. Costs incurred to accomplish matters required by this subsection shall be borne by the Association.

(d) **Notification of Mortgagees.** 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. Notification of FHLMC.** In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon request therefor by FHLMC, the Association shall give it written notice at such address as it may,

from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000.00 in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.

**Section 8. Priority of Mortgagee Interests.** 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

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

**Section 1. Residential Use.** No Unit in the Condominium shall be used for other than single-family residence purposes and the Common Elements shall be used only for purposes consistent with the use of single-family residences.

**Section 2. Leasing and Rental.**

(a) **Right to Lease.** A Co-owner may lease his Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least 6 months unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the Condominium in its discretion.

(b) **Leasing Procedures.** The leasing of Units in the Project shall conform to the following provisions:

(1) A Co-owner, including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least 10 days before presenting a lease form to a potential lessee of the Unit

and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. A credit report and background information on the proposed tenant, including references shall be submitted with the proposed Lease Agreement. If Developer desires to rent Units before the Transitional Control Date, it shall notify either the Advisory Committee or each Co-owner in writing.

(2) No Unit shall be leased without the specific written authority of the Association approving the proposed Lease Agreement and proposed tenant.

(3) Tenants or non-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements shall so state.

(4) 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:

(i) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.

(ii) The Co-owner shall have 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.

(iii) If after 15 days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-co-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non co-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.

(5) When a Co-owner is in arrears to the Association for assessments, the Association may give written

notice, of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant.

**Section 3. Alterations and Modifications.** No Co-owner shall make alterations in exterior appearance or make structural modifications to his Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, Limited or General, without the express written approval of the Board of Directors, including without limitation exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters, newspaper holders, mailboxes, basketball back boards or other exterior attachments or modifications. 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 which affects an Association responsibility in any way. It shall be permissible for Co-owners to cause to be installed television antennas in the attic areas above Units; providing, however, that any damage or expense to the Common Elements or to the Association resulting from such installation shall be borne by the Co-owner performing or authorizing such installation. 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.

**Section 4. Activities.** No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, Limited or General, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time and disputes among Co-owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: Any activity involving the use of firearms, air rifles,

pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices.

**Section 5. Aesthetics.** 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. Garage doors shall be kept closed at all times except as may be reasonably necessary to gain access to or from any garage. No unsightly condition shall be maintained on any patio, porch or deck and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use.

Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. 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 is detrimental to the appearance of the Condominium.

**Section 6. Pets.** Except as hereafter provided, no animals shall be maintained by any Co-owner unless specifically approved in writing by the Association. The Developer shall be entitled to make an exception to the foregoing limitation for an owner or occupant who owns a cat, or who owns a dog, at the time of taking occupancy after the initial purchase of a Unit from the Developer. When such cat or dog dies or is otherwise disposed of, it may not be replaced without the prior written consent of the Association. No more than one dog and/or two cats are allowed per Condominium Unit. No animal may be kept or bred for any commercial purpose and shall have such care and restraint to as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the Common Elements, Limited or General. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. EACH CO-OWNER SHALL BE RESPONSIBLE FOR THE IMMEDIATE COLLECTION AND DISPOSITION OF ALL FECAL MATTER DEPOSITED BY ANY PET MAINTAINED BY SUCH CO-OWNER. No pet shall be permitted to be tethered on the Common Elements. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any Unit

or on the Common Elements. It is the Co-owner's responsibility to have all animals registered and licensed with the City of Ann Arbor.

The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of the Ashford Place Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this policy. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation, the Board of Directors of the Association may assess fines for such violation in accordance with Article II of the Ashford Place Bylaws and in accordance with duly adopted rules and regulations.

**Section 7. Vehicles.** No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal transportation use, may be parked or stored upon the premises of the Condominium, unless parked in the garage with the door closed. No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Each Co-owner shall park his car in the garage space provided therefor and shall park any additional car which he owns in the Limited Common Element space assigned to him immediately adjoining his garage space. Co-owners shall, if the Association shall require, register with the Association all cars maintained on the Condominium premises. Use of motorized vehicles and commercial vehicles as provided in this Section 7, is absolutely prohibited. Overnight parking on any street in the Condominium is prohibited except as the Association may make reasonable exceptions thereto from time to time. The Association shall have the right to place or cause to be placed adhesive windshield stickers on cars improperly parked and to tow vehicles to off-premises locations, all without any liability on the part of the Association to the owners or users of any such improperly parked vehicles.

**Section 8. Advertising.** No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, without written permission from the Association and, during the Construction and Sales Period, from the Developer.

**Section 9. Rules and Regulations.** It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.

**Section 10. Right of Access of Association.** The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements.

The Association or its 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 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 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 11. Landscaping.** Landscaping by an individual co-owner on a patio which may be a limited common element assigned to his particular unit must receive prior written approval from the Board of Directors of the Association before installation or significant alteration. The model units have been landscaped by the Developer as part of the presentation of such units. However, the Developer has reserved the right to install landscaping on the various condominium units in a manner which may or may not be similar to that installed in the model units. PLEASE NOTE THAT ALTERATIONS OF THE LANDSCAPING OR GRADING CAN CAUSE DRAINAGE PROBLEMS. No landscaping may be installed or altered by any co-owner without the express written consent of the Developer or the Association.

**Section 12. Common Element Maintenance.** Sidewalks, yards, landscaped areas, driveways, roads, parking areas, shall not be obstructed nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements.

**Section 13. Co-owner Maintenance.** Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto 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 or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, unless such damages or costs are covered by 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.

**Section 14. Burglar Alarm System.** If a co-owner wishes to install a burglar alarm or other type of warning system, prior approval must be obtained from the Association as to the type of system to be installed. That approval shall not be unreasonably withheld as long as the system to be installed has no exterior appurtenance that will not unreasonably interfere with the rights of other co-owners.

**Section 15. Outbuildings.** No co-owner shall construct any outbuilding of any kind, nature or description or for any usage whatsoever.

**Section 16. Fire Lanes.** The City of Ann Arbor may designate all or a portion of the interior roadways of the Condominium Premises as fire lanes. Blockage of those fire lanes by parked vehicles is expressly prohibited.

**Section 17. Parking Regulations.** The Association may, from time to time, establish reasonable parking regulations applicable to the Common Elements of the Condominium. The Association shall have the full power and authority to cause the removal of vehicles violating those regulations.

**Section 18. Reserved Rights of Developer.**

(a) **Prior Approval by Developer.** During the Construction and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any Unit, nor shall any hedges,

trees or substantial plantings or landscaping modifications be made, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color, scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole and any adjoining properties under development or proposed to be developed by Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

(b) Developer's Rights in Furtherance of Development and Sales. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Construction and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by Developer; and may continue to do so during the entire Construction and Sales Period, or for so long as Developer continues to construct or proposes to construct additional residential units or owns or holds an option or other enforceable interest in land for residential development within one mile of the Condominium Premises. Developer shall restore the areas so utilized to habitable status upon termination of use.

(c) Enforcement of Bylaws. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent

with the maintenance of such high standards, then Developer, or any entity to which it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Construction and Sales Period notwithstanding that it may no longer own a Unit in the Condominium which right of enforcement may include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

## ARTICLE VII

### MORTGAGES

**Section 1. Notice to Association.** Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within 60 days.

**Section 2. Insurance.** The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

**Section 3. Notification of Meetings.** 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

### VOTING

**Section 1. Vote.** Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned when voting by number and one vote, the value of which shall equal the total of the percentages allocated to the Unit owned by such Co-owner as set forth in Article V of the Master Deed, when voting by value.

Voting shall be by value except in those instances when voting is specifically required to be both in value and in number.

**Section 2. Eligibility to Vote.** No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of these Bylaws, no Co owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article IX. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. The Developer shall be entitled to one vote for each Unit which it owns and for which it is paying Association maintenance expenses.

**Section 3. Designation of Voting Representative.** Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

**Section 4. Quorum.** The presence in person or by proxy of 35% of the Co-owners in number and in value qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

**Section 5. Voting.** Votes may be cast only in person or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

**Section 6. Majority.** A majority, except where other wise provided herein, shall consist of more than 50% in value of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association.

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

## ARTICLE IX

### MEETINGS

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

**Section 2. First Annual Meeting.** The First Annual Meeting of members of the Association may be convened only by Developer and may be called at any time after more than 50% in number of the Units in Ashford Place determined with reference to the recorded Consolidating Master Deed have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% in number of all Units that may be created or 54 months after the first conveyance of legal or equitable title of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days written notice thereof shall be given to each Co-owner. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted, under the Condominium Documents as may be amended, to include in the Condominium.

**Section 3. Annual Meetings.** Annual meetings of members of the Association shall be held on any day in April established by the Board of Directors of each succeeding year after the year in which the First Annual Meeting is held at such time and place as

shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than 8 months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

**Section 4. Special Meetings.** It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

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

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

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

**Section 8. Action Without Meeting.** Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same

manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt within the time period specified in the solicitation of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

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

All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

## ARTICLE X

### ADVISORY COMMITTEE

Within 1 year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 1/3 of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least 3 non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that, if more than 50% in number and in value of the non-developer Co-owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee

shall be to facilitate communications between the temporary Board of Directors and the non-developer Co-owners and to aid the transition of control of the Association from the Developer to purchaser Co-owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

## ARTICLE XI

### BOARD OF DIRECTORS

**Section 1. Number and Qualification of Directors.** The Board of Directors shall be comprised of five (5) members, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors. Directors shall serve without compensation.

**Section 2. Election of Directors.**

(a) **First Board of Directors.** The first Board of Directors shall be composed of 3 persons and such first Board of Directors or its successors as selected by the Developer shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. Elections for non-developer Co-owner Directors shall be held as provided in subsections (b) and (c) below. The Directors shall hold office until their successors are elected and hold their first meeting.

(b) **Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting.** Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% in number of the Units that may be created, 1 of the 3 Directors shall be selected by non developer Co-owners. When the required percentage level of conveyance have been reached, the Developer shall notify the non-developer Co-owners and request that they hold a meeting and elect the required Director. Upon certification by the Co-owners to the Developer of the Director so elected, the Developer shall then immediately appoint such Director to the Board to serve until the First Annual Meeting of members unless he is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated.

(c) **Election of Directors at and After First Annual Meeting.**

(i) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 75% in number of the Units that may be created the non-developer Co-owners shall elect all Directors on the Board, except that the Developer shall have the right to designate at least 1 Director as long as the Units that remain to be created and sold equal at least 10% of all Units that may be created in the Project. Whenever the 75% conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(ii) Regardless of the percentage of Units which have been conveyed, upon the elapse of 54 months after the first conveyance of legal or equitable title to a non-developer co-owner of a Unit in the Project, the non-developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which maintenance expenses are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the Board of Directors.

(iii) If the calculation of the percentage of members of the Board of Directors that the non developer Co-owners have the right to elect under subsection (ii), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co owners under subsection (b) results in a right of non-developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors.

Application of this subsection shall not eliminate the right of the Developer to designate 1 member as provided in subsection (i).

(iv) At the First Annual Meeting 3 Directors shall be elected for a term of 2 years and 2 Directors shall be elected for a term of 1 year. At such meeting all nominees shall stand for election as one slate and the 3

persons receiving the highest number of votes shall be elected for a term of 2 years and the 2 persons receiving the next highest number of votes shall be elected for a term of 1 year. At each annual meeting held thereafter, either 2 or 3 Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for 3 of the Directors elected at the First Annual Meeting) of each Director shall be 2 years. The Directors shall hold office until their successors have been elected and hold their first meeting.

(v) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.

**Section 3. Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.

**Section 4. Other Duties.** In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

(a) To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.

(b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purpose of the Association.

(c) To carry insurance and collect and allocate the proceeds thereof.

(d) To rebuild improvements after casualty.

(e) 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) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and license) on behalf of the Association in furtherance of any of the purposes of the Association.

(g) To borrow money and issue evidences of indebtedness in furtherance of any or 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 75% of all of the members of the Association in number and in value.

(h) To make rules and regulations in accordance with Article VI, Section 9 of these Bylaws.

(i) 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 any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

(j) To enforce the provisions of the Condominium Documents.

**Section 5. Management Agent.** The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than 3 years, or which is not terminable by the Association upon 90 days written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act.

**Section 6. Vacancies.** Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. Vacancies among non-developer Co-owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

**Section 7. Removal.** At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% in number and in value of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VIII, Section 4.

Any Director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

**Section 8. First Meeting.** The first meeting of a newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

**Section 9. Regular Meetings.** Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph at least 10 days prior to the date named for such meeting.

**Section 10. Special Meetings.** Special meetings of the Board of Directors may be called by the President on 3 days notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

**Section 11. Waiver of Notice.** Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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

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

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

## ARTICLE XII

### OFFICERS

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

(a) **President.** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

(b) Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the 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 upon him by the Board of Directors.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.

(d) Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.

**Section 2. Election.** The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

**Section 3. Removal.** Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

**Section 4. Duties.** The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

## ARTICLE XIII

### SEAL

The Association may (but need not) have a seal. If the Board determines that the Association shall have a seal, then it shall

have inscribed thereon the name of the Association, the words "corporate seal", and "Michigan".

#### ARTICLE XIV

##### FINANCE

**Section 1. Records.** The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

**Section 2. Fiscal Year.** The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

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

#### ARTICLE XV

##### INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities

ties, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the Director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all rights to which such Director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board, of Directors is authorized to carry officers and directors liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

## ARTICLE XVI

### AMENDMENTS

**Section 1. Proposal.** Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or may be proposed by 1/3 or more in number of the Co-owners by instrument in writing signed by them.

**Section 2. Meeting.** Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Bylaws.

**Section 3. Voting.** These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 66-2/3% of all Co-owners in number and in value. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66-2/3% of mortgagees shall be required with each mortgagee to have one vote for each mortgage held.

**Section 4. By Developer.** Prior to the Transitional Control Date, these Bylaws may be amended by the Developer without approval from any other person so long as any such amendment does not materially alter or change the right of a Co-owner or mortgagee.

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

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

## ARTICLE XVII

### COMPLIANCE

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 Project in any manner are subject to and shall comply with the Act, as amended, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Condominium Premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

## ARTICLE XVIII

### DEFINITIONS

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

## ARTICLE XIX

### REMEDIES FOR DEFAULT

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

**Section 1. Legal Action.** Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.

**Section 2. Recovery of Costs.** In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover, the costs of the proceeding and such reasonable attorneys fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-owner be entitled to recover such attorneys fees.

**Section 3. Removal and Abatement.** The Violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, 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 the exercise of its removal and abatement power authorized herein.

**Section 4. Assessment of Fines.** The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations in accordance with Article XX of these Bylaws.

**Section 5. Non-waiver of Right.** The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.

**Section 6. Cumulative Rights, Remedies and Privileges.** All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the 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 7. Enforcement of Provisions of Condominium Documents.** A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for non-compliance with the terms and provisions of the Condominium Documents or the Act.

## ARTICLE XX

### ASSESSMENT OF FINES

**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. Procedures.** Upon any such violation being alleged by the board, the following procedures will be followed:

(a) **Notice.** Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.

(b) **Opportunity to Defend.** The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.

(c) **Default.** Failure to respond to the notice of violation constitutes a default.

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

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

(a) **First Violation.** No fine shall be levied.

- (b) **Second Violation.** Twenty-Five Dollar (\$25.00) fine.
- (c) **Third Violation.** Fifty Dollar (\$50.00) fine.
- (d) **Fourth Violation and Subsequent Violations.** One Hundred Dollar (5100.00) fine.

**Section 4. Collection.** 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 of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitation, those described in Article II and Article XIX of the Bylaws.

#### ARTICLE XXI

##### RIGHTS RESERVED TO DEVELOPER

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

**ARTICLE XXII**

**SEVERABILITY**

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

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(REV 01-31-95)



ASSOCIATION BYLAWS OF  
ASHFORD PLACE ASSOCIATION

ARTICLE I

APPLICABILITY OF CONDOMINIUM BYLAWS  
AND CORPORATION BYLAWS

Section 1. The Bylaws governing the Ashford Place Association shall be divided into two parts and shall be known as Condominium Bylaws and Corporation Bylaws. Condominium Bylaws shall refer to those particular Bylaws which are incorporated in and filed of record with the Master Deed or the Superseding Consolidated Master Deed, both of which are hereinafter referred to as "Master Deed". Corporation Bylaws shall refer to that portion of the Bylaws that are not filed of record with the Master Deed, but are supplemental to Condominium Bylaws, and are applicable to the operation and administration of the Association as a corporate entity.

Section 2. Condominium Bylaws and Corporation Bylaws may each be amended as specifically provided therein.

ARTICLE II

VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the owner is entitled is the percentage assigned to the unit(s) in the Master Deed.

Section 2. Majority of Owners. As used in these Bylaws, the term "majority of owners" shall mean those owners holding fifty-one (51%) percent in value and in number of their share of the total property in accordance with the percentage allocated to each Unit in the Master Deed.

Section 3. Quorum. Except as otherwise provided in Condominium Bylaws and Corporation Bylaws, the presence in person or by proxy of a "majority of owners" as defined in Section 2 of this Article shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. Votes may also be cast by a writing duly signed by the member.

ARTICLE III

ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units will constitute the Association of Owners (hereinafter referred to as the "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the project pursuant to an agreement, pertaining to provisions relating to the duties, obligations, removal and compensation of the management agent. A simple majority in value of those voting in person or by proxy shall be sufficient for the transaction of all business of the Association, except on those matters where a greater vote is required by Condominium Bylaws, Corporation Bylaws or by statute.

Section 2. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors.

Section 3. Annual Meetings. The first annual meeting of the Co-owners as members of the Association shall be called within 180 days from the date fifty-one (51%) percent of the units in the Condominium have been sold and the purchasers of same qualified as members, but in no event later than December 1, 1991. The terms of the incorporators as members of the Board of Directors shall automatically terminate as of the date of such meeting.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the co-owners when requested in writing by three (3) members of the Board of Directors or upon a petition signed by twenty-five (25%) percent of the co-owners of the Association or at the request of the Federal Housing Commissioner or his duly authorized representative. 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 unless by consent of four-fifths (4/5ths) of the co-owners present at such meeting.

Section 5. Notice of Meeting. After the first annual meeting of co-owners, it shall be the duty of the Secretary to serve a notice of each subsequent annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each co-owner of record, at least ten (10) days prior to such meeting. The mailing 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 I, Section 2(e) of the Condominium Bylaws shall be deemed notice served.

Annual meetings of the Association shall be held each year thereafter in the month of May. Notice of annual meetings shall be mailed to the Director of the local insuring office of the Department of Housing and Urban Development - Federal Housing Administration.

Section 6. Adjourned Meetings. 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.

Section 7. Order of Business. The order of business at all meetings of the owners of units shall be as follows:

- A) Roll Call
- B) Proof of notice of meeting or waiver of notice
- C) Reading of minutes of preceding meeting
- D) Reports of Officers
- E) Reports of committees
- F) Election of inspectors of election
- G) Election of directors
- H) Unfinished business
- I) New business

Section 8. Voting at all elections shall be by secret ballot, unless a nomination is made by acclamation.

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Corporation shall be governed by a Board of Directors composed of five (5) persons, all of whom must be members of the corporation, except as provided in Section 2 hereof.

Section 2. Incorporators as Board of Directors. The incorporators shall serve as the first Board of Directors, and they shall maintain, manage and administer the affairs, the real estate and other property of the Association until their term of office terminates as provided in Article III, Section 3 hereof. Successive Boards of Directors shall retain all such powers and duties necessary for the administration of the Association.

Section 3. Transition of Board of Directors to Co-Owners. An Advisory Committee of non-developer co-owners will be established, either one hundred twenty (120) days after conveyance of legal or equitable title to non-developer co-owners of one-third (1/3) of the total units that may be created in this condominium, or one (1) year after the initial conveyance of title to a non-developer co-owner of a unit in this condominium, whichever shall first occur.

The Advisory Committee will meet with the condominium project Board of Directors to facilitate communication and aid in the transition of control to the Association of co-owners. The Advisory Committee shall cease to exist when a majority of the Board of Directors of the Association of co-owners is elected by the non-developer co-owners.

Not later than one hundred twenty (120) days after the conveyance of legal or equitable title to non-developer co-owners of twenty-five (25%) percent of the total units that may be created in this condominium, at least one director and not less than twenty-five (25%) percent of the total Board of Directors of the Association of co-owners will be elected by non-developer co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer co-owners of fifty (50%) percent of the total units that may be created in this condominium, not less than one-third (1/3) of the Board of Directors will be elected by the non-developer co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer co-owners of seventy five (75%) percent of the units that may be created and before conveyance of ninety (90%) percent of such units, the non-developer co-owners will elect all Directors to the Board except that the Developer shall have the right to designate at least one (1) director as long as the Developer owns and offers for sale at least ten (10%) percent of the units in the project, or as long as ten (10%) percent of the units remain that may be created.

Notwithstanding the foregoing formula, fifty-four (54) months after the first conveyance of legal or equitable title to a non-developer co-owner of a unit in the project, if title to not less than seventy-five (75%) percent of the units that may be created has not been conveyed, the non-developer co-owners have the right to elect as provided in the Condominium Documents, a number of members of the Board of Directors of the Association of Co-Owners equal to the percentage of units they hold and the Developer has the right to elect as provided in the Condominium Documents, a number of members of the Board equal to the percentage of units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase but shall not reduce the minimum election and designation rights otherwise established in the preceding Section of this Article. Application of this Sub-Section does not require a change in the size of the Board as determined in the Condominium Documents.

The calculation of the percentage of members of the Board that the non-developer co-owners have the right to elect, or if the product of the number of members of the Board multiplied by the percentage of units held by the non-developer co-owners results in a right of non-developer co-owners to elect a fractional number of members of the Board, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number

of members of the Board that the non-developer co-owners have the right to elect. After application of this formula, the Developer shall have the right to elect the remaining members of the Board. This shall not eliminate the right of the Developer to designate one (1) member.

Section 4. Powers and Duties. The Board of Directors shall, from time to time, make and adopt such reasonable regulations regarding the use and enjoyment of the units, the limited common elements and the common elements, including the community facilities of the condominium, as are necessary for the maintenance and control of same.

Section 5. Management Agent. The Board of Directors may employ for the Association a management agent at compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may also employ such persons as are necessary for the maintenance and operation of the condominium, including the community facilities.

Section 6. Election and Term of Office. At the first annual meeting of the Co-owners of the Association, the term of office of two (2) directors shall be fixed for three (3) years. The term of office of two (2) Directors shall be fixed for two (2) years, and the term of office of one (1) Director shall be fixed at a one (1) year term. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting. 3/2

Section 7. Vacancies. Any vacancy in any 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 remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association to act for the unexpired term of his predecessor, or until his term would otherwise terminate.

Section 8. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of the Co-owners and a successor may then and there be elected to fill the vacancy thus created. Any Directors whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting.

Section 9. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors

in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally by mail, telephone or telegraph, at least five (5) days prior to the date named for such meeting.

Section 12. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 13. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

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

## ARTICLE V

### OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, who shall be members of the Board of Directors, and a Secretary and a Treasurer. The Directors may also appoint such other Assistant Treasurers and Assistant Secretaries as in their judgment may be necessary. Any two officers except that of President and Vice President may be held by one person.

Section 2. Election of Officers. The Officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all the general powers and duties which are usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of the Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for 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. He shall be responsible for the deposit of all monies in such depositories as may, from time to time, be designated by the Board of Directors. All funds shall be deposited in a bank to be withdrawn only by designated officers of the Association. In the alternative, operating funds may be withdrawn from appropriate bank accounts by properly designated officers of the professional managing agent, if applicable.

Section 8. Other Duties and Powers. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE VI

Section 1. Fiscal Year. The fiscal year of the Association shall be on a calendar year basis, or such other basis as may be adopted by the Board of Directors, in accordance with the conditions of the Bylaws.

ARTICLE VII

Section 1. Amendments to the Corporation Bylaws. Amendments to the corporation Bylaws can be proposed by the Board of Directors or by 1/3 of the co-owners. The Bylaws can be amended by an affirmative vote of 2/3 of the co-owners in value, voting in person or by proxy as long as the amendments are not inconsistent with the Master Deed or Condominium Bylaws.

Section 2. Conflict. In the event of a conflict between the condominium documents, the statute and the Master Deed shall control.

<b>MICHIGAN DEPARTMENT OF COMMERCE — CORPORATION AND SECURITIES BUREAU</b>																	
(FOR BUREAU USE ONLY)								Date Received									
CORPORATION IDENTIFICATION NUMBER																	

**ARTICLES OF INCORPORATION**

For use by Domestic Nonprofit Corporations

(Please read information and instructions on last page)

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

**ARTICLE I**

The name of the corporation is: Ashford Place Association

**ARTICLE II**

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

**ARTICLE III**

The corporation is organized upon a non-stock (stock or nonstock) basis.

1. If organized on a stock basis, the total number of shares which the corporation has authority to issue is \_\_\_\_\_ . If the shares are, or are to be, divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences and limitations of the shares of each class are as follows:



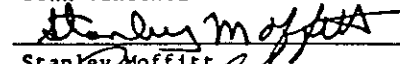
Use space below for additional Articles or for continuation of previous Articles. Please identify any Article being continued or added. Attach additional pages if needed.

See attached Rider

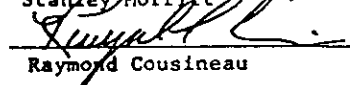
(We), the Incorporator(s) sign my (our) name(s) this 24 day of May, 1980.

  
\_\_\_\_\_

John Vincenti

  
\_\_\_\_\_

Stanley Moffitt

  
\_\_\_\_\_

Raymond Cousineau

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DOCUMENT WILL BE RETURNED TO NAME AND MAILING ADDRESS INDICATED IN THE BOX BELOW. Include name, street and number (or P.O. box), city, state and ZIP code

Name of person or organization remitting fees:

David S. Snyder, Esq.  
Snyder and Handler, P.C.  
27777 Franklin Road, Suite 1365  
Southfield, Michigan 48034

Preparer's name and business telephone number:

David S. Snyder

( 313 ) 352-1900

## INFORMATION AND INSTRUCTIONS

1. The articles of incorporation cannot be filed until this form, or a comparable document, is submitted.
2. Submit one original copy of this document. Upon filing, a microfilm copy will be prepared for the records of the Corporation and Securities Bureau. The original copy will be returned to the address appearing in the box above as evidence of filing.  
Since this document must be microfilmed, it is important that the filing be legible. Documents with poor black and white contrast, or otherwise illegible, will be rejected.
3. This document is to be used pursuant to the provisions of the Act by one or more persons for the purpose of forming a domestic nonprofit corporation.
4. ARTICLE II — The purpose for which the corporation is organized must be included. It is not sufficient to state that the corporation may engage in any activity within the purposes for which corporations may be organized under the Act.
5. ARTICLE III — The corporation must be organized on a stock or nonstock basis. Complete Article III(1) or III(2) as appropriate, but not both. Real property assets are items such as land and buildings. Personal property assets are items such as cash, equipment, fixtures etc.
6. ARTICLE IV — A post office box may not be designated as the street address of the registered office.
7. ARTICLE V — The Act requires one or more incorporators. The addresses should include a street number and name (or other designation), city and state.
8. This document is effective on the date approved and filed by the Bureau. A later effective date, no more than 90 days after the date of delivery, may be stated as an additional article.
9. This document must be signed in ink by each incorporator listed in Article V. However, if there are 3 or more incorporators, they may, by resolution adopted at the organizational meeting by a written instrument, designate one of them to sign the articles of incorporation on behalf of all of them. In such event, these articles of incorporation must be accompanied by a copy of the resolution duly certified by the acting secretary at the organizational meeting and a statement must be placed in the articles incorporating that resolution into them.
10. FEES: Filing fee & Franchise fee (Make remittance payable to State of Michigan) ..... \$20.00
11. Mail form and fee to:  
MICHIGAN DEPARTMENT OF COMMERCE  
Corporation and Securities Bureau  
Corporation Division  
P.O. Box 30054  
6546 Mercantile Way  
Lansing, MI 48909  
Telephone: (517) 334-6302

RIDER TO ARTICLES OF INCORPORATION OF  
ASHFORD PLACE ASSOCIATION

ARTICLE II

The purposes of the corporation are as follows:

To maintain, manage and administer the affairs, the real estate and other property of Ashford Place.

To levey and collect assessments from the members and to use the proceeds thereof for the purposes of the condominium.

To carry insurance on all of the real estate comprising Ashford Place, as well as any personalty of the corporation exclusive of any coverage for contents and personal effects belonging to any of the members; to collect all premiums and charges for same from the members; and to use, reimburse or expend the proceeds for the rebuilding, repair, renovation, rehabilitation and/or replacement of any loss or damage to any of the above property as provided in the Bylaws.

To contract for and employ persons, firms or corporations to assist in the management, operation, maintenance and administration of the said condominium;

To make and enforce reasonable regulations concerning the use and enjoyment of the said condominium.

To own, maintain and improve and to buy, sell, convey, assign, mortgage or lease real and personal property.

To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien; to do all things necessary or convenient to assist and enable members to obtain contracts or mortgages; to do anything required of or permitted to it as administrator of the said condominium by the Condominium Bylaws or by Act No. 59 of the Public Acts of 1978 as from time to time amended;

In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said condominium and to the accomplishment of any of the purposes thereof and without limiting the generality of the foregoing; to allow any persons other than an owner or co-owner of a condominium unit access to or utilization of any real estate and facilities of the condominium association upon such terms and conditions and upon payment of such dues, admission fees or assessments as will further the interest of the condominium association and to subscribe to and own shares of stock or interest in any corporation or entity which may own any

facility to be utilized by the members and to pay charges and make and collect assessments with respect to such facility.

#### ARTICLE VIII

Section 1. Qualification of members, the manner of their admission to the corporation and the voting of such members shall be as follows:

- A) Each co-owner of a unit in the condominium shall be a member of the corporation and no other person or entity shall be entitled to membership.
- B) The Developer shall be entitled to membership in the condominium and shall be entitled to vote only so long as it is the owner of a unit in the condominium.
- C) The incorporators shall be members of the condominium and they shall constitute the Board of Directors until six (6) months following closing of the sale of fifty-one (51%) percent of the total number of units in the condominium development.
- D) Membership in the condominium shall be established by recording with the Register of Deeds, Washtenaw County, Michigan, a Deed or other instrument establishing record title to a unit in the condominium in the name of such co-owner and the delivery to the corporation of a certified copy of such instrument. Upon transferring of a condominium unit by a co-owner, the new co-owner qualified for membership immediately upon completion of the above procedures. The former co-owner thereupon ceases to be a member and is no longer entitled to any rights or privileges in the condominium whatsoever.
- E) The shares of a co-owner in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his condominium unit in the condominium development.
- F) Voting by members shall be in accordance with the provisions of the Bylaws and the rules of this corporation.

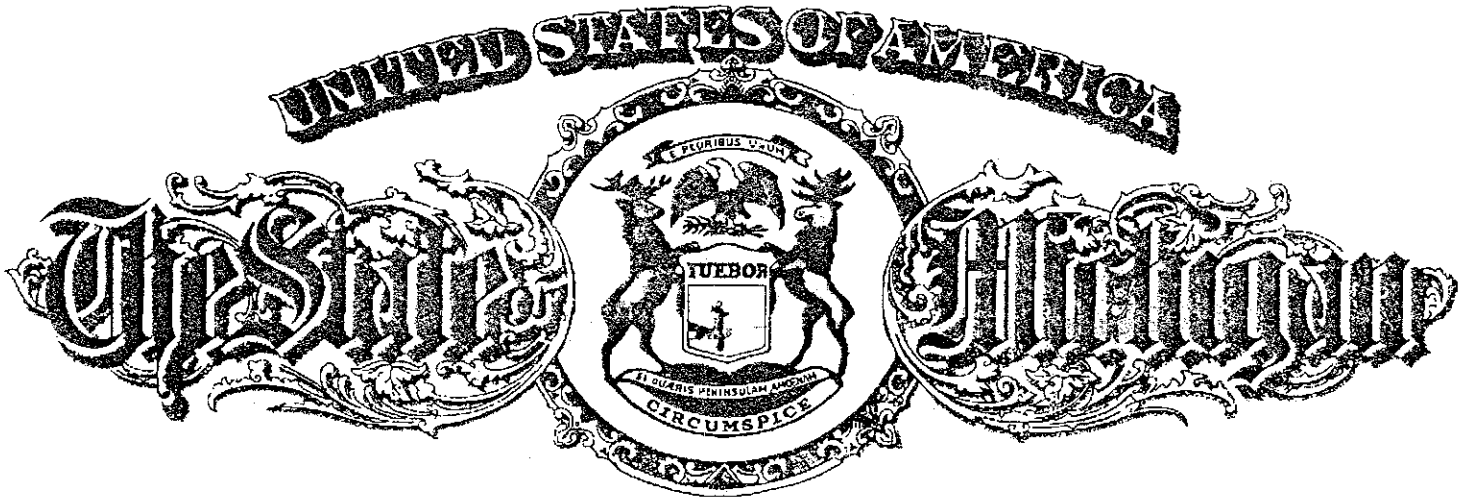
Section 2. The first Board of Directors shall consist of the incorporators who shall serve as the Board of Directors and the Developer shall fill vacancies in the Board of Directors until six (6) months following the closing on fifty-one (51%) percent of the total units in the condominium development but not later than the date specified in the Bylaws for holding of the first annual meeting of the co-owners of the Association.

Section 3. The second Board of Directors and all successive boards shall be elected by the co-owner members of the condominium, each of whom must be a member of the condominium. Said Directors shall be elected in the manner provided for in the Bylaws of the corporation.

Section 4. The Board of Directors may from time to time with the approval of a majority of the members in value and in number at any regular meeting of the Association make and adopt rules for the conduct of the business of the condominium.

Section 5. Officers of the corporation shall be elected as provided for in the Bylaws of the corporation.





Michigan Department of Consumer and Industry Services

Lansing, Michigan

This is to Certify That

ASHFORD PLACE ASSOCIATION

was validly incorporated on June 7, 1990, as a Michigan nonprofit corporation, and said corporation is validly in existence under the laws of this state.

This certificate is issued to attest to the fact that the corporation is in good standing in Michigan as of this date and is duly authorized to transact business or conduct affairs in Michigan and for no other purpose

This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States

744-310-1301

In testimony whereof, I have hereunto set my hand, in the City of Lansing, this 6th day of February, 2003

*Andrew S. Mitchell*, Director

Bureau of Commercial Services