

08/30/2021

Table of Content

(subject to errors and omissions) (2021)

Definitions: [Definitions used in Master Deed and related documents, etc.](#)

[Definitions](#)

- **Common [Elements](#)**
 - [General Common Elements](#)
 - [Limited Common Elements](#)

Condominium ByLaws

- [Article 1](#) **Association of Co-Owners**
 - Section 1
 - Section 2
 - A
 - B
 - C
 - D
 - E
 - F
 - G
 - H
 - I
 - J
 - K
 - Section 3
 - Section 4
 - 1
 - 2
 - 3
 - 4
 - 5
 - 6
 - 7
 - 8
 - 9
 - 10
 - Section 5

- Section 6
 - A
 - B
 - C
 - D
- Section 7
- Section 8

- **Article II**

Assessment and Default

- Section 1
- Section 2
- Section 3
- Section 4
 - A
 - B
 - C
 - D
 - E

Assessment shall be determined...

- Section 5
 - A
 - B

Special Assessment...

- Section 6
- Section 7
 - A
 - B
 - C
 - D
 - E

- 1
- 2
- 3

- F
- G
- H
- I
- J
- K
- L

- 1
- 2

- Section 8
- Section 9
- Section 10

- **Article III**

Arbitration

- Section 1

- Section 2
- **Article iV**
 - Section 1
 - A
 - B
 - C
 - D
 - Section 2

Insurance

- **Article V**
 - Section 1
 - A
 - B
 - Section 2
 - Section 3
 - Section 4
 - Section 5
 - Section 6
 - A
 - B
 - C
 - D
 - E

Reconstruction, Repair and Taking by Eminent Domain

- **Article VI**
 - Section 1
 - Section 2
 - A
 - B
 - C
 - D
 - 1
 - 2
 - E
 - F
 - Section 3
 - Section 4
 - Section 5
 - Section 6
 - Section 7
 - Section 8
 - Section 9
 - Section 10
 - Section 11
 - Section 12
 - Section 13

Restrictions, Covenants, Liability and Indemnifications

- Section 14
- Section 15
- Section 16
- Section 17
- new to come: Retention Pond
- **Article VII**
 - **Mortgages**
 - Section 1
 - Section 2
- **Article VIII**
 - **Indemnification of Officers and Directors**
 - Section 1
 - Section 2
 - Section 3
 - Section 4
 - A
 - B
 - C
 - Section 5
- **Article IX**
 - **Reserve Fund**
 - Section 1
 - Section 2
 - Section 3
- **Article X**
 - **Amendments**
 - Section 1
 - Section 2
 - Section 3
 - Section 4
 - Section 5
 - Section 6
- **Article XI**
 - **Compliance**
- **Article XII**
 - **Definitions**
- **Article XIII**
 - **Additional Remedies for Default**
 - Section 1
 - A
 - B
 - C
 - Section 2
 - Section 3
- **Article XIV**
 - **Severability**
- End of Condominium ByLaws

Definitions used in Master Deed and related documents, etc.:

ARTICLE III

DEFINITIONS

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

a. Act. The "Act" shall mean the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

b. Association. Association shall mean the non-profit corporation organized under Michigan law of which all co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

c. Bylaws. Bylaws means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the co-owners and required by Section 53 of the Act to be recorded as part of the Master Deed.

d. Association Bylaws. Association Bylaws means the corporate bylaws of Fieldstone Village Condominium Association, the Michigan non-profit corporation organized to manage, maintain and administer the Condominium Project.

e. Unit. Unit means the enclosed space constituting a single complete residential unit in the Condominium Project as such space may be described on Exhibit "B" hereto, and shall have the same meaning as the term "condominium unit" as defined in the Act.

f. Condominium Documents. Condominium Documents wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of Incorporation, Bylaws and Rules and Regulations, if any, of the Association and any other instrument referred to in the Master Deed which affects the rights and obligations of a Co-owner in the Condominium Project.

g. Condominium Project. Condominium or Project means FIELDSTONE VILLAGE CONDOMINIUMS as a Condominium Project established in conformity with the provisions of the Act.

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

i. Co-owner. Co-owner means a person, firm, corporation, partnership, association, trust or other legal entity or any combination of those entities, who owns one or more units in the Condominium Project. Co-owner includes land contract vendees and land contract vendors, who are considered jointly and severally liable hereunder except as may be otherwise provided herein. The term "owner", wherever used, shall be synonymous with the term "co-owner."

j. Condominium Premises. Condominium Premises means and includes the land and the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging to the Condominium Project as described above.

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

l. Developer. Developer shall mean FIELDSTONE VILLAGE, LLC, a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns.

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

n. Construction and Sales Period. Construction and Sales Period, for the purposes of the Condominium Documents and the rights reserved to the Developer thereunder, means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any Unit which Developer offers for sale.

ARTICLE IV

COMMON ELEMENTS

The common elements of the Condominium 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 roads and sidewalks except as otherwise designated;
 2. The electrical wiring network throughout the Condominium Project, including that contained within unit walls, up to the point of connection with electrical fixtures within any unit (it being the purpose hereof to include wiring as a general common element but to exclude therefrom all switches, outlets, circuit breakers, boxes and fixtures of any sort to which such wiring may be connected);
 3. The gas line network throughout the Condominium Project, including that contained within unit walls, up to the point of connection with gas fixtures or appliances within any unit.
 4. The television cable or antenna system, if any, throughout the Condominium Project up to the point of connection with, but not including, the outlets therefor;
 5. The telephone wiring network throughout the Condominium Project up to the point of connection with, but not including, all appliances or fixtures relative thereto.

6. The water distribution, storm drainage and sanitary plumbing network throughout the Condominium Project including that contained within unit walls and including water meters, up to the point of connection with plumbing fixtures within any unit (it being the purpose hereof to include all pipes and their valves as general common elements but to exclude therefrom all sinks, toilets, drains, drain traps, faucets and their fixtures and attachments);

7. Foundations, supporting columns, walls as shown on Exhibit "B" (including windows and doors therein), roofs, ceilings and floor construction between unit levels;

8. Any beneficial easements referred to in Exhibit "B" hereto.

9. Such other elements of the Condominium Project not herein designated as general or limited common elements which are not enclosed within the boundaries of a unit, and which are intended for common use or necessary to the existence, upkeep and safety of the project, specifically including, but not limited to all parking areas described on Exhibit "B" hereto.

B. The limited common elements are:

1. All decks and porches identified as limited common elements on Exhibit "B" hereto, the use of which shall be limited to the co-owner of the unit to which such deck or porch is appurtenant.

2. The portion of any driveway area immediately in front of and leading to each garage and the sidewalk and/or walkway leading to each porch as shown on Exhibit "B" hereto, the use of which shall be limited to the co-owner of the unit to which said driveway area, sidewalk and/or walkway is appurtenant.

3. The interior of each garage as shown on Exhibit "B" hereto, the use of which shall be limited to the co-owner of the unit to which such garage is appurtenant.

4. The pipes, ducts, wiring and conduits located entirely within a Condominium Unit and serving only such unit.

5. The interior surfaces of perimeter walls, doors, ceilings and floors contained within a condominium unit.

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

1. Common expenses associated with the maintenance repair, renovation, restoration, or replacement of the limited Common elements identified above in Article IV.B.3. and Article IV.B.4. and Article IV.B.5 shall be specially assessed against the condominium unit to which that limited common element was assigned at the time the expenses were incurred.

2. Common expenses associated with the maintenance, repair, renovation, restoration, or replacement of the limited common elements identified above in Article IV.B.1. and IV.B.2. and the cost of maintenance and repair of exterior entry doors and windows and the cost of painting and decorating exterior garage doors shall be assessed against all the condominium units as an expense of administration. The cost of otherwise maintaining, repairing and replacing a garage door shall be borne by the co-owner of the unit to which such garage door is appurtenant.

3. Any other unusual common expenses benefiting less than all of the condominium units, or any expenses incurred as a result of the conduct of less than all those entitled to occupy the condominium project or by their licensees or invitees, shall be specially assessed against the condominium unit or condominium units involved.

4. The amount of all common expenses not specially assessed pursuant to subsections (1), (2), and (3) above shall be assessed against the condominium units in proportion to the percentage of value appertaining to each condominium unit, except where the expense is incurred because of the fault or neglect of a particular co-owner or co-owners.

D. No co-owner shall use his unit or the common elements in any manner inconsistent with the purposes of the Condominium 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 of the common elements.

E. A co-owner shall not be exempt from contributing as provided herein by non-use or waiver of the use of any of the common elements or by abandonment of his condominium unit.

F. A limited common element may be assigned or reassigned, upon notice to any affected mortgagee, by written application to the Board of Directors of the Association by all Co-owners whose interests will be affected thereby. Upon receipt of such application, the Board shall promptly prepare or cause to be prepared and executed an amendment to this Master Deed assigning and/or reassigning all rights and obligations with respect to the limited common elements involved, and shall deliver such amendment to the Co-owners of the Units affected upon payment by them of all reasonable costs for the preparation and recording thereof.

(Reviewed 08/30/2021)

CONDOMINIUM BYLAWS

FIELDSTONE VILLAGE CONDOMINIUMS

ARTICLE I

Association of Co-Owners

Section 1. FIELDSTONE VILLAGE CONDOMINIUMS, a residential condominium project on land described in the Master Deed annexed hereto, as the same may be amended from time to time, located in the City of St. Johns, Clinton County, Michigan, shall be administered by an association of co-owner 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, property, easements and affairs of the Condominium Project in accordance with the Master Deed, these Bylaws and duly adopted Rules and Regulations, if any, of the Association, and the laws of the State of Michigan. All co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any unit therein or the common elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents. These Bylaws are established for the purpose of governing the administration of FIELDSTONE VILLAGE CONDOMINIUMS.

Section 2. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

- A. Each co-owner shall be a member of the Association and no other person or entity shall be entitled to membership. Membership shall be limited to persons who own one (1) or more units in the Condominium Project.
- B. 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 or her unit in the Condominium.
- C. The vote of each co-owner shall be equal to the percentage of value of the condominium unit owned by such co-owner as set forth in the Master Deed. The Developer shall be entitled to vote for the units it owns and on which it is paying full monthly installments.
- D. No co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until the co-owner has presented evidence of ownership of a condominium unit in the Condominium Project to the Association. No co-owner other than the Developer shall be entitled to vote prior to the First Meeting of Members held in accordance with Section 6 of this Article I. The vote of a co-owner

may only be cast in person, by an individual representative designated by such co-owner in a notice as provided in subparagraph E below or by a proxy delivered to the secretary of the Association before each meeting. In the event the co-owners of a condominium unit are husband and wife, either, but not both, shall be entitled to a vote at any meeting of the Association. In the event the co-owners of a condominium unit are two or more unrelated persons, such co-owners shall file the written notice provide in Section 2E of this Article I.

A. Each co-owner may file a written notice with the Association designating the individual representative who shall vote at meetings of 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 condominium units owned by the co-owner and the name and address of each person 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.

B. There shall be an annual meeting of the members of the Association. Other meetings may be provided for in the Corporate Bylaws of the Association. Notice of time, place and subject matter of all meetings as provided in the Corporate Bylaws of the Association shall be given to each co-owner by mailing the same to each co-owner or his or her duly designated individual representative. Not less than ten (10) nor more than sixty (60) days' notice shall be given prior to any meeting of co-owners.

C. The presence in person, or by written consent, of more than thirty (30%) percent of the co-owners or their duly designated representatives qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein or by the Master Deed to require a greater quorum.

D. Not more than one vote shall be allowed for each unit, and in the event more than one vote is attempted to be cast for a unit, the first vote cast shall be controlling. Cumulative voting shall not be permitted.

E. A majority required for approval or disapproval of any matter brought up at any meeting of the Association, except where otherwise provided herein, shall consist of more than fifty (50%) percent of total value of votes cast. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.

F. Other provisions as to voting by members, not inconsistent with the provisions herein contained, may be set forth in the Association Bylaws.

G. In the event the co-owner of a unit sells such unit pursuant to a land

contract, the vendee may be considered the co-owner for purposes of this Section 2, upon written consent of the vendor and written notice thereof to the Association. Notwithstanding the provisions of this subsection, land contract vendees and land contract vendors are jointly and severally liable for all obligations of the co-owner of the subject unit pursuant to the Condominium Documents.

Section 3. 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 books and accounts shall be open for inspection by the co-owners and their mortgagees during reasonable working hours and shall be reviewed at least annually by qualified independent auditors. The cost of such professional accounting assistance shall be an expense of administration. The Association shall prepare and distribute to each co-owner at least one (1) time per year a financial statement, the contents of which shall be defined by the Association.

Section 4. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be members of the Association except for the first Board of Directors, and any successors thereto elected by the Developer prior to the First Annual Meeting of Members held pursuant to Section 6 of this Article I. The number, terms of office, manner of election, removal and replacement, meetings, quorum and voting requirements, and other duties or provisions of or relating to directors not inconsistent with the following, shall be provided by the Association Bylaws.

The Board of Directors shall have all 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. In addition to the foregoing general duties imposed by these Bylaws, or any further duties which may be imposed by resolution of the members of the Association or which may be set forth in the Association Bylaws, the Board of Directors shall be responsible specifically for and shall have authority to do the following:

1. Management and administration of the affairs of and maintenance of the Condominium Project and the common elements thereof.
2. To collect assessments from the members of the Association and to use the proceeds thereof for the purpose of the Association.
3. To carry insurance and collect and allocate the proceeds thereof.
4. To rebuild improvements after casualty.
5. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.

7. To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association, including (but without limitation) the lease or purchase of any condominium unit in the Condominium for use by a resident manager; further to furnish and decorate, as it deems appropriate, the common areas of the Condominium.

8. To borrow money and issue evidences of indebtedness in furtherance of any and all 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 be approved by affirmative vote of more than seventy (70%) percent of all of the members of the Association.

9. To make rules and regulations consistent with Article VI, Section 11 of these Bylaws.

10. 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.

11. To enforce the provisions of the Condominium Documents the Board 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 Section 4 of this Article I, 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.

A service contract, if any, which exists between the Association and the Developer or affiliates of the Developer and a management contract with Developer or affiliates of the Developer is voidable by the Board of Directors of the Association on the transitional control date (as defined by law) or within ninety (90) days thereafter, and on thirty (30) days notice at any time thereafter for cause. To the extent that any management contract extends beyond one (1) year after the transitional control date, the excess period under the contract may be voided by the Board of Directors of the Association by notice to the management agent at least thirty (30) days before the expiration of the one (1) year.

All of the actions (including, without limitation, the adoption of these Bylaws and, any Rules and Regulations for the corporation, and any undertakings or contracts entered

into with others on behalf of the Association) of the First Board of Directors of the Association or any successors thereto appointed by the Developer before the First Annual Meeting of Members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the first and any subsequent meeting of members so long as such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

Section 5. The Association Bylaws shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association which are in furtherance of the provisions and purposes of the Condominium Documents and are not inconsistent therewith. Officers may be compensated but only upon the affirmative vote of more than seventy (70%) percent of all co-owners.

Section 6. The first annual meeting of the members of the Association may be convened only by Developer and shall be called not later than 120 days after conveyance of legal or equitable title to nondeveloper co-owners of twenty-five (25%) percent of the units that may be created.

a. At such first meeting, at least one (1) director and not less than twenty-five (25%) percent of the board of directors of the Association shall be elected by nondeveloper co-owners. Not later than 120 days after conveyance of legal or equitable title to nondeveloper co-owners of fifty (50%) percent of the units that may be created, not less than thirty-three and one-third (33-1/3%) percent of the board of directors shall be elected by nondeveloper co-owners. Not later than 120 days after conveyance of legal or equitable title to nondeveloper 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 nondeveloper co-owners shall elect all directors on 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.

b. Notwithstanding the formula provided in subsection (a), fifty-four (54) months after the first conveyance of legal or equitable title to a nondeveloper 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 nondeveloper 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 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 subsection a. Application of this subsection does not require a change in the size of the board as determined in the

Condominium Documents.

c. If the calculation of the percentage of members of the board that the nondeveloper co-owners have the right to elect under subsection a., or if the product of the number of members of the board multiplied by the percentage of units held by the nondeveloper co-owners under subsection b. results in a right of nondeveloper 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 nondeveloper 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. Application of this subsection shall not eliminate the right of the Developer to designate one (1) member as provided in subsection a.

d. For purposes of calculating the timing of events described in this Section, conveyance by Developer to a residential builder, even though not an affiliate of Developer, is not considered a sale to a nondeveloper co-owner until such time as the residential builder conveys that unit with a completed residence on it or until it contains a completed residence which is occupied.

Section 7. An advisory committee of nondeveloper co-owners shall be established either 120 days after conveyance of legal or equitable title to nondeveloper co-owners of one-third (1/3) of the units that may be created, or one (1) year after the initial conveyance of legal or equitable title to a nondeveloper co-owner of a unit in the project, whichever occurs first. The advisory committee shall meet with the Condominium Project board of directors for the purpose of facilitating communication and aiding the transition of control to the Association. The advisory committee shall cease to exist when a majority of the board of directors of the Association is elected by the nondeveloper co-owners.

Section 8. The Association shall keep current copies of the approved Master Deed, all amendments to the Master Deed, and all other Condominium Documents for the Condominium Project available at reasonable hours for inspection by co-owners, prospective purchasers and prospective mortgagees of condominium units in the Condominium Project.

ARTICLE II

Assessments and Default

Section 1. The Association shall be assessed as the person in possession for any tangible personal property of the Condominium Project owned or possessed in common by the co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 2. 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 be expenses of administration; and all sums received as the proceeds of, or pursuant to, a policy of insurance securing the interests of the co-owners against liabilities or losses arising within, caused by or connected with the common elements

or the administration of the Condominium Project shall be receipts of administration.

Section 3. The co-owners of each condominium unit shall contribute to the expense of administration and to the expenses of maintenance and repair of the common elements of the Condominium Project and shall be assessed therefor in accordance with the provisions of this Article II.

Section 4. Common expenses associated with the maintenance, repair, renovation, restoration, or replacement of a limited common element shall be specially assessed against the condominium unit to which that limited common element is assigned at the time the expenses are incurred except as otherwise set forth in the Master Deed. Any other unusual common expenses benefiting less than all of the condominium units, or any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project or by their licensees or invitees, shall be specially assessed against the condominium unit or condominium units involved.

A. The amount of all common expenses not specially assessed pursuant to subsections A and B of this Section 4, shall be assessed against the condominium units in proportion to the percentage of value appertaining to each condominium unit.

B. Co-owners to whom an expense is assessed under subsection A and subsection B above shall be given written notice of the basis and the formula used for such assessment.

C. Assessments shall be due and payable at such times as the Association shall determine, commencing with acceptance of a deed to a unit or with 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 Co-owner shall pay an additional fee of \$15.00 for each month in which the current installment fee together with any account balance remaining from any prior month is not paid in full within five (5) days of the due date for the current month installment. This additional fee shall be immediately due and payable. Assessments in default shall bear interest at the rate of seven (7%) per annum until paid in full. Each co-owner (whether one or more persons), including land contract vendors and vendees, shall be, and remain, personally, jointly and severally liable for the payment of all assessments pertinent to such co-owner's condominium unit while such co-owner is the owner thereof.

Section 5. Assessments shall be determined in accordance with the following provisions:

A. 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. Upon adoption of an annual budget by the Board of directors, copies of said budget shall be delivered to each co-owner and the assessment for said year, to be paid in monthly installments, shall be established, based upon said budget, although the delivery of a copy of the budget to each co-owner shall not affect the liability of any co-owner for any existing, or future assessments. The requirements of establishing and furnishing a budget shall apply to the First Board of Directors serving prior to the first Annual Meeting of Members held in accordance with Article I, Section 6 hereof. Should the Board of Directors, at any time determine, 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 of a cost to the Association (and not per unit) not exceeding \$3,000 annually, 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.

B. Special Assessments, in addition to those required or permitted in Section 4 above and subsection A of this Section 5 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 capital improvements for additions of a cost to the Association (and not per unit) exceeding \$500 per year, or (2) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph B shall not be levied without the prior approval of more than seventy (70%) percent of all co-owners in value and in number.

Section 6. No co-owner shall be exempt from liability for contribution toward the expenses of administration by nonuse or waiver of the use of any of the common elements or by the abandonment of a condominium unit.

Section 7. The Association may enforce collection of delinquent assessments by suit at law for a money judgment. In addition:

A. Failure to comply with any of the terms of Condominium Documents shall be grounds for relief which may include, without limitations, an action to recover sums due for damages, injunctive relief, foreclosure of lien if default in the payment of assessment, or any combination thereof. In a proceeding arising out of the alleged default by a co-owner, the Association or a co-owner, if successful, shall recover the costs of the proceeding and reasonable attorney fees, as determined by the court.

B. A co-owner may maintain an action against the Association and its officers and_ directors to compel these persons to enforce the terms and provisions of

the Condominium Documents.

C. Sums assessed to a co-owner by the Association which are unpaid together with interest on such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorney fees, and fines in accordance with the Condominium Documents, constitute a lien upon the unit or units in the project owned by the co-owner at the time of assessment before other liens except tax liens on the condominium unit in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record except that past due assessments which are evidenced by a notice of lien, recorded as set forth herein, have priority over a first mortgage recorded subsequent to the recording of the notice of lien. The lien upon each condominium unit owned by the co-owner shall be in the amount assessed against the condominium unit, plus a proportionate share of the total of all other unpaid assessments attributable to condominium units no longer owned by the co-owner but which became due while the co-owner had title to the condominium units. The lien may be foreclosed by an action or by advertisement by the Association in the name of the Condominium Project on behalf of the other co-owners.

D. A foreclosure shall be in the same manner as a foreclosure under the laws relating to foreclosure of real estate mortgages by advertisement or judicial action except that the Association is entitled to reasonable interest, expenses, costs and attorney fees for foreclosure by advertisement or judicial action. The redemption period for a foreclosure is 6 months from the date of sale unless the property is abandoned, in which event the redemption period is 1 month from the date of sale.

E. A foreclosure proceeding may not be commenced without recordation and service of notice of lien in accordance with the following:

1. Notice of lien shall set forth:

(a) The legal description of the condominium unit or condominium units to which the lien attached.

(b) The name of the co-owner of record thereof

(c) The amounts due the Association at the date of the notice, exclusive of interest, costs, attorney fees and future assessments.

2. The notice of lien shall be in recordable form, executed by an authorized representative of the Association and may contain other information as the Association may deem appropriate.

3. The notice of lien shall be recorded in the office of register of deeds in the county in which the Condominium Project is located and shall be served upon the delinquent co-owner by first class mail, postage prepaid, addressed to the last known address of the co-owner at least 10 days in advance of commencement of the foreclosure proceeding.

F. The Association, acting on behalf of all co-owners, may bid in at the foreclosure sale, and acquire, hold, lease, mortgage, or convey the condominium unit.

G. An action to recover money judgments for unpaid assessments may be maintained without foreclosing or waiving the lien.

H. An action for money damages and foreclosure may be combined in one action.

I. A receiver may be appointed in an action for foreclosure of the assessment lien and may be empowered to take possession of the condominium unit, if not occupied by the co-owner and to lease the condominium unit and collect and apply the rental therefrom.

J. The co-owner of a condominium unit subject to foreclosure, and any purchaser, grantee, successor, or assignee of the co-owner's interest in the condominium unit, is liable for the assessments by the Association chargeable to the condominium unit that become due before the expiration of the period of redemption together with interest, advances made by the Association for taxes or other liens to protect its lien, costs, and attorney fees incurred in their collection.

K. The Association may also discontinue the furnishing of any utilities or other services to a co-owner in default upon seven (7) days' written notice to such co-owner of its intent to do so. A co-owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues.

L. Upon the sale or conveyance of a condominium unit, all unpaid assessments, interest, late charges, fines, costs, and attorney fees chargeable against a condominium unit shall be paid out of the sale price or by the purchaser in preference over any other assessment or charges of whatever nature except the following:

I. Amounts due the state, or any subdivision thereof, or any municipality for taxes and special assessments due and unpaid on the condominium unit.

2. Payments due under a first mortgage having priority thereto.

A purchaser or grantee is entitled to a written statement from the Association setting forth the amount of unpaid assessments, interest, late charges, fines, costs, and attorney fees against the seller or grantor and the purchaser or grantee is not liable for, nor is the condominium unit conveyed or granted subject to a lien for any unpaid assessments against the seller or grantor in excess of the amount set forth in the written statement. Unless the purchaser or grantee requests a written statement from the Association as herein provided at least five days before sale, the purchaser or grantee shall be liable for any unpaid assessments against the condominium unit together with interest, costs, fines, late charges, and attorney fees incurred in the collection thereof.

Section 8. During the period up to the time of the First Meeting of Members held in accordance with the provisions of Article I, Section 6 hereof, the Developer of the condominium, even though a member of the Association, shall not be responsible for payment of any Association assessment. Developer shall, however, during the period up to the time of the first meeting pay a proportionate share of the Association's current maintenance expenses for legal and accounting fees, liability insurance, first year taxes, street maintenance including snow removal, grounds maintenance (except for landscaping around conveyed units), and common element utilities actually incurred from time to time based upon the ratio of condominium units owned by Developer (whether constructed or not) at the time the expense is incurred to the total number of units in the Condominium. Developer shall also be responsible for a proportionate share of insurance on buildings in which units have been conveyed based on the ratio of units in such building owned by the Developer to the total number of units in such building.

Section 9. The first co-owner of each condominium unit, on the date he purchases the condominium unit, shall pay the Association a non-refundable amount equal to \$100.00, said amount to be used as working capital by the Association.

Section 10. If the mortgagee of the first mortgage of record or other purchaser of a condominium unit obtains title to the condominium unit as a result of foreclosure of the first mortgage, such person, its successors and assigns, is not liable for the assessments chargeable to the unit which became due prior to the acquisition of title to the unit by such person except for assessments that have priority over the first mortgage under Section 108 of the Act. The unpaid assessments for which such a mortgagee or purchaser is not liable are deemed to be common expenses collectible from all of the condominium unit owners and their successors and assigns.

ARTICLE III

Arbitration

Section 1. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Master Deed or these Bylaws, or any disputes, claims or grievances arising among or between co-owners shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, -be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

Section 2. In the absence of the election and written consent of the parties under Section 1 above, neither a co-owner nor the Association is prohibited from petitioning the courts regarding that dispute, claim or grievance. The election by the parties to submit any dispute, claim, or grievance to arbitration prohibits the parties from petitioning the courts regarding that dispute, claim, or grievance.

ARTICLE IV

Insurance

Section 1. The Association shall carry special form insurance, including fire, extended coverage, vandalism and malicious mischief insurance, liability insurance equal to \$1,000,000 each occurrence and \$2,000,000 general aggregate, and, if applicable, worker's compensation insurance, pertinent to the ownership, use and maintenance of the common elements of the Condominium Project, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

A. 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 shall obtain at his or her own expense insurance coverage including personal liability of at least \$300,000 and improvements and betterment coverage equal to at least the value of such co-owner's condominium unit and the limited common elements assigned thereto not otherwise insured by the Condominium Association, with such companies as shall be approved by the Board of Directors of the Association, and proof of such insurance shall be provided to the Association and shall name the Association and any mortgagee of the condominium unit as co-insured as their interest shall appear. Each co-owner shall also be exclusively responsible for insuring his or her personal property.

B. 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 maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall include the pipes, wires, conduits and ducts within any unit walls which are common elements, but such coverage need not include the interior of unit walls nor any fixtures, equipment and trim wholly within a condominium unit whether or not furnished with the unit as standard items. Any improvements made by a co-owner within a condominium unit shall be covered by insurance obtained by and at the expense of said co-owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said co-owner and collected as a part of the assessments against said co-owner under Article II hereof.

C. All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

D. 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 interest 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, required repair or reconstruction shall be applied for such repair or reconstruction. In any event, the Association shall not, without the prior written approval of at least two-thirds of the first mortgagees (based on one vote for each first mortgaged owned), or owners (other than Developer) of the individual condominium units, use hazard insurance proceeds for losses to any condominium property (whether units or common elements) for other than the repair, replacement or reconstruction of the condominium property.

Section 2. Each co-owner, by ownership of a condominium unit in the Condominium Project, shall be deemed to appoint the Association as his or her true and lawful attorney-in-fact, to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workers' disability compensation insurance, if applicable, pertinent to the Condominium Project, any condominium 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 premium 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. Nothing in this Section shall obligate or make the Association responsible for providing or maintaining insurance coverage for the condominium unit of a co-owner but the Association may elect to do so, at the sole discretion of the Board of Directors.

ARTICLE V

Reconstruction, Repair and Taking by Eminent Domain

Section 1. If any part of the Condominium property shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

A. If the damaged property is a common element or a condominium unit, the property shall be rebuilt or repaired if any condominium unit in the Condominium is tenantable, unless it is determined that the Condominium shall be terminated.

B. If the Condominium Project is so damaged that no condominium unit is tenantable, the damaged property shall be rebuilt unless eighty (80%) percent or more of the co-owners in value and in number agree not to reconstruct by vote or in writing within thirty (30) days after the destruction.

Section 2. 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. If the damage is only to a part of a condominium unit which is the responsibility of a co-owner to maintain and repair, it shall be the responsibility of the co-owner to repair such damage in accordance with Section 4 hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

Section 4. Each co-owner shall be responsible for the reconstruction, repair and maintenance of the interior of that co-owner's condominium 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 damage to interior walls within a co-owner's unit or to pipes, wires, conduits, ducts or other common elements therein is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association, except for the Association's applicable deductible amount, in accordance with Section 5. If any other interior portion of a condominium 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 mortgage endorsement, the proceeds shall be payable to the co-owner and the mortgage jointly.

Section 5. The Association shall be responsible for the reconstruction, repair and maintenance of the common elements and any incidental damage to a condominium unit caused by the reconstruction, repair or maintenance thereof. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all co-owners for the cost of reconstruction or repair of all damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.

Section 6. The following provisions shall control upon any taking by eminent domain:

A. If any portion of the common elements is taken by eminent domain, the award therefor shall be allocated to the co-owners in proportion to their respective undivided interests in the common elements. The Association, acting through its board of directors, may negotiate on behalf of all co-owners for any taking of common elements and any negotiated settlement approved by more than two-thirds of co-owners

based upon assigned voting rights shall be binding on all co-owners.

B. If a condominium unit is taken by eminent domain, the undivided interest in the common elements appertaining to the condominium unit shall thenceforth appertain to the remaining condominium units, being allocated to them in proportion to their respective undivided interests in the common elements. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include, without limitation, just compensation to the co-owner of the condominium unit taken for his or her undivided interest in the common elements as well as for the condominium unit.

C. If portions of a condominium unit are taken by eminent domain, the court shall determine the fair market value of the portions of the condominium unit not taken. The undivided interest for each condominium unit in the common elements appertaining to the condominium units shall be reduced in proportion to the diminution in the fair market value of the condominium unit resulting from the taking. The portions of undivided interest in the common elements thereby divested from the co-owners of a condominium unit shall be reallocated among the other condominium units in the Condominium Project in proportion to their respective undivided interests in the common elements. A condominium unit partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court under this subsection. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the co-owner of the condominium unit partially taken for that portion of the undivided interest in the common elements divested from the co-owner and not revested in the co-owner pursuant to subsection D, as well as for that portion of the condominium unit taken by eminent domain.

D. If the taking of a portion of a condominium unit makes it impractical to use the remaining portion of that condominium unit for a lawful purpose permitted by the Condominium Documents, then the entire undivided interest in the common elements appertaining to that condominium unit shall thenceforth appertain to the remaining condominium units, being allocated to them in proportion to their respective undivided interests in the common elements. The remaining portion of that condominium unit shall thenceforth be a common element. The Court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the co-owner of the condominium unit for the co-owner's entire undivided interest in the common elements and for the entire condominium unit.

E. Votes in the Association and liability for future expenses of administration appertaining to a condominium unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining condominium units being allocated to them in proportion to the relative voting strength in the Association. A condominium unit partially taken shall receive a reallocation as through the voting strength in the Association was reduced in proportion to the reduction in the undivided interests in the common elements.

ARTICLE VI

Restrictions, Covenants, Liability and Indemnification

Section 1. No condominium unit in the condominium shall be used for other than residential purposes and the common elements shall be used only for purposes connected with residential use. No more than two (2) persons shall permanently occupy or reside in any one-bedroom unit, nor more than four (4) persons in any two-bedroom unit, nor more than five (5) persons in any unit which may have more than two (2) bedrooms without the prior express written approval of the Association. In the event a violation of this restriction by a family in occupancy of a unit results from the birth or adoption of a child, or the marriage or remarriage of a family member, this restriction shall be suspended as to such family for a period of one year to provide such family a reasonable time in which to cure such violation or otherwise dispose of the unit.

Section 2.

A. _____ A co-owner, including the developer, may rent any number units at any time, without limitation as to the term of occupancy except as hereinafter set forth.

B. A co-owner, including the developer, desiring to rent or lease a condominium unit for a period longer than thirty (30) consecutive days, shall disclose that fact in writing to the association of co-owners at least ten (10) days before presenting a lease form to a potential lessee, and at the same time, shall supply the association of co-owners with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If the developer proposes to rent condominium units before the transitional control date, developer shall notify either the advisory committee or each co-owner in writing.

C. Tenants or noncoowner 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.

D. If the association of co-owners determines that the tenant or noncoowner failed to comply with the conditions of the Condominium Documents, the association of co-owners shall take the following action:

1. The association of co-owners shall notify the co-owner by certified mail, advising of the alleged violation by the tenant. The co-owner shall have fifteen (15) days after receipt of the notice to investigate and correct the alleged breach by the tenant or advise the association of co-owners that a violation has not occurred.

2. If after fifteen (15) days the association of co-owners 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 of co-owners, if it is under the control of the developer, an action for both eviction against the tenant or nonco-owner occupant and, simultaneously, for money damages against the co-owner and tenant or nonco-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this section may be by summary proceeding. The association of co-owners may hold both the tenant and the co-owner liable for any damages to the general common elements caused by the co-owner or tenant in connection with the condominium unit or condominium project.

A. When a co-owner is in arrearage to the association of co-owners for assessments, the association of co-owners may give written notice of the arrearage to a tenant occupying a co-owner's condominium unit under a lease or rental agreement, and the tenant, after receiving the notice, shall deduct from rental payments due the co-owner the arrearage and future assessments as they fall due and pay them to the association of co-owners. The deduction shall not constitute a breach of the rental agreement or lease by the tenant.

B. With the exception of a lender in possession of a condominium 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 condominium unit and no tenant shall be permitted to occupy except under a written lease, the initial term of which is at least six (6) months, unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of units in the Condominium in its discretion.

Section 3. No co-owner shall make alterations in exterior appearance or make structural modifications to a condominium unit (including interior walls through or in which there exists easements for support or utilities) or make changes in any of the common elements, limited or general, without the prior express written approval of the Board of Directors including (but not by way of limitation) exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters or other exterior attachments or modifications or attachments to common element walls between condominium units which in any way impairs sound-conditioning provisions. The board of directors may approve only such modifications as do not jeopardize or impair the structural soundness, safety, utility and appearance of the condominium.

Section 4. No immoral, improper, unlawful or offensive activity shall be carried on in any condominium 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, nor shall any unreasonably noisy activity be carried on in any unit or on the common elements. No co-owner shall do or permit anything to be done or keep or permit to be kept in a condominium units 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.

Section 5. No animal, except for a) two dogs which total weight shall not exceed 30

pounds, b) not more than two house cats. or c) a traditional house pet other than a dog or cat, shall be kept without prior written consent of the Board of Directors which consent, if given, shall be revocable at any time by the Board for failure by pets or their owners to observe provisions of the Bylaws or Rules and Regulations of the Association pertaining to pets. Any pets permitted to be kept in the condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. No animal may be permitted to run loose upon the common elements and any animal shall at all times be attended by some responsible person while on the common elements. Any person who causes or permits an animal to be brought or kept on the condominium property shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result of the presence of such animal on the condominium property. The Association may charge all co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these 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 section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable regulations with respect to animals as it may deem proper. No animal, other than one owned by a co-owner, shall be permitted on the condominium premises.

Section 6. The common elements, limited and 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. Trash and refuse removal for the condominium project shall be administered exclusively by the Association as an expense of Administration. Trash receptacles and bags shall not be permitted to remain 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. Motor vehicles may only be washed in areas approved by the Association. In general, no activity shall be carried on nor conditions maintained by a co-owner either in a condominium unit or upon the common elements, which alters the appearance of the condominium.

Section 7. Sidewalks, yards, landscaped areas, driveways, roads, parking areas and porches shall not be obstructed in any way nor shall they be used for purposes not reasonable and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the general common elements.

Section 8. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers, motor homes, recreational vehicles or vehicles other than motor vehicles used for regular private transportation by a co-owner may be parked or stored upon the common elements of the condominium for more than 48 hours without the written approval of the Association. No more than two (2) automobiles

or other vehicles customarily used for transportation purposes shall be kept on the Condominium property by those persons residing in any unit with a one-car garage and no more than three (3) automobiles or other vehicles customarily used for transportation purposes shall be kept on the Condominium property by those persons residing in any unit with a two-car garage. For purposes of this Section 8, motor vehicles used for regular private transportation shall include pickups. Provided, however, that this section shall in no way limit the Association in the operation of any vehicles necessary to the performance of its responsibilities. 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. Co-owners shall, if the Association shall require, register with the Association all motor vehicles maintained on the Condominium premises. No motor vehicle shall be parked on the condominium roadway between the hours of 2 a.m. and 6 a.m.

Section 9. No co-owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the condominium premises.

Section 10. No signs or other advertising devices shall be displayed which are visible from the exterior of a condominium unit or on the common elements with the exception of a "for sale" sign not exceeding 18"x24" displayed in the interior of a unit window.

Section 11. Reasonable regulations consistent with the Act, the Master Deed and those 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 elected by the Developer) prior to the first meeting of the entire Association held as provided in Article I, Section 6 of these Bylaws. All copies of such regulations and amendments thereto shall be furnished to the designated voting representative of each co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than seventy (70%) percent of all co-owners in number and in value.

Section 12. The Association or its duly authorized agents shall have access to each condominium unit 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 condominium unit at all times without notice as may be necessary to make emergency repairs to prevent damage to the common elements or to another condominium unit. It shall be the responsibility of each co-owner to provide the Association means of access to such co-owner's condominium unit 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 a condominium unit caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 13. No co-owner shall perform any landscaping or plant any trees, shrubs or

flowers or place any ornamental materials upon the general common elements unless approved by the Association in writing.

Section 14. Each Co-owner shall maintain such co-owner's condominium unit and any limited common elements appurtenant thereto for which such co-owner has maintenance responsibility in a safe, clean and sanitary condition. Each co-owner shall also use due care to avoid damaging any of the common elements including, but not limited to the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any condominium units which are appurtenant to or which may affect any other condominium unit. Each co-owner shall be responsible for damages or costs to the Association or other co-owners resulting from negligent damage to or misuse of any of the common elements by such co-owner, or the family, guests, agents, or invitees thereof Any costs or damages to the Association may be assessed to and collected from the responsible co-owner in the manner provided in Article II hereof Each co-owner shall indemnify and hold harmless the Association and any other co-owners from any damage to personal property resulting from any act or omission by such co-owner or the family, guests, agents or invitees thereof, occurring on the condominium premises.

Section 15. Any outdoor fence lights, if installed by Developer, shall be kept on at all times regardless of how or where switched. The Association shall be responsible for maintaining said lights including replacement of light bulbs therein.

Section 16. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer and its duly authorized agents, representatives and employees during the development and sales period as defined hereinafter, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Association and Bylaws as the same may be amended from time to time. For the purpose of this Section, the development and sales period shall be deemed to continue so long as developer owns any condominium unit which he offers for sale or a unit remains that may be created. So long as a condominium unit in the condominium project remains to be sold or created by developer, developer shall have the right to maintain a sales office, a business office,, a construction office, model units, storage areas, and similar facilities together with reasonable parking incident to the foregoing and such access to, from and over the project as may reasonably facilitate development and sale of the entire project by Developer. Developer shall pay all costs related to the condominium units or common elements while owned by Developer, and restore the facilities to habitable status upon termination of use.

ARTICLE VII

Mortgages

Section I. Any co-owner who mortgages such co-owner's condominium 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 shall, at the written

request of a mortgagee of any such condominium unit, notify the mortgagee of unpaid assessments due from the co-owner of such condominium unit.

Section 2. The Association shall, upon request, furnish an individual mortgagee with complete information on all insurance carried by the Association.

ARTICLE VIII

Indemnification of Officers and Directors

Section 1. To the extent permitted by law, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association or its members and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association or its members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was lawful. Notwithstanding the above, the Association shall not indemnify any person for wilful and wanton misconduct or for gross negligence.

Section 2. To the extent permitted by law, the Association shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the corporation or its members and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Notwithstanding the above, the Association shall not indemnify any person for willful and wanton misconduct or for gross negligence.

Section 3. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 4. Any indemnification (unless ordered by the court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth herein. Such determination shall be made in one of the following ways:

- A. By the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding.
- B. If such quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.
- C. By the members by majority vote.

Notice that a determination has been made pursuant to this Section that indemnification of the director, officer, employee or agent is proper shall be given to each member no less than ten (10) days prior to an indemnification payment.

Section 5. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another business enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his or her status as such, whether or not the Association would have power to indemnify him against such liability pursuant to this Article VIII.

ARTICLE IX

Reserve Fund

Section 1. The Association shall maintain a reserve for major repairs and replacement of common elements. The reserve fund, at a minimum, shall be equal to ten (10%) percent of the Association's current annual budget on a noncumulative basis.

Section 2. The funds contained in said reserve fund shall only be used for major

repairs and replacement of common elements.

Section 3. There shall be set aside the amount of funds required by Section 1 above by the time of the transitional control date. The Developer shall be liable for any deficiency in this amount at the transitional control date as defined by the Act.

Section 4. The minimum standard required by this Article IX may prove to be inadequate for this Condominium Project. The Association shall 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.

ARTICLE X

Amendments

Section 1. The Developer may amend these bylaws without the consent of co-owners or mortgagees if the amendment does not materially alter or change the rights of a co-owner or mortgagee. An amendment which does not materially change the rights of a co-owner or mortgagee includes, without limitation, a modification of the types, location, number and sizes of unsold condominium units and their appurtenant limited common elements.

Section 2. These Bylaws, and the Condominium Subdivision Plan may be amended, even if the amendment will materially alter or change the rights of the co-owners or mortgagee, with the consent of not less than two-thirds (2/3) of the votes of the co-owners and mortgagees. A mortgagee shall have one (1) vote for each mortgage held.

Section 3. The method or formula used to determine the percentage of value of units in the project for other than voting purposes may not be modified without the consent of each affected co-owner and mortgagee. A co-owner's condominium unit dimensions or appurtenant limited common elements may not be modified without the co-owner's consent.

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

Section 5. A 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 and mortgagees or based upon the advisory committee's decision, the costs of which are expenses of administration.

Section 6. An amendment to the master deed or other recorded Condominium Documents shall not be effective until the amendment is recorded. A copy of the recorded amendment shall be delivered to each co-owner of the project.

ARTICLE XI

Compliance

The Association and all present or future co-owners, tenants, future tenants, and any other persons or occupants acquiring an interest in or using the facilities of the project in any manner are subject to and shall comply with the Act, the Master Deed, these Bylaws and all other Condominium Documents, 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 XII

Definitions

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

ARTICLE XIII

Additional Remedies for Default

Section 1. In addition to remedies for default set forth in preceding Articles, any default by a co-owner shall entitle the Association or another co-owner or co-owners to the following relief:

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

B. In any proceeding arising because of an alleged default by any co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney fees, (not limited to statutory fees) as may be determined by the Court. This provision is not intended to entitle a co-owner to recover such attorney fees.

C. 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 condominium 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.

Section 2. 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 3. 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 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.

ARTICLE XIV

Severability

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

END OF CONDOMINIUM BYLAWS

.-.-.-