Recorded December 6, 2005 Liber 4443, Pages 29 (1 through 95), Washtenaw County Records. Washtenaw County Condominium Subdivision Plan No. 471.

TOUCHSTONE COHOUSING

MASTER DEED

This Master Deed is made and executed on this 6th day of December, 2004, by Honeycreek Cohousing Development Company, LLC, a Michigan Limited Liability Company, hereinafter referred to as "Developer", whose address is 424 Little Lake Drive, Ann Arbor, MI 48103, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

RECITALS:

WHEREAS, the Developer desires by recording this Master Deed, together with the 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 under the provisions of the Act.

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

ARTICLE I TITLE AND NATURE

The Condominium shall be known as Touchstone Cohousing, Washtenaw County Condominium Subdivision Plan No. . The architectural plans and specifications for each Unit constructed or to be constructed in the Condominium have been or will be filed with the Township of Scio, Washtenaw County, Michigan. The Condominium is established in accordance with the Act. The buildings and Units contained in the Condominium, including the number, boundaries, dimensions, volume and area of each Unit therein, and the approximate location of Units not yet constructed, and the designation of Common Elements as General Common Elements or Limited Common Elements are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto and/or in Article IV of this Master Deed. Each building contains individual Units created 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. Each Coowner in the Condominium shall have an exclusive right to his Unit and shall have an undivided and inseparable interest with the other Co-owners in the Common Elements of the Condominium and shall share with the other Co-owners the Common Elements of the Condominium as provided in this Master Deed. The provisions of this Master Deed, including, but without limitation, the purposes of the Condominium, shall not be construed to give rise to any warranty or representation, express or implied, as to the composition or physical condition of the Condominium, other than that which is expressly provided herein.

ARTICLE II LEGAL DESCRIPTION

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

Commencing at the Northwest corner of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan; thence S05°20'06"W 2257.89 feet along the West line of said Section to the POINT OF BEGINNING; thence S86°33'21"E 623.41 feet to a point on the centerline of Little Lake Drive; thence S06°25'50"W 439.48 feet to a point on the East and West 1/4 line of said Section; thence N85°23'59"W 614.72 feet along said East and West 1/4 line to the West 1/4 corner of said Section 26; thence N05°20'06"E 426.72 feet (recorded as 426.71) along the West line of said Section to the Point of Beginning. Being a part of the West 1/2 of the Northwest 1/4 of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan and containing 6.15 acres of land, more or less. Being subject to the rights of the public over that portion of Little Lake Drive as occupied. Also being subject to all other lawful easements, restrictions and right-of-ways of record and all governmental limitations.

Parcel ID No. 08-26-200-014

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 rules and regulations, if any, of Touchstone Cohousing Association, a Michigan Nonprofit Corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Touchstone Cohousing as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

- Section 1. Act. "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
- Section 2. <u>Arbitration Association</u>. "Arbitration Association" means the American Arbitration Association or its successor.
- Section 3. <u>Association</u>. "Association" means Touchstone Cohousing Association, which is the nonprofit 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.
- Section 4. <u>Board of Directors or Board</u>. "Board of Directors" or "Board" means the Board of Directors of Touchstone Cohousing Association, a Michigan nonprofit corporation organized to manage, maintain and administer the Condominium.
- Section 5. <u>Book of Agreements</u>. "Book of Agreements" shall mean the record of decisions made by the members of the Association.
- Section 6. <u>Bylaws</u>. "Bylaws" means Exhibit "A" hereto, as the same from time to time hereafter may be amended or amended and restated by an instrument duly executed and acknowledged in accordance with the Bylaws and the Act and recorded in the office of the Washtenaw County Register of Deeds, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the Corporate Bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.
- Section 7. <u>Common Elements</u>. "Common Elements", where used without modification, means both the General and Limited Common Elements, if any, described in Article IV hereof.
- Section 8. <u>Condominium Documents</u>. "Condominium Documents" wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, and the Articles of Incorporation, Bylaws and rules and regulations, if any, of the Association as all of the same may be amended and/or restated from time to time.
- Section 9. <u>Condominium Premises</u>. "Condominium Premises" means and includes the land described in Article II above, and the buildings, improvements and structures thereon, and all easements, rights and appurtenances belonging to Touchstone Cohousing as described above.

- Section 10. <u>Condominium Project, Condominium or Project</u>. "Condominium Project", "Condominium" or "Project" means Touchstone Cohousing as a Condominium established in conformity with the provisions of the Act.
- Section 11. <u>Condominium Subdivision Plan</u>. "Condominium Subdivision Plan" means the Condominium Subdivision Plan of Touchstone Cohousing as surveyed by Washtenaw Engineering located at P.O. Box 1128, 3250 W. Liberty Rd., Ann Arbor, MI 48103, which is attached as Exhibit "B" hereto, and all amendments and re-plats thereof which from time to time may be recorded in the office of the Washtenaw County Register of Deeds.
- Section 12. Construction and Sales Period. "Construction and Sales Period" means the period commencing with the recording of the Master Deed and, unless earlier terminated by the Developer in a signed writing in recordable form which the Developer causes to be delivered to the Association, continuing as long as the Developer owns any Unit in the Condominium, by legal or equitable title, which it offers for sale, and thereafter, in any such event, for the applicable warranty period in regard to all such Units.
- Section 13. <u>Co-owner</u>. "Co-owner" means a person, firm, corporation, partnership, limited liability company, limited liability partnership, association, trust or other legal entity or any combination thereof who or which own one or more Units in the Condominium, and shall include a land contract vendee. The term "Owner", wherever used, shall be synonymous with the term "Co-owner".
- Section 14. <u>Developer</u>. "Developer" means Honeycreek Cohousing Development Company, LLC, a Michigan Limited Liability Company, 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 term is used in the Condominium Documents.
- Section 15. First Annual Meeting. "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 may properly be brought before the meeting. Such meeting is to be held: (a) in the Developer's sole discretion either before or after fifty (50%) percent of the Units which may be created are sold, or (b) mandatorily after the elapse of fifty-four (54) months from the date of the first Unit conveyance, or (c) mandatorily no later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of seventy-five (75%) percent of all Units which may be created are sold, whichever first occurs.
- Section 16. <u>Master Deed</u>. "Master Deed" means this Master Deed, as the same from time to time hereafter may be amended by one or more instrument(s) duly executed and acknowledged in accordance with the requirements of the Master Deed, the Act and other applicable laws, if any, of the State of Michigan, and duly recorded in the office of the Washtenaw County Register of Deeds, being the Condominium Document recording the Condominium Project which is required by Section 8 of the Act.
- Section 17. <u>Township or Township of Scio</u>. "Township" or "Township of Scio" means the Township of Scio, Washtenaw County, Michigan, a General Law Township.

Section 18. <u>Transitional Control Date</u>. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 19. <u>Unit or Condominium Unit</u>. "Unit" or "Condominium Unit" each mean the enclosed space constituting a single complete residential Unit in Touchstone Cohousing as such space may be described in Exhibit "B" hereto and in Article V, Section 1 below, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

Other terms which may be utilized in the Condominium Documents and which are not defined herein above shall have the meanings as provided in the Act.

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

ARTICLE IV COMMON ELEMENTS

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

- Section 1. General Common Elements. The General Common Elements are:
- (a) <u>Land</u>. The land described in Article II hereof and other common areas, when included as a part of the Condominium (subject to the rights of the public, if any, over any portions of rights-of-way).
- (b) Roadway and Entryway Easement Area. The roadway located within the Condominium which shall be used for vehicular ingress and egress to the Limited Common Element Garages and to the General Common Element parking spaces, only. The remainder of the roadway located within the Condominium shall only be used for emergency vehicular ingress and egress and pedestrian and bicycle access, except as may otherwise be authorized by the Board of Directors in writing and/or by rules and regulations adopted pursuant to Article VI, Section 10 of the Bylaws (Exhibit "A" to this Master Deed). The entryway easement area, as depicted on Exhibit "B," shall be shared with the Co-owners, guests, tenants and invitees of Great Oak Cohousing, a neighboring Condominium, as provided in Article VIII, Section 6 hereinbelow, who shall use the entryway as means of ingress and egress to the Great Oak Cohousing Project.
- (c) <u>Parking Spaces</u>. The parking spaces located within the Condominium as depicted on Exhibit "B" hereto. Notwithstanding the foregoing, the Developer may, in its discretion, assign General Common element parking spaces to individual Co-owners on an equitable basis as may be determined by the Developer at any time during the

Construction and Sales Period. Thereafter, upon Consensus of the members, as provided in Article I, Section 2 of the Bylaws (Exhibit "A" hereto), the Association may assign General Common Element parking spaces to individual Co-owners on an equitable basis, subject to the provisions of Article VI, Section 8 of the Bylaws (Exhibit "A" hereto).

- (d) Garages. The garage buildings and the individual garage spaces which are located within the Condominium, as depicted on Exhibit "B" hereto, and which are not yet assigned as Limited Common Elements to any Units. Notwithstanding the foregoing, the Developer may, in its sole discretion, assign General Common Element garage spaces to individual Co-owners on an equitable basis as may be determined by the Developer at any time during the Construction and Sales Period. Thereafter, the Association may, in its discretion, assign any remaining General Common Element garage spaces to individual Co-owners on an equitable basis as may be determined by the Board of Directors.
- (e) <u>Common House</u>. The common house located in the Condominium as depicted on Exhibit "B" hereto.
- (f) <u>Walkways</u>. The walkways throughout the Condominium leading up to the Units, as depicted on Exhibit "B" hereto.
- (g) <u>Electrical System and Electric Meters</u>. The electrical transmission system throughout the Condominium, including that contained within Unit walls, up to the point of connection with, but not including, electrical fixtures, plugs and switches within any Unit, together with meters measuring electric usage thereby.
- (h) <u>Telephone</u>. The telephone system throughout the Condominium up to the point of entry to each Unit.
- (i) <u>Natural Gas Distribution System and Natural Gas Meters</u>. The natural gas distribution system throughout the Condominium, including that portion contained within Unit walls, up to the point of connection with gas fixtures within any Unit, together with all meters measuring natural gas usage thereby.
- (j) <u>Water Distribution System and Water Meters</u>. The water distribution system throughout the Condominium, including that contained within Unit walls, up to the point of connection with the fixtures or their apparatuses (i.e. hoses, etc.), for and contained in an individual Unit, and all water meters.
- (k) <u>Sanitary Sewer</u>. The sanitary sewer system throughout the Condominium, including that contained within Unit walls, up to the point of connection with plumbing fixtures within any Unit.
- (I) <u>Telecommunications</u>. The telecommunications system, if and when it may be installed, up to, but not including, connections to provide service to individual Units.
- (m) <u>Storm Sewer System</u>. The storm sewer system throughout the Project, including the two (2) detention basins, as depicted on Exhibit "B" hereto.

- (n) <u>Foundations and Structural Components</u>. Foundations, supporting columns, Unit perimeter walls (excluding windows and doors therein), roofs, ceilings, and floor construction between Unit levels.
- (o) Other. Such other elements of the Condominium 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 Condominium.

Some or all of the utility lines, systems (including mains and service leads) and equipment, the cable television system, and the telecommunications system, if and when constructed, described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the cable television and telecommunications systems, if and when constructed, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature or extent of such interest, if any.

Section 2. <u>Limited Common Elements</u>. The Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-owner or Co-owners of the Unit or Units to which the Limited Common Elements are appurtenant. The Limited Common Elements are as follows:

- (a) <u>Assigned Garage Spaces</u>. The garage spaces which are assigned to certain Units, if any, shall be limited in use to the Units to which they are assigned as depicted on Exhibit "B" hereto.
- (b) <u>Limited Common Element Yard Areas</u>. The front and rear Limited Common Element yard areas, as depicted and dimensioned on Exhibit "B" hereto, shall be limited in use to the Unit to which they are appurtenant, including any porch, patio, deck, stoop, landscaping and any exterior lights located therein.
- (c) <u>Balconies</u>. The balcony, if any, in the Condominium is restricted in use to the Coowner of the Unit which opens onto such balcony as shown on Exhibit "B" hereto.
- (d) <u>Interior Surfaces</u>. The interior surfaces of Unit perimeter, ceilings and floors contained within a Unit shall be subject to the exclusive use and enjoyment of the Co-owner of such Unit.
- (e) <u>Unit Windows and Doors</u>. Unit windows and doors shall be limited in use to the Coowners of the Units which they service.
- Section 3. <u>Responsibilities</u>. The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements are as follows:
- (a) Entryway Easement. The responsibility for the maintenance, repair and replacement of the roadway located within the entryway easement area referenced in Article IV, Section 1(b) above shall be undertaken by the Association, the costs of which shall

be equally shared by Great Oak Cohousing Association as provided in Article VIII, Section 6 hereinbelow.

- (b) Garages. The responsibility for undertaking the structural and exterior maintenance, repair and replacement of and for insuring the General Common Element garage buildings, for the garage doors and the exterior garage lights, shall be borne by the Association; however, the costs of same shall be divided equally by the number of garage spaces contained in a garage building and each Unit with an assigned garage space in such building shall pay its proportionate share of said costs which shall be levied and collected in the same manner as assessments as provided in Article II of the Bylaws, attached as Exhibit "A" to this Master Deed. Any unusual costs related to less than all of the assigned Limited Common Element garage spaces shall be assessed equally to the Unit(s) to which the benefitted garage space(s) is/are assigned. The responsibility for undertaking and for the costs of interior maintenance, and nonstructural repair and replacement shall be borne by the Co-owner of the Unit to which the garage space is assigned, and by the Association for the General Common Element (unassigned) garages. The costs of maintenance, repair and replacement of the electric garage door opener shall be borne by the Coowner of the Unit to which the Limited Common Element garage space is assigned, and by the Association for the General Common Element (unassigned) garage spaces.
- (c) <u>Limited Common Element Yard Areas.</u> The mowing of lawn areas and the maintenance, mowing, pruning, replacement and irrigation of all landscaping located within the front and rear Limited Common Element yard areas, and the costs of cleaning, decorating and maintenance of the Limited Common Element yard areas and all amenities located therein, including any porch, patio, deck, stoop and exterior lights located therein, as referenced in Article IV. Section 2(b) hereinabove, shall be borne by the Co-owner of the Unit to which such Limited Common Element yard area is appurtenant. The costs of repair, replacement, painting and staining, as the case may be, of any porch, patio, deck, stoop and porch light fixture located therein shall be borne by the Association. The Association, in its discretion, may mow any unenclosed Limited Common Element lawn area; however, this provision shall not be deemed to obligate the Association to undertake the Co-owners' mowing Any addition, alteration or modification to the Limited Common responsibility. Element yard areas, including any amenities therein, shall be subject to the additional requirements and restrictions set forth in Article VI, Section 2(d) of the Bylaws, attached hereto as Exhibit "A."
- (d) <u>Electric Meters</u>. The costs of maintenance, repair and replacement of the electric meters referenced in Article IV, Section 1(g) above shall be borne by the Association; however, the responsibility to contract for electric service and the costs of electricity usage measured by an electric meter shall be borne by (i) the Co-owner of the Unit (including as to the Units which it owns, the Developer), as to service and usage measured by any electric meter related and connected to the Unit.
- (e) Gas Meters. The costs of maintenance, repair and replacement of the gas meters referenced in Article IV, Section 1(i) above shall be borne by the Association; however, the responsibility to contract for gas service and the costs of gas usage

measured by a meter shall be borne by the Co-owner of the Unit service to which is measured by the gas meter.

- (f) Water Meters. The costs of maintenance, repair and replacement of the water meters referenced in Article IV, Section 1(j) above shall be borne by the Association. The responsibility to contract for water service and the responsibility for the costs of water usage measured by any such meter shall be borne by: (i) the Co-owner (including, as to Units it owns, the Developer) of the Unit, if the meter measures service to and usage by the Unit or any Limited Common Element appurtenant to the Unit; and (ii) by the Association, if the meter measures service to and usage by any General Common Element.
- (g) Unit Windows and Doors. The costs of maintenance, repair and replacement of all Unit windows and doors referenced in Article IV, Section 2(e) hereinabove shall be borne by the Co-owner of the Unit to which such Limited Common Elements are appurtenant, also including, without limitation, doorwalls, storm doors and windows, and screens. The style and color of each door, storm door, window and storm window described herein shall be subject to the prior express written approval of the Board of Directors of the Association, pursuant to the provisions of Article VI, Section 3 of the Bylaws (Exhibit "A" hereto) and subject to the written approval of the Developer during the Construction and Sales Period pursuant to the provisions of Article VI, Section 16 of the Bylaws.
- (h) Interior Surfaces. The costs of decoration and maintenance (but not repair or replacement, the responsibilities for which are described in and governed by Article V and Article VI, Section 15 of the Bylaws) of all surfaces referenced in Article IV, Section 2(d) hereinabove shall be borne by the Co-owner of each Unit to which such Limited Common Elements are appurtenant. Notwithstanding anything in the Condominium Documents to the contrary, the costs of repair and replacement of any drywall damaged from the inside of the Unit shall, unless covered by insurance held by the Association for the benefit of the Co-owner, be borne by the Co-owner of the Unit.
- (i) Off-Site Preservation Area. This Condominium shall pay its equally divided share of the costs of maintenance of the Preservation Area located within neighboring Great Oak Cohousing, as discussed in further detail in Article VIII, Section 5 hereinbelow.
- (j) Other Common Elements. The costs of maintenance, repair and replacement of all General and Limited Common Elements other than as described above shall be borne by the Association, subject to any provisions of the Bylaws (Exhibit "A" hereto) expressly to the contrary.
- (k) Public Utilities. Public utilities and cable companies furnishing services such as electricity, cable and telephone to the Condominium shall have access to the Common Elements and Condominium Units as may be reasonable for the reconstruction, repair or maintenance of such services, and any costs incurred in opening and repairing any wall of the Condominium to reconstruct, repair or maintain such service shall be borne by the individual Co-owners and/or by the Association, as the case may be, as set forth in the provisions of this Article IV, Section 3.

Section 4. <u>Use of Units and Common Elements</u>. No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium 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

Section 1. Description of Units. The Condominium shall consist of not more than forty-six (46) Units. Each Unit in the Condominium is described in this Section with reference to the Condominium Subdivision Plan of Touchstone Cohousing as surveyed by Washtenaw Engineering located at P.O. Box 1128, 3250 W. Liberty Rd., Ann Arbor, MI 48103, and which Plan is attached hereto as Exhibit "B". Each Unit shall include: (1) with respect to each Unit with a basement, all that space contained within the unpainted surfaces of the basement floor and walls and the uncovered underside of the first-floor joists, including the stairwells, (2) with respect to each Unit without a basement, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, (3) with respect to the upper floors of such Unit, if any, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, and (4) with respect to the attic area of such Unit, if any, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, or, if the attic is unfinished, if any, all that space contained within the interior wall studs, roof trusses and floor joists, including the stairwells, all as shown on the floor plans and sections in Exhibit "B" hereto and delineated with heavy outlines.

Notwithstanding anything hereinabove to the contrary, although within the boundaries of a Unit for purposes of computation of square footage in the Condominium Subdivision Plan, the Co-owner of a Unit shall not own or tamper with any structural components contributing to the support of the building in which such Unit is located, including but not limited to support columns, nor any pipes, wires, conduits, ducts, flues, shafts or public utility lines situated within such Unit which service or comprise the Common Elements or a Unit or Units in addition to the Unit where located. Easements for the existence, maintenance and repair of all such structural components shall exist for the benefit of the Association and, to the extent applicable, the Developer during the Construction and Sales Period.

Section 2. <u>Percentages of Value</u>. The percentage of value assigned to each Unit was computed based upon the average square footages of the buildings, inclusive of the Units contained therein (but not including any basement areas, attic spaces or garage spaces), with the resultant percentages reasonably adjusted to total precisely one hundred percent (100%). The percentage of value assigned to each Unit shall be determinative of each Co-owner's undivided interest in the Common Elements and the proportionate share of each respective Co-owner in the proceeds and expenses of administration. Voting rights shall be equal as provided by the Bylaws. Set forth below are:

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

UNIT NO. (*style) ASSIGNED	% OF VALUE	UNIT NO. (*style) ASSIGNED	% OF VALUE	UNIT NO. (*style) ASSIGNED	% OF VALUE
1 (I)	2.817	16 (G/L)	1.820	32 (F/U)	1.514
2 (E/U)	1.076	17 (G/U)	2.061	33 (F/L)	1.370
3 (E/L)	.967	18 (I)	2.817	34 (F/U)	1.514
4 (G/L)	1.820	19 (I)	2.817	35 (F/L)	1.370
5 (G/U)	2.061	20 (G/L)	1.820	36 (I)	2.817
6 (E/L)	.967	21 (G/U)	2.061	37 (J)	3.473
7 (E/U)	1.076	22 (I)	2.817	38 (G/L)	1.820
8 (I)	2.817	23 (I)	2.817	39 (G/U)	2.061
9 (I)	2.817	24 (G/L)	1.820	40 (J)	3.473
10 (F/U)	1.514	25 (G/U)	2.061	41 (I)	2.817
11 (F/L)	1.370	26 (I)	2.817	42 (G/U)	2.061
12 (F/L)	1.370	27 (J)	3.473	43 (G/L)	1.820
13 (F/U)	1.514	28 (G/L)	1.820	44 (G/L)	1.820
14 (I)	2.817	29 (G/U)	2.061	45 (G/U)	2.061
15 (I)	2.817	30 (J)	3.473	46 (I)	2.817
		31 (I)	2.817	TOTAL:	100%

^{* &}quot;U" = "upper" Unit style; "L" = "lower" Unit style

Section 3. Modification of Units and Common Elements by Developer. The size, location, nature, design or elevation of Units and/or General or Limited Common Elements appurtenant or geographically proximate to any Units described in the Condominium Subdivision Plan, as same may be revised or amended from time to time, may be modified, in Developer's sole discretion, by amendment to this Master Deed effected solely by the Developer and its successors without the consent of any person so long as such modifications do not unreasonably impair or diminish the appearance of the Condominium or the privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Limited Common Element. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint Developer or its successors and assigns 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.

Section 4. Relocation of Boundaries of Adjoining Units by Co-owners. Boundaries between adjoining Condominium Units may be relocated at the request of the Co-owners of such adjoining Condominium Units and upon approval of the affected mortgagees of these Units. Upon written application of the Co-owners of the adjoining Condominium Units, and upon the approval of said affected mortgagees, the Board of Directors of the Association shall forthwith prepare and execute an amendment to the Master Deed duly relocating the boundaries pursuant to the Condominium Documents and the Act. Such an amendment to the Master Deed shall identify the Condominium Units involved and shall state that the boundaries between those Condominium Units are being relocated by agreement of the Co-owners thereof and such amendment shall contain the conveyance between those Coowners. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment of this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint the Association, through its Board of Directors, as agent and attorney for the purpose of execution of such amendment to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendment may be effected without the necessity of re-recording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. The amendment shall be delivered to the Co-owners of the Condominium Units involved upon payment by them of all reasonable costs for the preparation and recording thereof which may be assessed to and collected from the responsible Co-owner(s) in the manner provided in Article II of the Bylaws attached hereto as Exhibit "A".

ARTICLE VI

CONTRACTION OF CONDOMINIUM

Section 1. Contractible Area. Although the Condominium established pursuant to this Master Deed of Touchstone Cohousing consists of forty-six (46) Units, the Developer hereby reserves the right within a period ending no later than six (6) years from the date of recording of this Master Deed to contract the size of the Condominium so as to contain eight (8) Units or more, by withdrawing one or more of Units 1 through 8, Units 15 through 46, the Common Elements, utilities, and/or roadway which are not needed to service the remaining Units (unless use and access easements are provided), from the Condominium (labeled "need not be built" on the Condominium Subdivision Plan attached hereto as Exhibit "B" and hereinafter referred to as "Contractible Area"). Developer reserves the right to use a portion of the land so withdrawn to establish, in its sole discretion, a rental development, a separate condominium project (or projects), or any other form of development or retain same as raw land. Developer further reserves the right, subsequent to such withdrawal but prior to six (6) years from the date of recording this Master Deed, to expand the Project so reduced to include all or any portion of the land so withdrawn.

Section 2. <u>Decrease in Number of Units</u>. Any other provisions of this Master Deed to the contrary notwithstanding, the number of Units in this Condominium Project may, at the option of the Developer or its successors or assigns, from time to time, within a period no later than six (6) years from the date of recording this Master Deed, be reduced to no

less than eight (8) Units by withdrawing any portion, or all, of the Contractible Area from the Condominium. This period may be extended with the prior approval of sixty-six and two-thirds percent (66-2/3%) of all Co-owners who are eligible to vote. There are no restrictions on the election of the Developer to contract the size of the Condominium other than as explicitly set forth herein. There is no obligation on the part of the Developer to withdraw portions of the Contractible Area from the Condominium in any particular order.

Section 3. Statutory Right to Contract Undeveloped Portions of Condominium. The Act provides that, if the Developer has not completed development and construction of the entire Condominium Project, including proposed improvements whether identified as "must be built" or "need not be built" in this Master Deed and/or on Exhibit "B" hereto, the Developer, its successors or assigns has the right to withdraw from the Project all undeveloped portions of the Project without the prior consent of any Co-owners, mortgagees of Units in the Project, or any other party having an interest in the Project during a period ending six (6) years from the date the Developer exercised its rights with respect to either contraction or convertibility, whichever right was exercised last, or within ten (10) years from the date of commencement of construction of the Condominium Project if no contraction or conversion has occurred. The undeveloped portions of the Project withdrawn shall also automatically be granted easements for utility and access purposes through the Condominium Project for the benefit of the undeveloped portions of the Project. If the Developer does not withdraw the undeveloped portions of the Project from the Project before the expiration of the six (6) year time period previously described, i.e., six (6) years from the date of the last contraction or conversion of this Project, or within ten (10) years from the date of commencement of construction, if no contraction or conversion has occurred, such lands shall remain part of the Project as General Common Elements and all rights to construct Units upon that land by the Developer, or its successors or assigns, shall cease. In such event, if it becomes necessary to adjust percentages of value as a result of fewer Units existing, a Co-owner or the Association may bring an action to require revisions to the percentages of value pursuant to the Act.

Section 4. <u>Amendment of Master Deed</u>. Such contraction of this Condominium Project 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 discretion of the Developer or its successors and assigns.

Section 5. Consent of Interested Persons. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint Developer or its successors and assigns 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 the entire Master Deed or the Exhibits hereto and any pertinent portions of this Master Deed and the Exhibits hereto. These provisions hereby give notice to all persons acquiring an interest in the Condominium that such amendment of this Master Deed may be made and recorded and no further notice of such amendment shall be required.

ARTICLE VII CONVERTIBLE AREA

Section 1. Convertible Area. The Developer intends to construct the Units in the Condominium as indicated on the Condominium Subdivision Plan (Exhibit "B" hereto). However, the Developer hereby reserves the right to convert the Common Element areas as the need arises in order to make reasonable changes to Unit types and sizes, General or Limited Common Elements and their respective sizes and assignments, and to increase or decrease the immediately adjacent common area sizes accordingly, including, without limitation, the Convertible Dormer Area, as depicted on Exhibit "B" hereto. The Developer further hereby reserves the right to create additional General Common Elements and/or create or assign Limited Common Elements within any portion of the Condominium and/or to designate those Common Elements therein which may be subsequently assigned as Limited Common Elements, including, without limitation, General Common Element Garage spaces which may be assigned as to individual Units as provided in Article IV, Section 1 (d) hereinabove.

Section 2. <u>Time Period in Which to Exercise Option to Convert</u>. The Developer's option to convert certain areas of the Condominium as provided in Section 1 above shall expire six (6) years from the date of recording of this Master Deed and may be exercised at one time or at different times within said six (6) year period as the Developer, in its sole discretion, may elect. This period may be extended with the prior approval of sixty-six and two-thirds percent (66-2/3%) of all Co-owners eligible to vote.

Section 3. No Additional Units to be Created in Convertible Area. No additional Units shall be added to the Condominium as a result of the exercise of the Developer's option to convert the Condominium reserved in Section 1 above, since the Developer's right to convert the Condominium is limited solely to the right to reasonably alter types, sizes, and boundaries of the Units and the common areas and/or to create additional Common Elements as provided in Section 1 above.

Section 4. Amendment of Master Deed. Such conversion of this Condominium Project 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 discretion of the Developer or its successors and assigns.

Section 5. <u>Consent of Interested Persons</u>. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint Developer or its successors and assigns 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 the entire Master Deed or the Exhibits hereto and any pertinent portions of this Master Deed and the Exhibits hereto. These provisions hereby give notice to all persons acquiring an interest in the Condominium that such amendment of this Master Deed may be made and recorded and no further notice of such amendment shall be required.

ARTICLE VIII EASEMENTS

Section 1. Easement for Maintenance of Encroachments and Utilities. In the event any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling or movement of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings, improvements, and walls (including interior Unit walls) contained therein for the continuing maintenance and repair of all utilities in the Condominium. There shall exist easements of support with respect to any Unit interior wall which supports a Common Element.

Section 2. Easement Retained by Developer Over Roads and Other Common Elements. Developer reserves for the benefit of itself, its successors and assigns, and all future owners of the land that may be withdrawn from time to time as reserved in Article VI above, an easement for the unrestricted use of all roads in the Condominium for the purpose of ingress and egress to and from all or any portion of the land withdrawn from the Condominium pursuant to Article VI hereinabove. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Article VII, Section 2 shall be shared by this Condominium and any developed portions of the land withdrawn from the Condominium from time to time as reserved in Article VI above, and whose closest means of access to a public road is over such road or roads. The Co-owners of this Condominium (to be paid as a cost of administration by the Association) shall be responsible from time to time for payment of a 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 of the dwellings in any land that may be withdrawn from time to time as reserved in Article VI above, which lies outside this Condominium and whose closest means of access to a public road is over such road.

Section 3. Reservation of Right to Dedicate Public Right-of Way Over Roadways or to Transfer Title. The Developer reserves the right at any time during the Construction and Sales Period, and the Association shall have the right thereafter, to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in the Condominium Subdivision Plan as are shown as General Common Elements in the Condominium Subdivision Plan, or to transfer title to such roadways to the local public authority. Any such right-of-way dedication or transfer of title may be made by the Developer or the Association, as the case may be, without the consent of any Coowner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Washtenaw County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication or transfer of title. This right of dedication and transfer of title shall not be construed to require that the Developer or Association do so, nor increase or otherwise alter any obligation which the Developer may have, and shall in no way whatsoever obligate the Developer to

construct or install the roads in a manner suitable for acceptance of such dedication by the appropriate governmental authority.

Section 4. Easement Retained by Developer to Tap Into Utilities and Detention Basins and for Surface Drainage. Developer also hereby reserves for the benefit of itself. its successors and assigns, and all future owners of any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend, and enlarge all utility mains located on the Condominium Premises and the detention basins, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunications systems, and storm and sanitary sewer mains. In the event that the Developer, its successors and assigns, utilizes, taps, ties into, extends or enlarges any utilities located on the Condominium Premises and/or the detention basins 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, typing in, extension or enlargement. All expenses of maintenance, upkeep, repair and replacement of the utility mains and/or the detention basins described in this Article VII. Section 3 shall be shared by this Condominium and any developed portions of the land withdrawn from time to time as reserved in Article VI above, which are served by such utility mains or the detention basins. The Co-owners of this Condominium (to be paid as a cost of administration by the Association) shall be responsible, from time to time, for payment of a proportionate share of said expenses, which share shall be determined by multiplying said 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 completed dwellings on the land withdrawn from time to time as reserved in Article VI above, which are serviced by such utility mains and/or the detention basins; 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, that the expense sharing shall be applicable only to the utility mains and the detention basins 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 in the Condominium and by the owner or owners, or any association of owners, as the case may be, of the land withdrawn from time to time as reserved in Article VI above, upon which are located the Units which such lead or leads service. Developer also hereby reserves for the benefit of itself, its successors and assigns, a perpetual easement to modify the landscaping and/or grade in any portion of the Condominium Premises in order to preserve and/or facilitate surface drainage in a portion or all of the land withdrawn from time to time as reserved in Article VI above. The Developer, its successors and assigns, shall bear all costs of such modifications. Any such modification to the landscaping and/or grade in the Condominium Premises under the provisions of this Article VII, Section 3, shall not impair the surface drainage in this Condominium.

Section 5. Grant of Easement by Great Oak Cohousing Over Preservation Area to this Condominium. Pursuant to the Master Deed of Great Oak Cohousing, recorded in Liber 4150, Page 447 (pages 1-36, inclusive), Washtenaw County Records, this Condominium has been granted an easement over the General Common Elements of Great Oak Cohousing for ingress, egress and maintenance, repair and replacement of the Preservation Area located within Great Oak Cohousing, as depicted on Exhibit "B" hereto. This Condominium Association is required to share in the costs of maintenance of the Preservation Area with Great Oak Cohousing which shall be a cost of administration.

Section 6. Grant of Easement by this Condominium over Entryway to Great Oak Cohousing. Pursuant to a Grant of Easement for Ingress and Egress recorded in Liber 4172, Page 637 (pages 1-8, inclusive), the neighboring Condominium, Great Oak Cohousing, has an easement for ingress and egress purposes and for the construction, installation, maintenance and repair of roads, and access ways over, across and within this Condominium in the location of the easement area depicted therein and as depicted on Exhibit "B" hereto. Great Oak Cohousing shall equally share in the costs of maintenance, repair or reconstruction of the roadway within the easement area.

Section 7. Reservation of Right to Grant Easements for Utilities. The Developer reserves the right at any time during the Construction and Sales Period, and the Association shall have the right thereafter, 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, recorded in the Washtenaw County Register of Deeds. 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 amendments to this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

Section 8. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the First Annual Meeting), shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, 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; subject, however, to the approval of the Developer so long as the Construction and Sales Period has not expired.

Section 9. Association and Developer Easements for Maintenance, Repair and Replacement. 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 of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium. 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 and other Common Elements located within any Unit or its appurtenant Limited Common Elements. Neither the Developer nor the Association shall be liable to the owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his installment of the annual assessment next falling due; further, the lien for nonpayment shall attach as in all cases of annual assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of annual assessments including, without limitation, legal action and foreclosure of the lien securing payment as provided for in Article II of the Bylaws (Exhibit "A" hereto) and the Act, and the Association shall be obligated to reimburse the Developer for any funds collected by it in this regard.

Section 10. <u>Telecommunications Agreements and Security</u>. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Construction and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, utility agreements, right-of-way agreements, access agreements and multi-Unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees and agreement for the provision of security services as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multichannel multipoint distribution service and similar services (collectively "Telecommunications") to the Condominium or any Unit therein and security services to the extent the Board deems it necessary. 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 any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium within the meaning of the Act and shall be paid over to and shall be the property of the Developer during the Construction and Sales Period and, thereafter, the Association.

Section 11. <u>Sharing of Expenses</u>. For purposes of this Article VIII, the calculation of any fraction for the sharing of pertinent expenses according to the number of Units in this Condominium and the dwellings in the land withdrawn from time to time as reserved in Article VI above, shall include only those Units for which a certificate of occupancy has been issued by the Township.

ARTICLE IX

AMENDMENT

This Master Deed and the Bylaws (Exhibit "A" to the Master Deed) and the Condominium Subdivision Plan (Exhibit "B" to said Master Deed) may be amended with the consent of sixty-six and two-thirds percent (66-2/3%) of all of the Co-owners entitled to vote, except as hereinafter set forth:

Section 1. <u>Modification of Units or Common Elements</u>. A Co-owner's Unit dimensions or its appurtenant Limited Common Elements, and any provisions relating to the ability or terms under which the Co-owner may rent the Unit, may not be modified without the written consent of the Co-owner.

Section 2. <u>Change in Percentage of Value</u>. The method or formula utilized to determine the percentage of value assigned to any Unit for other than voting purposes shall not be modified without the written consent of the Co-owner and first mortgagee.

Mortgagee Approval Requirement. Notwithstanding any other provision of the Condominium Documents to the contrary, mortgagees are entitled to vote on amendments to the Condominium Documents only when and as required by the Act. Moreover, insofar as permitted by the Act, this Master Deed shall be construed to reserve to the Developer during the Construction and Sales Period, and to the Co-owners thereafter, the right to amend this Master Deed and/or the Condominium Subdivision Plan without the consent of mortgagees, if the amendment does not materially alter or change the rights of mortgagees generally, or as may be otherwise described in the Act, notwithstanding that the subject matter of the amendment is one which in the absence of this sentence would require that mortgagees be afforded the opportunity to vote on the amendment. If, notwithstanding the preceding sentences, mortgagee approval of a proposed amendment to the Master Deed and/or Condominium Subdivision Plan is required by the Act, the amendment shall require the approval of sixty-six and two-thirds percent (66-2/3%) of the first mortgagees of Units entitled to vote thereon. Mortgagees are not required to appear at any meeting of Co-owners but their approval shall be solicited through written ballots in accordance with the procedures provided in the Act.

Section 4. <u>By Developer.</u> Prior to one (1) year after expiration of the Construction and Sales Period described in Article III, Section 11 above, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit "B" in order to correct survey or other errors made in such documents, to carry out the intent of developing this Condominium Project in accordance with the approved plans, to comply with the requirements of governmental agencies, and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit "A" as do not materially affect any rights of any Co-owners or mortgagees in the Condominium, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or of the State of Michigan and to comply with amendments to the "Act."

Section 5. <u>Termination, Vacation, Revocation and Abandonment</u>. The Condominium may not be terminated, vacated, revoked or abandoned without the written consent of the Developer (during the Construction and Sales Period) together with eighty percent (80%) of the non-Developer Co-owners, and as otherwise allowed by law.

Section 6. <u>Developer Approval</u>. During the Construction and Sales Period, Article V, Article VI, Article VII, Article VIII, this Article IX and Article X below shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer. During the time period referenced in the preceding sentence, no other portion of this Master Deed, nor the Bylaws attached hereto as Exhibit "A", nor the Subdivision Plan attached hereto as Exhibit "B" may be amended in any manner so as to materially affect and/or impair the rights of the Developer, unless said

amendment has received the prior written consent of the Developer together with the requisite number of affirmative votes. No easements created under the Condominium Documents may be modified or obligations with respect thereto varied without the consent of each owner benefitted thereby.

ARTICLE X ASSIGNMENT AND COMPLIANCE

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 the Developer to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the Office of the Washtenaw County Register of Deeds. In the event that any provision of this Master Deed conflicts with any provision of the Bylaws and Condominium Subdivision Plan, the provisions of the Master Deed shall govern.

HONEYCREEK COHOUSING

DEVELOPMENT COMPANY, LLC,
a Michigan

Limited Liability Company,

John D. Lindeberg

STATE OF MICHIGAN	}
STATE OF MICHIGAN COUNTY OF WASHTENAW) ss.)
before me by John D. Lindeberg	ber, 2004, the foregoing Master Deed was acknowledged the Manager of Honeycreek Cohousing Development ed Liability Company, on behalf of said Company.
	, Notary Public Acting in: Washtenaw County, Michigan
Master Deed Drafted by: When Recorded Return to: ROBERT M. MEISNER, ESQ.	
Touchstone Cohousing	

Master Deed

MEISNER & ASSOCIATES, P.C. 30200 Telegraph Road, Suite 467 Bingham Farms, Michigan 48025-4506 (248) 644-4433

RMM/KMB/TouchstoneCohousing/MasterDeed 12.5.04

TOUCHSTONE COHOUSING

EXHIBIT "A" TO THE MASTER DEED BYLAWS

ARTICLE I

ASSOCIATION OF CO-OWNERS

Section 1. Touchstone Cohousing, a residential Organization. Condominium located in the Township of Scio, County of Washtenaw, State of Michigan, shall be administered by an Association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, and duly adopted rules and regulations of the Association, and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner, including the Developer, shall be a member of the Association 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 in the Condominium. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve or other asset of the The Association shall keep current copies of the Master Deed, all amendments to the Master Deed and other Condominium Documents for the Condominium available at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium. All Co-owners in the Condominium and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents. Actions taken by the Association as provided in these Bylaws shall mean any action taken by the Board of Directors, except as otherwise provided.

Section 2. <u>Decision Making</u>. Decisions related to the Condominium Association, the Condominium Project and the Units shall be made in accordance with the following procedures:

- A. <u>Developer Decisions</u>. During the Construction and Sales Period, as defined by Article III, Section 12 of the Master Deed, the Developer shall have exclusive decision making power over such matters as are reserved in the Master Deed, these Bylaws, the Condominium Act, the Articles of Incorporation, the Book of Agreements, and rules and regulations of the Association adopted pursuant to Article VI, Section 10 of these Bylaws.
- B. <u>Board of Director Decisions</u>. Subject to the Developer's reserved rights described in Subparagraph A, above, the Board of Directors shall have exclusive decision making power over such matters as are designated by the Master Deed, these Bylaws, the Articles of Incorporation, the Book of Agreements, and rules and regulations of the Association adopted pursuant to Article VI, Section 10 of these Bylaws to be made by the Board of Directors.
- Co-owner Approval. Certain decisions which are required to be made by a vote of the Co-owners of the Association pursuant to the Michigan Condominium Act (M.C.L. 559.101, et. seq., as amended), by the Michigan Nonprofit Corporation Act (M.C.L. 450. 2101, et. seq., as amended), by such other laws and/or by special requirements set forth in the Master Deed, these Bylaws, the Articles of Incorporation, the Book of Agreements, and rules and regulations of the Association adopted pursuant to Article VI, Section 10 of these Bylaws, and the Act, shall be made in accordance the specified requirements set forth in the enabling applicable provisions.
- D. <u>Membership Consensus</u>. Subject to the reserved rights of the Developer, the decision making power of the Board of Directors, and the statutory and other specific approval requirements of the Co-owners, as respectively described in Subparagraphs A, B and C above, all other decisions shall be arrived at by general agreement of the members of the Association in accordance with the following procedures:
 - 1. Consensus Meeting and Vote. A matter requiring membership decision shall be presented to the members at a meeting duly called and held in accordance with these Bylaws and an agreement by all of the members who are present at the meeting, in person, by proxy, absentee ballot or written consent shall be required to make a decision (hereinafter a "Consensus"), which shall be recorded minutes to be placed in the Book of Agreements. The Developer

shall have one vote for each unsold Unit. Proxy votes, absentee ballots and consents must be recorded in the minutes and shall be valid only for the particular meeting designated and must be filed with the Association before the appointed time of the meeting. Members who do not agree with a decision may choose not to cast their vote ("Stand Aside") in order not to block Consensus. The decision to Stand Aside by members will be formally recorded in the minutes, with a brief reason attached. A member may vote against ("Block") a decision if he or she believes that the proposal, if adopted, would not be in the best interests of the members of the Association. A member who Blocks a decision will be asked to explain his or her reasons. If a Consensus cannot be reached, the members may proceed to solicit a vote of approval of the members and/or to bring in an outside facilitator in accordance with the following procedures:

- (a) Post Consensus Vote. If a Consensus cannot be reached, the issue to be decided may be approved by a vote of approval by at least eighty-five percent (85%) of the members who are present, in person, by proxy or absentee ballot, at meeting of the members. This vote may be taken at the same meeting at which the Consensus was defeated, or a separate meeting of the members duly called and held for such purpose;
- (b) <u>Facilitation</u>. The members of the Association may utilize an outside facilitator to assist in the decision making process on any issue if a Consensus and/or a vote of approval as provided in subparagraph (a) above cannot be reached.
- 2. Authority to Participate in Consensus or Cast a Vote. Members shall be in good standing (i.e. not delinquent in the payment of their assessments or in default of any of the provisions of the Condominium Documents) to be eligible to participate in the Consensus or to cast a vote at any meeting of the members. Each Unit shall designate one (1) person who shall be authorized to cast the member vote for his or her Unit.
- 3. Recording Blocks, Opinions and Stand Asides. Blocks may not be made by proxy. Opinions or Stand Asides may be recorded in the minutes, but will not count towards a Block.

ARTICLE II

ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authority 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. <u>Assessments for Common Elements</u>. 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 shall constitute expenditures affecting the administration of the Condominium, and all sums received as the proceeds of, or pursuant to, a 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 shall constitute receipts affecting the administration of the Condominium within the meaning of Section 54(4) of the Act.

Section 2. <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:

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, including a reasonable allowance for contingencies and reserves. The annual budget shall not be increased more than ten percent (10%) from the prior fiscal year without a Consensus of the members, as provided in Article I, Section 2 hereinabove. Failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Co-owner's obligation to pay the allocable share of the common expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Co-owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notified of any change in the monthly payment which shall not be due until at least ten (10) days after such new annual or adjusted budget is adopted. An adequate reserve fund for maintenance, repair 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 additional or

special assessments. At a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a Since the minimum standard required by this noncumulative basis. Section may prove to be inadequate for this particular Condominium, the Board of Directors should carefully analyze the Condominium 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. The funds contained in such reserve fund shall be used for major repairs and The Board of Directors may replacements of Common elements. establish such other reserve funds as it may deem appropriate from time to time. 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 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. 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, management, maintenance and capital repair of the Condominium, (2) to provide replacements of existing Common Elements, or (3) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional or special assessment or assessments without Co-owner approval or membership Consensus. as defined in Article I, Section 2 hereinabove, as it shall deem to be necessary. The Board of Directors shall also have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 5 hereof. The discretionary authority of the Board of Directors to levy general, additional or special assessments pursuant to this subsection shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

Special Assessments. Special assessments, other than those referenced in subsection (a) of this Section 2, subject to Article VII of these Bylaws, 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 (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not Special assessments referred to in this elsewhere herein described. subsection (b) (but not including those assessments referred to in subsection 2(a) above which may be levied in the sole discretion of the Board of Directors) shall not be levied without a Consensus of the members, as provided in Article I, Section 2 hereinabove. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and shall not be enforceable by Association the creditors of the or members thereof.

Section 3. Apportionment of Assessments; Default in Payment. Unless otherwise provided herein, 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. Any unusual expenses of administration, as may be determined in the sole discretion of the Board of Directors, which benefit less than all of the Condominium Units in the Condominium may be specially assessed against the Condominium Unit or Condominium Units so benefitted and may be allocated to the benefitted Condominium Unit or Units in the proportion which the percentage of value of the benefitted Condominium Unit bears to the total percentages of value of all Condominium Units so specially benefitted. assessments as determined in accordance with Article II, Section 2(a) above shall be payable by the Co-owners in twelve (12) equal monthly installments, commencing with acceptance of a Deed to, or a land contract purchaser'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 in the amount of \$15.00 per month, or such other amount as may be determined by the Board of Directors, effective upon fifteen (15) days notice to the members of the Association, shall be assessed automatically by the Association upon any assessment in default until paid in full. Such late charge shall not be deemed to be a penalty or interest upon the funds due to the Association but is intended to constitute a reasonable estimate of the administrative costs and other damages incurred by the Association in connection with the late payment of assessments. Assessments in default shall bear interest at the rate of seven (7%) percent per annum or such higher rate as may be allowed by law until paid in full. Payments on account of installments of assessments in default shall be applied first, to any late charges on such installments; second, to costs of collection and enforcement of payment, including reasonable attorney's fees as the Association shall determine in its sole discretion and finally to installments in default in order of their due dates, earliest to latest.

Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof. In addition to a Co-owner who is also a land contract seller, the land contract purchaser shall be personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the subject Condominium Unit which are levied up to and including the date upon which the land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit.

Section 4. Waiver of Use or Abandonment of Unit; Uncompleted Repair Work. 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, or because of uncompleted repair work, or the failure of the Association to provide services and/or management to the Condominium or to the Co-owner.

Section 5. <u>Enforcement</u>. 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, or both in accordance with the Act. Pursuant to Section 139 of the Act, no Co-owner may assert in answer or set-off to a complaint brought by the Association for nonpayment of assessments the fact that the Association or its agents have not provided the services or management to the Co-owner.

Each Co-owner, and every other person who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien 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 Condominium, 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. 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. Each Co-owner of a Unit in the Condominium acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this Section 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.

Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address of a written notice that one or more installments of the annual assessment and/or a portion or all of a special or additional assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of

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

The expenses incurred in collecting unpaid assessments, including interest, costs, late charges, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, and/or in the event of default by any Co-owner in the payment of any installment and/or portion of any additional or special assessment levied against his Unit, or any other obligation of a Co-owner which, according to these Bylaws, may be assessed and collected from the responsible Co-owner in the manner provided in Article Il hereof, the Association shall have the right to declare all unpaid installments of the annual assessment for the applicable fiscal year (and for any future fiscal year in which said delinquency continues) and/or all unpaid portions or installments of the additional or special assessment, if applicable, immediately due and payable. The Association also may discontinue the furnishing of any utility or other services to a Co-owner in default upon seven (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 Condominium, shall not be entitled to vote at any meeting of the Association, or sign any petition for any purpose prescribed by the Condominium Documents or by law, and shall not be entitled to run for election or serve as a director or be appointed or serve as an officer 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 as provided by the Act.

Section 6. <u>Liability of Mortgagee</u>. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Condominium which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale in regard to said first mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit and except for assessments that have priority over the first mortgage under Section 108 of the Act).

Section 7. Developer's Responsibility For Assessments. During the Construction and Sales Period, the Developer, although a member of the Association, shall not be responsible at any time for: (a) payment of the Association assessments. except with respect to completed and occupied Units that it owns; nor (b) payment of any Association expenses whatsoever with respect to Units which are not completed Units, notwithstanding the fact that any Unit which is not a completed Unit may have been included in the Master Deed. A completed Unit is one with respect to which a Certificate of Occupancy has been issued by the governing authority. Certificates of Occupancy may be obtained by the Developer at such times prior to actual occupancy as the Developer, in its discretion, may determine. An occupied Unit is one which is occupied as a residence. The Developer, however, shall independently insure, maintain, repair and replace Units it owns and/or offers for sale for which it is not required to pay Association assessments, whether or not any such Unit is a completed Unit, and shall bear the cost thereof. During the Construction and Sales Period, the Developer also shall pay a proportionate share of expenses actually incurred by the Association from time to time for the current administration, insurance and maintenance of the Common Elements for which the Association is assigned the responsibility of repair, net of the proceeds of any insurance or Co-owner recovery, and shall also pay a proportionate share of the general administrative expenses of the Association incurred prior to the Transitional Control Date. The Developer's proportionate share of such expenses shall be determined based upon the ratio of completed Units the Developer owns and/or offers for sale at the time the expense is incurred to the total number of Units in the Condominium. Any assessment levied or expense claim made by the Association against the Developer for any other purpose, in whole or in indivisible part, is hereby determined to be in respect of a common expense which benefits the completed and sold Units, only, and shall be void without the Developer's consent. Without limiting the foregoing, in no event shall the Developer be responsible for payment, during the Construction and Sales Period, of any amount which, in whole or in indivisible part, is to finance deferred maintenance, reserves for replacement, capital improvements, the purchase of any Unit from the Developer, the cost of any litigation or claim against the Developer, its directors, officers, agents, principals, assigns, affiliates and/or the first

Board of Directors of the Association or any directors of the Association appointed by the Developer, or any cost of investigating and/or preparing any such litigation or claim, or for any other special purpose, except with respect to completed and occupied Units that it owns and/or offers for sale. Notwithstanding the foregoing, the Developer shall be responsible to fund any deficit or shortage in the Association's reserve fund for major repairs and replacements which exists at the Transitional Control Date as the result of the Developer's limited responsibility for assessments, as provided in this Section.

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

Section 9. <u>Personal Property Tax Assessment of Association Property</u>. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Coowners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 10. <u>Construction Lien</u>. A construction lien otherwise arising under the Construction Lien Act, No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act, as amended.

Section 11. Statement as to Unpaid Assessments. Pursuant to the provisions of the Act, the purchaser of any Condominium Unit may request a statement of the Association as to the outstanding amount of any unpaid Association assessments, interest, late charges, fines, costs, and attorney fees thereon, whether annual, additional or special, and related collection costs. 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 the Unit, the Association shall provide a written statement of such unpaid assessments, interest, late charges, fines, costs, attorney fees and related collection or other costs as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments together with interest, late charges, fines, costs, and attorney fees incurred in the collection thereof, 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, interest, collection and late charges, advances made by the Association for taxes or other liens to protect its liens, fines, costs, and attorney fees incurred in the collection thereof 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 having priority. The Association may charge such reasonable amounts for preparation of such a statement as the Association shall, in its discretion. determine.

Section 12. Association Remedies Not Applicable to Default by Developer. Neither the late charge applicable to assessments the payment of which are in default, as described in Section 3 of this Article II, nor the remedies afforded the Association to enforce the collection of assessments, expenses and other charges which are in default, as described in Section 5 of this Article II, shall be applicable to the Developer's liability for assessments, expenses and/or other charges which at any time during the Construction and Sales Period become due and subsequently are in default, notwithstanding that the Developer may then be a "Co-owner" within the meaning of Article III, Section 12 of the Master Deed.

Section 13. <u>Initial Working Capital Account</u>. To establish an initial working capital account for the Association, a first time purchaser of a Condominium Unit from the Developer, at the time of closing, shall pay the Association a sum equal to two-twelfths (2/12) of the annual Association assessment, which sum shall be nonrefundable.

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 Co-owners, or between a Co-owner or Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances, and written notice to the Association, if applicable, be submitted to arbitration and the parties thereto shall accept the arbitrators' 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. Any agreement to arbitrate pursuant to the provisions of this Article III, Section 1 shall include an agreement between the parties that the judgment of any Circuit Court of the State of Michigan may be rendered upon any award rendered pursuant to such arbitration.

Section 2. <u>Judicial Relief</u>. In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the Courts to resolve any such disputes, claims or grievances.

Section 3. <u>Election of Remedies</u>. Election by the parties to any such disputes, claims or grievances to submit such disputes, claims or grievances to arbitration shall preclude such parties from litigating such disputes, claims or grievances in the Courts.

Section 4. Co-owner Approval for Civil Actions Against Developer and First Board of Directors. Any civil action proposed by the Board of Directors on behalf of the Association to be initiated against the Developer, its agents or assigns, and/or the First Board of Directors of the Association or other Developer-appointed Directors, for any reason, shall be subject to approval by a vote of sixty-six and two-thirds percent (66%%) of all Co-owners and notice of such proposed action must be given in writing to all Co-owners in accordance with Article VII hereinbelow. Such vote may only be taken at a meeting of the Co-owners and no proxies or absentee ballots shall be permitted to be used, notwithstanding the provisions of Article VII hereinbelow.

ARTICLE IV

INSURANCE

Section 1. <u>Association Insurance</u>. The Association shall obtain and continuously maintain in effect a standard insurance policy which provides coverage for "all risks" of direct physical loss which are commonly insured against by condominium associations, which includes, among other things, fire and extended coverage; vandalism and malicious mischief; host liability; liability for death, bodily injury, medical payments and property damage arising out of or from the Association's ownership, use or maintenance of the Common Elements; and, if applicable, workers' compensation insurance. The Association also shall carry: (i) fidelity bond coverage as provided in Article X, Section 12, below; (ii) directors' and officers' liability coverage as provided in Article XIII, Section 2, below; and (iii) such other insurance, if any, as the Board of Directors from time to time deems advisable. All liability insurance policies purchased by the Association shall be carried and administered in accordance with the following provisions:

(a) <u>In General</u>. The Association shall purchase all such insurance for the benefit of the Association, Co owners and mortgagees, as their interests appear, and provision shall be made for the issuance of certificates of endorsement to the mortgagees of Co owners. Each such insurance policy shall, insofar as applicable,

provide that:

- (i) each Co-owner (and the Co-owners collectively as a group) is an insured person under the policy with respect to liability arising out of his interest in the Common Elements or membership in the Association;
- (ii) the insurer waives its right to subrogation under the policy against any Coowner and any member of his household residing in the Unit;
- (iii) no act or omission of any Co-owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy;
- (iv) if, at the time of loss under the policy, there exists in the name of a Coowner other insurance covering the same risk covered by the policy, the Association's policy shall provide primary insurance; and
- (v) insurance proceeds shall be disbursed, first, for repairs or restoration of the damaged property, unless and except as the:
 - (A) Condominium is terminated;
 - (B) Co-owners and mortgagees vote not to re-build or repair in accordance with Article V, Section 1 of these Bylaws; or
 - (C) repair or replacement would be illegal under any state or local health or safety statute or ordinance.
- Casualty Insurance. All Common Elements, and all "standard features" (as hereinafter defined in the last paragraph of the subsection (b)) of the Units, shall be insured against fire and the other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, and shall be subject to such deductible amounts as the Board of Directors of the Association, in consultation with the Association's insurance carrier and/or its representatives, annually determines to be prudent in light of prevailing insurance market conditions and commonly employed methods for the reasonable determination of replacement costs. At the election of the Board of Directors, such coverage also may include: (i) "additions and betterments", as defined in Section 2. below; and/or (ii) Unit interior walls, floors and ceilings, but only to the extent that such interior walls, floors and ceilings either: (A) are structural, load-bearing or otherwise necessary to the support of the building in which the Unit is contained; or (B) contain General Common Element pipes, wires, conduits and/or ducts. All such coverage shall:

- (i) be effected upon an agreed amount basis for the entire Condominium, 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); and,
- (ii) include endorsement(s) which will provide insurance coverage for the Association's additional costs, if any, incurred to:
 - (A) upgrade a damaged Common Element structure in compliance with then-applicable building codes; and
 - (B) if determined by the Association's legal advisor that it is required by any law or ordinance applicable at the time of insurance policy purchase or renewal, demolish and re-construct any partiallydamaged Common Element structure, the undamaged portion of which is required by such law or ordinance to be demolished.

Whenever used in these Bylaws, the "standard features" of a Unit means and includes: (i) all of the Unit interior structural and attendant and related building materials which are required to establish a structure for the Unit at the points and surfaces where it begins, including, without limitation, the foundations; basement floor, if any; basement walls, if any; drywall; joists and other structural elements between floors, and at the ceiling of the uppermost floor; (ii) all fixtures, equipment and decorative trim items which were included as standard features within the Unit, or which were installed within the interior surface of any main wall, at the time of the Unit's initial retail sale and occupancy as a dwelling, as evidenced by any plans and specifications filed by the Developer with the municipality and/or by such other or additional reliable physical or written evidence thereof as may exist, such items to include, as applicable, without limitation, bathroom and kitchen fixtures; counter tops; built-in cabinets; finished carpentry; electrical and plumbing conduits; tile; lighting fixtures; and interior doors, door jams and associated hardware, but specifically to exclude all appliances, electrical fixtures, water heaters, heating and air conditioning equipment, wall coverings, window treatments and floor coverings; and (iii) such additional, different or upgraded materials, if any, as the Board of Directors of the Association from time to time declares by any regulation or resolution to be "standard features" of all Units in the Project. Should the Board fail to publish such specifications, the "standard features" of each Unit shall be determined by reference to provisions (i) and (ii) above, only, and the original installations, allowing, however, for reasonable changes in components and methods of construction, assembly and finish with the passage of time. Unless otherwise specified by the Board of Directors in accordance with (iii) above, the "standard features" of a Unit shall not include items installed in addition to or, to the extent, if any, that the replacement cost will exceed in real dollars the cost of the standard feature of the Unit, any upgrade of or replacement

for the star	ndard	feature	whic	h has	been	install	ed in the	Unit	, reg	ardless v	whe	the	r ar	ıy
such addit	ion, ι	upgrade	or	replac	ement	was	installed	by	the	Develop	er	or	by	а
subsequent	t	Co	0		owne	er	of			the			Un	it.

- (c) Optional Umbrella Insurance. The Association may purchase as an expense of administration an umbrella insurance policy which covers any risk required hereunder which was not covered due to lapse or failure to procure.
- (d) <u>Insurance Records</u>. All non-sensitive and non-confidential information in the Association's records regarding Common Element insurance coverage shall be made available to all Co owners and mortgagees 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.
- (e) <u>Association Premium Expenses</u>. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (f) Proceeds of Association Insurance. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and applied or distributed to the Association, or to 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 which requires repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than repair, replacement or reconstruction of the Condominium unless at least sixty-six and two-thirds percent (66-2/3%) in number, if one or more Units are tenantable, or more than fifty percent (50%) in number, if no Unit is tenantable, of the institutional holders of first mortgages on Units have given prior written approval.
- Section 2. Co-owner Insurance. Each Co-owner shall obtain and continuously maintain in effect for his Unit the insurance coverages described in sub-Section 2. (a) below, and each Co-owner also should consider the purchase of optional coverages for "additions and betterments" and "loss assessment", as described in sub-Section 2. (c) below, and for alternative living expense in the event of fire and/or other covered casualty which renders the Unit uninhabitable. It shall be each Co owner's responsibility to determine by personal investigation, or by consultation with his own insurance advisor, whether the insurance coverage required by sub-Section 2. (a) will be adequate to recompense him for all of his foreseeable losses and will afford him protection against such liability risks, as the Co-owner shall deem to be appropriate or desirable, and the Association shall have absolutely no responsibility for obtaining any such coverages unless agreed specifically and separately between the Association and the Co owner in writing; provided, that any such agreement between the Association and the Co owner shall provide that any additional premium cost to the Association

attributable thereto shall be assessed to and borne solely by said Co owner and collected as part of the assessments against said Co owner under Article II hereof.
Touchstone Cohousing
Bylaws (Exhibit "A" to the Master Deed)

- (a) <u>Mandatory Coverage</u>. Each Co owner shall obtain and continuously maintain in effect at his own expense "all-risk" liability and property casualty insurance coverage (generally in the form of an "HO-6" or "HO-4" insurance policy, as applicable, or such other specifications as the Board of Directors of the Association may prescribe or as may be commonly extant from time to time):
- (i) upon all of his personal property located anywhere in the Condominium; and
 - (ii) for injury to property and persons occurring in the Unit or upon any Limited Common Elements which are appurtenant or assigned thereto and for which the Co-owner is assigned the responsibility for maintenance, repair and replacement.

Such coverages shall contain a clause which requires that the insurer mail to the Association notice of cancellation not less than thirty (30) days prior to any policy cancellation. Such coverages shall be in amounts prescribed from time to time by the Board of Directors of the Association, but in no event shall coverage for the interior of the Unit and all personal property be less than the current insurable replacement value, nor shall liability coverage be on a "per occurrence" basis in an amount which is less than One Hundred Thousand Dollars (\$100,000.00) for damage to property and Five Hundred Thousand Dollars (\$500,000.00) for injury to persons.

Co-owner Duty to Provide Evidence of Mandatory Coverage; Association Remedy upon Default. Each Co owner shall have on file with the Association at all times file a copy of such insurance policy, or policies, including all endorsements thereon, or, in the Association's discretion, certificates of insurance or other satisfactory evidence of insurance, with the Association in order that the Association may be assured that such insurance coverage is in effect. In the event that the Co-owner shall fail to do so, in addition to any other remedy which it may have under these Bylaws, the Association may, but shall not be under any obligation to, purchase such insurance coverage in respect of the Unit and its appurtenant Limited Common Elements upon the Co-owner's failure to deliver such evidence of insurance coverage to the Association within thirty (30) days after the Association provides written notice of its intention to do so. The premium cost incurred by the Association to purchase Co-owner mandatory insurance coverage upon a Unit may be assessed to and collected from the responsible Co-owner the manner provided Article hereof. in in Ш

(c) Optional Co-owner "Additions and Betterments" and "Loss Assessment" Coverage. Each Co owner should consider whether to obtain and maintain "additions and betterments" and "loss assessment" insurance coverage for the Unit. Whenever used in these Bylaws, "additions and betterments" shall mean and includes all fixtures, equipment, decorative trim and furnishings which are located within the Unit, or within any Limited Common Element appurtenant to the Unit, which are not a "standard feature" of the Unit, within the meaning assigned that term in Section 1.(a) above. A "loss assessment" endorsement provides coverage for your share, if any, of any property damage or liability loss for which there may be no coverage, or inadequate coverage, under the applicable Association insurance policy.

Section 3. Determination of Primary Carrier; Subrogation. Whenever coverage under an Association insurance policy and a Co-owner insurance policy overlap, the provisions of this Section 3. shall determine the carrier and policy that shall have the primary responsibility to adjust and pay an insured loss for which both policies afford coverage. In the event of property damage to a General Common Element, or to a Limited Common Element for which the Association is assigned by the Master Deed or Article V below the responsibility to maintain, repair and/or replace, the Association's carrier and policy shall be deemed primary. In the event of personal injury or any other liability claim for an occurrence in or upon the General Common Elements, or in or upon a Limited Common Element for which the Association is assigned by the Master Deed or Article V below the responsibility to maintain, repair and/or replace, the Association's carrier and policy shall be deemed primary. In the event of property damage to a Unit and/or its contents, including, without limitation, both the "standard features" and "additions and betterments" of the Unit, or to a Limited Common Element appurtenant or assigned to the Unit for which the Co-owner is assigned by the Master Deed or Article V below the responsibility to maintain, repair and replace, the Co-owner's carrier and policy shall be deemed primary. In the event of a personal injury or other liability claim for any occurrence in or upon a Unit, including, without limitation, any claim which is attributable to or arises from the use of any "standard feature" or "addition and betterment" of the Unit, or for any occurrence in or upon a Limited Common Element appurtenant to the Unit for which the Co-owner is assigned by the Master Deed or Article V below the responsibility to maintain, repair and replace, the Co-owner's carrier and policy shall be deemed primary. In all cases where the Association's carrier and policy are not deemed primarily responsible to adjust the loss, if the Association's carrier and policy contribute to the payment of the loss, the Association's liability to the Co-owner shall be limited to the amount of insurance proceeds paid, and the Association shall in no event be responsible to pay any deductible amount under either the Association's or the Co-owner's policy. 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 casualty 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.

Section 4. Authority of Association to Settle Insurance Claims. Each Co owner, by his ownership of a Unit, shall be deemed to appoint the Association as the Co owner's true and lawful attorney in fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workers' compensation insurance, if applicable, pertinent to the Condominium, the Co owner's Unit and the Common Elements, with such insurer as, from time to time, may provide such insurance for the Condominium. 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; collect and remit premiums therefor; collect insurance proceeds; hold, apply to the repair or reconstruction of any damage and/or distribute insurance proceeds to the Association, the Co owners and their mortgagees, as their interests may appear (subject always to the Condominium Documents); execute releases of liability; and execute all documents and do all things on behalf of such Co owners and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

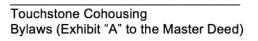
Section 5. <u>Indemnification</u>. Each Co-owner shall indemnify and hold harmless the Association and every other Co-owner for all damages and costs, including, without limitation, actual attorneys' fees (not limited to reasonable attorneys' fees), which the Association or such other Co-owner(s) suffer as the result of defending any claim arising out of an occurrence on or within such Co-owner's Unit or a Limited Common Element for which the Co-owner is assigned the responsibility to maintain, repair and replace, and, if so required by the Association, shall carry insurance to secure this indemnity. This Section 5 shall not be construed to any insurer any subrogation right or other claim or right against a Co-owner.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. In the event 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) Partial Damage. In the event 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 at least eighty percent (80%) of the Co-owners in the Condominium that the Condominium shall be terminated and at least sixty-seven percent (67%) of those institutional holders of a first mortgage lien on any Unit in the Condominium have given their prior written approval for such termination.



(b) <u>Total Destruction</u>. In the event the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt and the Condominium shall be terminated if at least fifty one percent (51%) of those holders of first mortgages on the Condominium Units have approved such termination, unless eighty percent (80%) or more of all of the Coowners agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

Section 2. Repair in Accordance With Master Deed, Etc. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise.

Section 3. <u>Co-owner and Association Responsibilities</u>. In the event 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 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 in accordance with Section 5 of this Article V.

Section 4. Co-owner Responsibility for Repair. Each Co-owner shall be responsible for the reconstruction, repair and maintenance of such Limited Common Elements as may be required pursuant to Article IV, Section 3 the Master Deed, and the interior of the Co-owner's Unit, including, but not limited to, telephones, air conditioners, compressors and pads, sanitary (toilet) installations, doors, doorwalls, windows, storm doors and windows, screens, lamps, and all other accessories, including water faucets, water tanks, fixtures, furnaces, water heaters, exhaust fans, garbage disposals and dishwashers, floor coverings, wall coverings, window shades, draperies, interior walls (but not any Common Elements therein), cabinets, interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in, and all other internal installations. The Co-owner shall be entitled to receive any proceeds of insurance coverage carried by the Association in respect of any interior portion of the Co-owner's Unit, to the extent payable in accordance with Article IV, and, if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly. In the event proceeds of insurance carried by the Association are paid to the Co-owner, or to the Coowner and mortgagee jointly, as provided in the last sentence, the Co-owner shall begin reconstruction or repair of the damage upon receipt of the insurance proceeds.

Section 5. <u>Association Responsibility for Repair</u>. The Association shall be responsible for the reconstruction, repair and maintenance of the Common Elements to the extent so provided in the Master Deed, including, without limitation, all pipes (water, sewage and gas), electric wires, conduits and ducts located within the walls, floors and ceilings of any Unit, and for any incidental damage (as that term is hereinafter defined) to a Unit which is caused by such Common Elements, or by the reconstruction, repair or maintenance thereof. In the event of damage to interior walls which are structural, load-bearing or otherwise necessary to the support of the building in which the Unit is

contained, or in which there exist any of such pipes, wire, conduits, ducts or other Common Elements, the Association shall make the reconstruction or repair and, in the case of Co-owner fault, the cost thereof shall be assessed to the Co-owner and shall be collectible as provided in Article II above. "Incidental damage" shall be defined as damage incurred to the drywall and/or floor of a Unit, but excludes any damage to the contents of a Unit, including, but not limited to, wallpaper, carpeting, paneling, furniture and personal property. Notwithstanding anything hereinabove to the contrary, the responsibility of the Association for "incidental damage" to a Unit under the provisions of this Section 5 shall not exceed the sum of \$750.00. Any "incidental damage" to a Unit as described in this Section 5 which is in excess of \$750.00 shall be borne by the Coowner of the Unit. In the event that the Co-owner shall have insurance which covers any portion of the "incidental damage", as defined herein, then the Association shall not be liable for that portion of the "incidental damage" for which the Co-owner's insurance coverage exists and the insurance carrier of the Co-owner shall have no right of subrogation against the Association. Immediately after a casualty causing damage to property for which the Association has the responsibility of repair or reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against the Co-owners who are responsible for the costs of reconstruction or repair of the damaged property (as provided in the Master Deed) in sufficient amounts to provide funds to pay the estimated or actual costs of repair, which may be collected in accordance with Article II herein. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 6. <u>Timely Reconstruction and Repair</u>. If damage to Common Elements or a Unit adversely affects the appearance of the Condominium, the Association or Co-owner responsible for the reconstruction, repair and/or maintenance thereof shall proceed with replacement of the damaged property without delay.

Section 7. <u>Eminent Domain</u>. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

(a) Taking of Entire Unit. In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the owner and his mortgagee, they shall be divested of all interest in the Condominium. 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

- (b) <u>Taking of Common Elements</u>. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than fifty percent (50%) of all of the Co-owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.
- (c) Continuation of Condominium After Taking. In the event the Condominium continues after taking by eminent domain, then the remaining portion of the Condominium shall be resurveyed 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 one hundred (100%) percent. 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.
- (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 8. Mortgages Held By FHLMC; Other Institutional Holders. 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 if damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.00. The Association shall provide such other reasonable notice as may be required, from time to time, by other institutional holders of mortgages upon Units.

Section 9. <u>Priority of Mortgagee Interests</u>. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units

and/or Common Elements.

ARTICLE VI

RESTRICTIONS

Section 1. Residential Use. No Unit in the Condominium shall be used for other than private residential purposes and the Common Elements shall only be used for purposes consistent with those set forth in this Section 1. Timesharing and/or interval ownership is prohibited. No residential Unit shall be used for a commercial, industrial or business purpose or enterprise; provided, however, that this shall not be deemed to ban a Co-owner from operating a home-based business which does not have any on-site employees or customers other than residents of the Unit, does not produce odors, noises, or other effects noticeable outside of the Unit and does not involve the manufacture of goods or sale of goods from inventory. The Association may also provide a Unit or a Common Element to be used by a janitor, or resident manager, as the case may be. The provisions of this Section shall not be construed to prohibit a Co-owner from maintaining a personal professional library, keeping personal, professional or business records or handling personal business or professional telephone calls in that Co-owner's Unit.

Section 2. Leasing and Rental.

Right to Lease. No sooner than twelve (12) months after acquiring ownership to a Unit, a Co-owner may lease his Unit for the same purposes set forth in Section 1 of this Article VI; provided that written approval of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. special circumstances deemed necessary, fair and reasonable, the twelve (12) month waiting period may be waived by Consensus of the members as described in Article I, Section 2 hereinabove. Notwithstanding anything herein to the contrary, a Condominium Unit may not be leased if such lease would violate subsection (b) below. No Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a written lease, the initial term of which is at least twelve (12) months, unless specifically approved in writing by the Association. Such written lease shall (i) require the lessee to comply with the Condominium Documents and rules and regulations of the Association; (ii) provide that failure to comply with the Condominium Documents and rules and regulations constitutes a default under the lease, and (iii) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after fifteen (15) days prior written notice to the Condominium Unit Co-owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may suggest or require a standard form lease for use

by Unit Co-owners. Each Co-owner of a Condominium Unit shall, promptly following the execution of any lease of a Condominium Unit, forward a conformed copy thereof to the Board of Directors. Under no circumstances shall transient tenants be accommodated. tenant" is someone who occupies a Unit for less than the minimum period required above regardless of whether or not compensation is paid. 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. Tenants and nonCo-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases, rental agreements, and occupancy agreements shall so state. The Developer may lease any number of Units in the Condominium and discretion. for such term(s) as it. in its elect.

- Limitation on Number of Units That Can be Leased. (b) In order to comply with applicable requirements and/or guidelines of the secondary mortgage market and/or for other operational considerations, the number of Condominium Units that may be leased at any one time in the Condominium shall not exceed ten (10%) percent of the total number of Units in the Condominium Project, that is, shall not exceed four (4) Units. In addition, the provisions of this Section 2(b) shall not apply to a lender in possession of a Condominium Unit by reason of foreclosure or deed in lieu of foreclosure nor shall these provisions apply to an heir or devisee of a Co-owner who obtains title to the Condominium Unit as a result of the death of a Co-owner. The Board of Directors in reviewing proposed lease transactions in accordance with the provisions of this Section 2 shall be responsible for obtaining compliance with the provisions of this Section 2(b) and may adopt such reasonable rules and regulations in accordance with Section 10 of this Article VI to insure that the restrictions contained in this Section 2(b) are applied in an equitable manner.
- Leasing Procedures. A Co-owner, including the Developer, (c) desiring to rent or lease a Unit shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form or otherwise agreeing to grant possession of a Condominium Unit to a potential lessee of the Unit and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. Coowners who do not live in the Unit they own must keep the Association informed of their current correct address and phone number(s). If no lease form is to be used, then the Co-owner or the Developer shall supply the Association with the name and address of the potential lessee, along with the rental amount and due dates under the proposed agreement. The Board of Directors may charge such reasonable administrative fees for reviewing, approving, and monitoring lease transactions in accordance with this Article VI, Section 2 as the Board, in its discretion, may establish. Any such administrative fees shall be assessed to and collected from the leasing Co-owner in the same manner as the collection of assessments under Article II hereof. This provision shall also apply to occupancy agreements.

- (d) <u>Violation of Condominium Documents by Tenants or NonCo-owner Occupants</u>. If the Association determines that the tenant or nonCo-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
 - (1) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant or nonCo-owner occupant.
 - (2) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or nonCo-owner occupant or advise the Association that a violation has not occurred.
 - (3) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its own 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 nonCo-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or nonCo-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this subsection may be by summary proceeding. The Association may hold both the tenant or nonCo-owner occupant and the Co-owner liable for any damages caused by the Co-owner or tenant or nonCo-owner occupant in connection with the Condominium Unit or the Condominium and for actual legal fees and costs incurred by the Association in connection with legal proceedings hereunder.

(e) Arrearage in Condominium Assessments. When a Co-owner is in arrearage to the Association for assessments, the Association may give written notice of the arrearage to a tenant or nonCo-owner occupant occupying a Co-owner's Condominium Unit under a lease, rental or occupancy agreement and the tenant or nonCo-owner occupant, 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 do not constitute a breach of the rental agreement, lease or occupancy agreement by the tenant or nonCo-owner occupant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Co-owner to the Association, then the Association may do

- A. Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.
- B. Initiate proceedings pursuant to subsection (c) (3) of this Section 2.

The form of lease used by any Co-owner shall explicitly contain the foregoing provisions of this subsection (e).

(f) Partial Exception for Fannie Mae. Notwithstanding anything to the contrary herein, in the event that Fannie Mae acquires title to a Unit after foreclosure or by deed delivered in lieu of foreclosure, or, if after said foreclosure of deed delivered in lieu thereof, Fannie Mae requires the lending institution from which Fannie Mae acquired the mortgage to purchase title to said Unit, Fannie Mae, and/or said prior lender, shall not be subject to any restriction in this Article VI, Subsection 2 which relates to the term of any lease or rental agreement.

Section 3. Alterations and Modifications of Units and Common Elements.

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 Developer during the Construction and Sales Period, and, thereafter, of the Board of Directors (which approval shall be in recordable form) and upon the approval of the neighboring Coowners as provided in Subparagraph (d) of this Section 3 hereinbelow, including, without limitation, exterior painting, lights, aerials or antennas (except those antennas referred to in Section 3(b) below), awnings, doors, shutters, newspaper holders, mailboxes, hot tubs and jacuzzis, basketball backboards or other exterior attachments or modifications, nor shall any Co-owner damage or make modifications or attachments to walls between Units which in any way impair sound conditioning provisions. Notwithstanding having obtained such approval by the Board of Directors and of the Developer, if required, and of the neighboring Units as discussed above, the Co-owner shall obtain any required building permits and shall, otherwise, comply with all building requirements of the Township. The Board may only approve such modifications as do not impair the soundness, safety, utility or appearance of the Condominium Project. No attachment, appliance or other item may be installed which is designed to kill or repel insects or other animals by light or humanly audible sound. Neither the Association, the Developer, or any agent thereof, shall be liable to any person or entity for mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve any such plans, specifications and plot plan. No

action s	shall be brou	ght or mainta	ined by anyon	ne whatso	ever against t	he Association,
the Dev	eloper, or ar	ny agent there	of, for or on a	ccount of	his or her fail	ure to bring any
action	for	any	breach	of	these	covenants.

- (b) Notwithstanding the provisions of Section 3(a) above, the following three (3) types and sizes of antennas may be installed in the Unit or on limited common element areas for which the Co-owner has direct or indirect ownership and exclusive use or control, subject to the provisions of this Section and any written rules and regulations adopted in accordance with Article VI, Section 10 of these Bylaws: (1) Direct broadcast satellite antennas ("Satellite Dishes") one meter or less in diameter;
- (2) Television broadcast antennas of any size; and (3) Multi-point distribution service antennas (sometimes called wireless cable or MDS antennas) one meter or less in diameter. Antenna installation on general common element areas is prohibited, unless approved by Consensus of the members, as provided in Article I, Section 2 hereinabove. The rules and regulations adopted in accordance with Section 10 of this Article VI, governing installation, maintenance or use of antennas shall not impair reception of an acceptable quality signal, unreasonably prevent or delay installation, maintenance or use of an antenna, or unreasonably increase the cost of installing, maintaining or using an antenna. Such rules and regulations may provide for, among other things, placement preferences, screening and camouflaging or painting of antennas. Such rules and regulations may contain exceptions or provisions related to safety, provided that the safety rationale is clearly articulated therein. Antenna masts, if any, may be no higher than necessary to receive acceptable quality signals, and may not extend more than twelve (12) feet above the roofline without preapproval, due to safety concerns. A Co-owner desiring to install an antenna must notify the Association prior to installation by submitting a notice in the form prescribed by the Association. If the proposed installation complies with this Section 3(b) and all rules and regulations regarding installation and placement of antennas, installation may begin immediately; if the installation will not comply, or is in any way not routine in accordance with this Section and the rules and regulations, then the Association and Co-owner shall meet promptly and within seven (7) days after receipt of the notice by the Association, if possible, to discuss the installation. The Association may prohibit Co-owners from installing the aforementioned satellite dishes and/or antennas if the Association provides the Co-owner(s) with access to a central antenna facility that does not impair the viewers' rights under Section 207 of the Federal Communication Commission ("FCC") rules. This Section is intended to comply with the rule governing antennas adopted by the FCC effective October 14, 1996, as amended by FCC Orders released September 25, 1998 and November 20, 1998, and is subject to review and revision to conform to any changes in the content of the FCC rules or the Telecommunications Act of 1996, and this Section may be modified through rules and regulations adopted in accordance with Section 10 of this Article VI.

- The Co-owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Co-owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the same manner as provided for the collection of assessments in Article II hereof. The Co-owner shall indemnify and hold the Association harmless from and against any and all costs, damages, and liabilities incurred in regard to said modification and/or improvement and (except with respect to antennas referred to in Section 3(b) above) shall be obligated to execute a Modification Agreement, if requested by the Association, as a condition for approval of such modification and/or improvement. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.
 - Limited Common Element Yard Areas and Open General Common (d) Element Areas. A Co-owner proposing to make any addition, alteration or modification to the Limited Common Element front or rear yard areas, including to the porch, patio, deck, stoop, exterior lights, fencing, the location or installation of barbeques, decorations, or anything of the like (but not landscaping which is addressed hereinbelow), or any change, alteration, modification, addition, decoration, or placement of personal property on the open General Common Element areas shall obtain the prior written approval of the Board of Directors of the Association, unless permitted or prohibited by rules and regulations adopted in accordance with Section 10 of this Article VI; however, such Board approval shall not be sought unless the resident has first obtained the prior written approval of 100% of the neighboring Units which face the location to which such addition, alteration, change, modification or decoration is proposed. Co-owners may undertake landscaping, including planters, within their Limited Common Element Yard areas if they have obtained the verbal consent of the neighboring Units which face the landscaping, and if such landscaping is in compliance with rules and regulations promulgated pursuant to Section 10 of this Article, if any. The Association shall be exempt from the requirements of this section and the Board of Directors shall have exclusive decision making authority with regard to the

Association's maintenance, repair and replacement responsibilities required under the Master Deed or other Condominium Documents. Notwithstanding such approval or consent, a Co-owner shall maintain, repair, replace or remove any amenity, personal property or thing belonging to such Co-owner which is located within the Limited Common Element front or rear yard areas or within the open General Common Element area upon the written request of 100% of the neighboring Units which face the amenity or personal property, and/or pursuant to a directive of the Board of Directors.

Section 4. <u>Activities</u>. 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 Coowners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time. 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, sling shots, illegal fireworks, or other similar dangerous weapons, projectiles or devices.

Section 5. Pets. A Co-owner may maintain a maximum of four (4) domesticated pets inclusive only of the following: (A) a maximum of two (2) domesticated dogs and/or (B) a maximum of four (4) domesticated indoor cats (which such maximum number of cats shall be reduced by the number of dogs living in his Condominium Unit). No reptiles and no other animals shall be maintained by any Coowner unless specifically approved in writing by the Association, except that if a Coowner has previously been living with an outdoor cat, such cat, upon written notice given to the Association, shall be grandfathered in upon the initial move into the Unit and such outdoor cat shall not be replaced with another outdoor cat upon its demise or moving out of the Unit for any other reason. Such outdoor cat(s) shall be included in the four (4) maximum number of pets and not in addition thereto. No animal may be kept or bred for any commercial purpose. Any animal shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No doghouses or tethering of animals shall be permitted on the Common Elements, Limited or General. 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 in person by some responsible person while on the Common Elements, Limited or General. Consensus of the members, as provided in Article I, Section 2 herinabove, certain portions of the General Common Elements of the Project may be designated wherein such animals may be walked and/or exercised and the Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Condominium wherein dog runs may be constructed. 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 (including costs and attorney fees) which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner

provided in Article II hereof. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. 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. 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 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, as provided in Section 10 of this Article VI. The Association may, after notice and hearing, 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 or by any applicable rules and regulations of the Association, although such hearing shall not be a condition precedent to the institution of legal proceedings to remove said animal. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The term "animal" or "pet" as used in this Section 5 shall not include small domesticated animals which are constantly caged, such as small birds or fish.

Section 6. Aesthetics. Except as authorized under the Master Deed for Limited Common Element Yard Areas and/or pursuant to Section 3(d) of this Article VI. the Common Elements, Limited or General, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind. 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, deck, porch, balcony or other Limited or General Common Element, 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, except as may be provided in rules and regulations of the Association. 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 the Co-owner either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

Section 7. Common Element Maintenance. Porches, walkways, Limited Common Element Yard Areas, patio, decks, stoops, balconies and landscaped areas, shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs, or benches may be left unattended on or about the Common Elements, except as may be provided by duly adopted rules and regulations of the Condominium, or as may be authorized pursuant to Section 3(d) of this Article VI. Outdoor furniture may be maintained in the Limited Common Element Yard Areas appurtenant to the Units during the season when such outdoor furniture is reasonably in use. Use of any amenities in the Condominium may be limited to such times and in such manner as the Association shall determine by duly adopted regulations; provided, however, that use of any amenities in the Condominium shall be limited to resident Co-owners who are members in good standing of the Association and to the tenants, land contract purchasers and/or other nonCo-owner occupants of Condominium Units in which the Co-owner does not reside; provided, further, however, that the nonresident Co-owners of such Condominium Units are members in good standing of the Association.

Section 8. Vehicles. No housetrailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, mobile homes, dune buggies, motor homes, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles, motorcycles, vehicles and trucks which are designed and used primarily for personal transportation purposes, may be parked or stored upon the premises of the Condominium, unless enclosed in the Co-owner's garage space with the door closed. A Co-owner of a Unit with an assigned garage space shall park his or her vehicle in the one (1) car garage. Garages shall not be used for any purpose that obstructs a Coowner's ability to park therein, such as storage or the like. Garage doors shall be kept closed when not in use. Any non-assigned parking areas shall be reserved for the general use of the members and their guests. A Co-owner may not maintain more vehicles upon the premises of the Condominium (including the garage space, if any) than the number of persons residing in the Unit who have a valid driver's license, unless the Board of Directors approves in writing otherwise. Commercial vehicles and trucks (except trucks designed and used primarily for personal transportation as herein provided) shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pick-ups in the normal course of business. For purposes of this Section, "commercial vehicle" means any vehicle that has any one of the following characteristics: (a) more than two (2) axles; (b) gross vehicle weight rating in excess of 10,000 pounds; (c) visibly equipped with or carrying equipment or materials used in a business; or (d) carrying a sign advertising or identifying a business. Noncommercial trucks such as Suburbans, Blazers, Bravadas, Jeeps, GMC's/Jimmy's, pickups, vans, and similar vehicles that are designed and used primarily for personal transportation shall be permissible, except as may be otherwise prohibited herein. Nonoperational vehicles or vehicles with expired license plates shall not be parked or stored on the Condominium Premises without approval by Consensus of the members, as provided in Article I, Section 2 herinabove. Subject to any rules and regulations promulgated pursuant to Section 10 hereinbelow, maintenance and/or repair of motor vehicles is allowable in such areas of the Condominium where vehicles are permitted to be parked; however, such maintenance and repair shall not obstruct other vehicular travel and shall, at the end of each day, be completely cleaned up and all tools and any extra items used to assist in the maintenance or repair shall be removed from the Common Elements. In the event that there arises a shortage of parking spaces, General Common Element parking spaces may be assigned, from time to time, on an equitable basis, in accordance with Article IV, Section 1(c) of the Master Deed. The Association may cause vehicles parked or stored in violation of this Section to be removed from the Condominium Premises and the cost of such removal may be assessed to and collected from the Co-owner of the Unit responsible for the presence of the vehicle in the manner provided in Article II hereof without liability to the Association. Co-owners shall, if the Association shall require, register with the Association all vehicles maintained on the Condominium Premises. The Board of Directors may promulgate reasonable rules and regulations governing the parking of vehicles in the Condominium in accordance with the requirements of Section 10 hereinbelow. Section 9. <u>Advertising</u>. No signs or other advertising devices shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs and "Open" signs, without written permission from the Association and, during the Construction and Sales Period, from the Developer.

Section 10. Regulations. During the Construction and Sales Period, the Developer may adopt, or upon the Consensus of the members, as provided in Article I, Section 2 herinabove, the Board of Directors may adopt reasonable rules or regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use and operation of the Condominium may be made and amended from time to time. Copies of all such rules and/or regulations and amendments thereto shall be furnished to all Coowners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Prior to the expiration of the Construction and Sales Period, all rules and regulations require the prior written approval

Section 11. 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. This right of access shall include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to basements and other Common Elements located within any Unit or its appurtenant Limited Common Elements for monitoring, inspection, maintenance, repair or replacement thereof. 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 and/or to protect the safety and/or welfare of the inhabitants of the Condominium. It shall be the responsibility of each Coowner 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, including without notice, 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. In the event that it is necessary for the Association to gain access to a Unit or the contents of same or Limited Common Elements appurtenant to same which are under the control or possession of the Co-owner to make repairs to prevent damage to the Common Elements or to another Unit or to protect the safety and welfare of the inhabitants of the Condominium, the costs, expenses, damages, and/or attorney fees incurred by the Association in such undertaking shall be assessed to the responsible Co-owner and collected in the same manner as provided in Article II of these Bylaws.

Section 12. <u>Landscaping on General Common Elements</u>. 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, or as may be provided in rules and regulations governing same as may be adopted in accordance with Section 10 of this Article VI, subject to the written approval of the Developer as required in Section 15 hereinbelow.

Section 13. <u>Disposition of Interest in Unit by Sale or Lease</u>. No Co-owner may dispose of a Unit in the Condominium, or any interest therein, by a sale or lease without complying with the following terms or conditions:

- Notice to Association; Co-owner to Provide Condominium Documents to Purchaser or Tenant. A Co-owner intending to make a sale or lease of a Unit in the Condominium, or any interest therein, shall give written notice of such intention delivered to the Association at its registered office and shall furnish the name and address of the intended purchaser or lessee and such other information as the Association may reasonably require. Prior to the sale or lease of a Unit, the selling or leasing Co-owner shall provide a copy of the Condominium Master Deed (including Exhibits "A" and "B" thereto) and any amendments to the Master Deed, the Articles of Incorporation and any amendment thereto, and the rules and regulations, as amended, if any, to the proposed purchaser or lessee. In the event a Co-owner shall fail to notify the Association of the proposed sale or lease or in the event a Co-owner shall fail to provide the prospective purchaser or lessee with a copy of the Master Deed and other documents referred to above, such Co-owner shall be liable for all costs and expenses, including attorney fees, that may be incurred by the Association as a result thereof or by reason of any noncompliance of such purchaser or lessee with the terms, provisions and restrictions set forth in the Master Deed; provided, however, that this provision shall not be construed so as to relieve the purchaser or lessee of his obligations to comply with the provisions of the Condominium Documents.
- (b) <u>Developer and Mortgagees not Subject to Section</u>. The Developer shall not be subject to this Section 13 in the sale or, except to the extent provided in Article VI, Section 2(b), the lease of any Unit in the Condominium which it owns, nor shall the holder of any mortgage which comes into possession of a Unit pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed in lieu of foreclosure, be subject to the provisions of this Section 13.

Section 14. <u>Co-owner Maintenance</u>. 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. In the event that a Co-owner fails to properly maintain, repair or replace an item for which he or she has maintenance, repair and/or replacement responsibility under the terms of the Master Deed, these Bylaws, or any other Condominium Document, the Association may, in the sole discretion of the Board of Directors and at its option, perform any such maintenance, repair and replacement following the giving of three (3) days written

notice thereof to the responsible Co-owner of its intent to do so (except in the case of an emergency repair with which the Association may proceed without prior notice). The Association may assess the costs thereof to the Co-owner of the Unit as provided in Section 18 hereinbelow. The aforestated right of the Association to perform such maintenance, repair and replacement shall not be deemed an obligation of the Association, but, rather, is in the sole discretion of the Board of Directors. Each Coowner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, 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, or to other Co-owners, as the case may be, resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, tenants, land contract purchasers, 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 full 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 or to other Co-owners, as the case may be, may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair replacement. or

Section 15. Reserved Rights of Developer. During the Construction and Sales Period, as same is defined in Article III. Section 11 of the Master Deed, any buildings, fences, decks, wood privacy screens, patios, walls, walks or other structures, improvements or modifications shall be approved by the Developer and shall receive prior written approval of 100% of the neighboring Units which face the location to which such structure, improvement or modification is proposed, excepting landscaping located in the Limited Common Element Yard Area as discussed in Section 3(d) of this Article and in Article IV, Section 3(b) of the Master Deed, and excepting interior alterations which do not affect structural elements of any Unit. Developer shall have the right to refuse to approve any such structure, improvement or modification which is not suitable or desirable in its opinion for aesthetic or other reasons; including, without limitation, 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, or who will be requested to bear the maintenance, repair and/or replacement responsibility for same and any adjoining properties under development or proposed to be developed by the Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as an attractive and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

Section 16. Developer's Rights to Furtherance of Development and Sale. 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, the Developer shall have the right to maintain a sales office, a business office, a construction office, model Units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Condominium as may be reasonable to enable development and sale of the entire Condominium by Developer and/or the development, sale or lease of other off-site property by Developer or its affiliates, and Developer may continue to do so during the entire Construction and Sales Period and the warranty period applicable to any Unit in the Condominium. The Developer shall restore the area so utilized to habitable status upon termination of use.

Section 17. Enforcement of Bylaws. The Condominium shall at all times be maintained in a manner consistent with the highest standards of an attractive, serene, private, residential members of the Association 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 required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. Developer shall have the right, but not the obligation, to enforce these Bylaws throughout the Construction and Sales Period notwithstanding that it may no longer own or offer for sale 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. The Developer and its designated directors of the Association shall have no liability for failure to enforce these Bylaws. Unless the Developer has given its written consent, the failure or delay of the Developer to enforce these Bylaws shall not constitute a waiver of the right of the Developer to enforce the Bylaws in the future. The provisions of this Section 17 shall not be construed to be a warranty or representation of any kind regarding the physical condition of the Condominium.

Section 18. Assessment of Costs of Enforcement. Any and all costs, damages, expenses and/or attorneys fees incurred by the Association, or the Developer, as the case may be, in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations adopted in accordance with Article VI, Section 10 of these Bylaws, and any costs, expenses, and attorneys' fees incurred in collecting said costs, damages, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

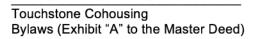
ARTICLE VII

JUDICIAL ACTIONS AND CLAIMS

Actions on behalf of and against the Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association's Articles of Incorporation, the Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Association and these Bylaws, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of a Sixty-six and Twothirds percent (66 2/3%) of all Co-owners and shall be governed by the requirements of this Article VII. The requirements of this Article VII will ensure that the Co-owners are fully informed regarding the prospects and likely costs of any civil action the Association proposes to engage in, as well as the ongoing status of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Co-owner and the Developer shall have standing to sue to enforce the requirements of this Article VII. The following procedures and requirements apply to the Association's commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments, or to defend any action or assert a claim except as may be brought by or against the Developer, its agents, affiliates, or the Developer designated directors of the Association:

Section 1. <u>Board of Directors' Recommendation to Co-owners.</u> The Association's Board of Directors shall be responsible in the first instance for recommending to the Co-owners that a civil action be filed, and supervising and directing any civil actions that are filed.

Section 2. Litigation Evaluation Meeting. Before an attorney is engaged for purposes of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Co-owners ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Co-owners of the date, time and place of the litigation evaluation meeting shall be sent to all Co-owners not less than twenty (20) days before the date of the meeting and shall include following information copied onto 8-1/2" 11" the paper:



- (a) A certified resolution of the Board of Directors setting forth in detail the concerns of the Board of Directors giving rise to the need to file a civil action and further certifying that:
 - (1) it is in the best interests of the Association to file a lawsuit:
- (2) that at least one member of the Board of Directors has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the Association, without success;
- (3) litigation is the only prudent, feasible and reasonable alternative; and
- (4) the Board of Directors' proposed attorney for the civil action is of the written opinion that litigation is the Association's most reasonable and prudent alternative.
- (b) A written summary of the relevant experience of the attorney ("litigation attorney") the Board of Directors recommends be retained to represent the Association in the proposed civil action, including the following information:
 - (1) the number of years the litigation attorney has practiced law; and
- (2) the name and address of several condominium and homeowner associations for which the attorney has filed a civil action in any court, together with the case number, county and court in which each civil action was filed.
- (c) The litigation attorney's written estimate of the amount of the Association's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the litigation.
- (d) The litigation attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("total estimated cost"). The total estimated cost of the civil action shall include the litigation attorney's expected fees, court costs, expert witness fees, and all other expenses expected to be incurred in the civil action.
 - (e) The litigation attorney's proposed written fee agreement.
- (f) The amount to be specially assessed against each Unit in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per Unit basis, as required by Section 6 of this Article VII.
 - (g) The litigation attorney's legal theories for recovery of the Association.
- Section 3. <u>Independent Expert Opinion.</u> If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the

independent expert opinion required by the preceding sentence, the Board of Directors shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the litigation attorney or any other expert recommended by the litigation attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Co-owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to all Co-owners with the written notice of the litigation evaluation meeting.

Section 4. <u>Fee Agreement with Litigation Attorney.</u> The Association shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Co-owners in the text of the Association's written notice to the Co-owners of the litigation evaluation meeting.

Section 5. <u>Co-owner Vote Required.</u> At the litigation evaluation meeting, the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney. The commencement of any civil action by the Association (other than a suit to enforce these Bylaws or collect delinquent assessments) and the retention of the litigation attorney shall require the approval of Sixty-six and Two-thirds percent (66 2/3%) of all Co-owners. In the event the litigation attorney is not approved, the entire litigation attorney evaluation and approval process set forth in Section 2 hereinabove and in this Section 5 shall be conducted prior to the retention of another attorney for this purpose. Any proxies to be voted at the litigation evaluation meeting must be signed at least two (2) days prior to the litigation evaluation meeting.

Section 6. <u>Litigation Special Assessment.</u> All legal fees incurred in pursuit of any civil action that is subject to Section 1 through 10 of this Article VII shall be paid by special assessment of the Co-owners ("litigation special assessment"). Notwithstanding anything to the contrary herein, the litigation special assessment shall be approved at the litigation evaluation meeting by Sixty-six and Two-thirds percent (66 2/3%) of all Co-owners in the amount of the estimated total cost of the civil action. If the litigation attorney proposed by the Board of Directors is not retained, the litigation special assessment shall be in an amount equal to the estimated total cost of the civil action, as estimated by the attorney actually retained by the Association. The litigation special assessment shall be apportioned to the Co-owners in accordance with their respective percentage of value interests in the Condominium and shall be collected from the Co-owners on a monthly basis. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

Section 7. <u>Attorney's Written Report.</u> During the course of any civil action authorized by the Co-owners pursuant to this Article VII, the retained attorney shall submit a written report ("attorney's written report") to the Board of Directors every thirty (30) days setting forth:

- (a) The attorney's fees, the fees of any experts retained by the attorney or the Association, and all other costs of the litigation during the thirty (30) day period immediately preceding the date of the attorney's written report ("reporting period").
- (b) All actions taken in the civil action during the reporting period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the reporting period.
- (c) A detailed description of all discussions with opposing counsel during the reporting period, written and oral, including, but not limited to, settlement discussions.
- (d) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.
- (e) Whether the originally estimated total cost of the civil action remains accurate.

Section 8. <u>Monthly Board Meetings.</u> The Board of Directors shall meet monthly during the course of any civil action to discuss and review:

- (a) the status of the litigation;
- (b) the status of settlement efforts, if any; and
- (c) the attorney's written report.

Section 9. Changes in the Litigation Special Assessment. If, at any time during the course of a civil action, the Board of Directors determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board of Directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the litigation special assessment previously approved by the Co-owners, the Board of Directors shall call a special meeting of the Co-owners to review the status of the litigation, and to allow the Co-owners to vote on whether to continue the civil action and increase the litigation special assessment. The meeting shall have the same quorum and voting requirements as a litigation evaluation meeting.

Section 10. <u>Disclosure of Litigation Expenses</u>. The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association ("litigation expenses") shall be fully disclosed to Co-owners in the Association's annual budget. The litigation expenses for each civil action filed by the Association shall be listed as a separate line item captioned "litigation expenses" in the Association's annual budget.

Section 11. <u>Developer's Consent Required to Amend Article VII</u>. The contents of this Article VII shall not be amended, modified or in any way changed without the prior written consent of the Developer until the Construction and Sales Period has terminated.

Section 12. <u>Constructive Notice of Article</u>. These Bylaws, from and after their recording in the office of the Washtenaw County Register of Deeds, shall constitute constructive notice of the requirements and limitations of this Article VII to all Co-owners, mortgagees and other persons who subsequently acquire an interest in any Unit in the Condominium.

ARTICLE VIII

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 shall report any unpaid assessments due from the Co-owner of such Unit to the holder of any first mortgage covering such Unit and co-owners shall be deemed to specifically authorized said action pursuant to these Bylaws. The Association shall give to the holder of any first mortgage covering any Unit in the Condominium written notification of any other default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.

Section 2. <u>Insurance</u>. 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. <u>Notification of Meetings</u>. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

ARTICLE IX

VOTING

Section 1. <u>Vote</u>. Except as limited in these Bylaws, a Co-owner shall be entitled to one (1) vote for each Condominium Unit owned. Voting shall be equally divided among all forty-six (46) Units, regardless of any difference in the percentage of value set forth in Article V of the Master Deed. Units not in good standing in the payment of their assessments or other obligations under the Condominium Documents shall not be entitled to vote.

Touchstone Cohousing
Bylaws (Exhibit "A" to the Master Deed)

Section 2. <u>Eligibility to Vote.</u> No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented a deed or other evidence of ownership of a Unit in the Condominium to the Association. No Co-owner, other than the Developer, shall be entitled to vote prior to the First Annual Meeting of members held in accordance with Article X, Section 2, except as specifically provided in Article X, Section 2. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article IX below or by a proxy given by such individual representative except as otherwise provided herein in Article III, Section 4 hereinabove. 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. At and after the First Annual Meeting, the Developer shall be entitled to vote for each Unit which it owns.

Section 3. <u>Designation of Voting Representative</u>. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association, sign petitions and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name, address and telephone number of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name, address and telephone number of each person, firm, corporation, limited liability partnership, limited liability company, 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, but shall not be permitted to serve as an officer or director of the Association.

Section 4. Quorum. The presence in person or by proxy of thirty-five percent (35%) of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically provided herein to require a greater quorum or where voting in person is required by the Bylaws. The written absentee ballot 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 ballot is cast except where prohibited herein.

Section 5. <u>Voting</u>. Votes may be cast in person or by proxy or by a written absentee ballot duly signed by the designated voting representative not present at a given meeting in person or by proxy, except as otherwise provided herein in Article III, Section 4, hereinabove. Proxies and any absentee ballots 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. <u>Majority</u>. A majority, except where otherwise provided herein, shall consist of more than fifty percent (50%) of those qualified to vote and present in person or by proxy (or absentee ballot, if applicable) at a given meeting of the members

of the Association. Whenever provided specifically herein, the requisite affirmative vote may be required to exceed the simple majority hereinabove set forth and may require a designated percentage of all Co-owners and may require that votes be cast in person.

ARTICLE X

MEETINGS

Section 1. <u>Place of Meeting</u>. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with 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 the Developer and may be called at any time either before or after more than fifty percent (50%) of the Units that may be created in this Condominium have been conveyed and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of seventy-five percent (75%) of all Units that may be created or fifty-four (54) months after the first conveyance of legal or equitable title to a nonDeveloper Co-owner of a Unit in the Condominium, whichever first occurs. The Developer may call meetings 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 ten (10) days' written notice thereof shall be given to each Co-owner. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted under the Condominium Documents to include in the Condominium.

Section 3. <u>Annual Meetings</u>. Annual meetings of members of the Association shall be held in the month of May each succeeding year after the year in which the First Annual Meeting is held, on such date and at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than eight (8) months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XII 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. <u>Special Meetings</u>. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one-third (1/3)

of the Co-owners presented to the Secretary of the Association, but only after the First Annual Meeting has been held or at the request of the Developer. A Co-owner must be eligible to vote at a meeting of members to validly sign a petition. 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 ten (10) days but not more than ninety (90) days prior to such meeting, except for the Litigation Evaluation Meeting which notice requirements are prescribed in Article VII, Section 2, hereinabove. 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 IX, Section 3 of these Bylaws. In lieu thereof, unless the Co-owner is a non-resident of a Unit, said notice may be placed in the cubbyhole which has been assigned to each Unit as is located in the mailbox area of the Common House, and/or may be hand delivered to a Unit if the Unit address is designated as the voting representative's address. Electronic transmittal of such notice, such as facsimile, E-mail and the like, may be deemed notice served in the sole discretion of the Board so long as written or electronic confirmation of receipt of the notice is returned to and received by the Association from the designated voting representative. 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. <u>Adjournment</u>. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called to attempt to obtain a quorum.

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 the purpose of election of directors or officers); (g) election of directors (at annual meetings or special meetings held for such a purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary, and Treasurer.

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members of the Association (except for the election or removal of directors) may be taken without a meeting, with or without prior notice, by written consent of the members, except for litigation referenced in Article III and Article VII above. Written consents may be solicited in the same manner as provided in Section 4 above for the giving of notice of meetings of members. Such solicitation may specify

the percentage of consents necessary to approve the action, and the time by which consents must be received in order to be counted. The form of written consents shall afford an opportunity to consent (in writing) to each matter and shall provide that, where the member specifies his or her consent, the vote shall be cast in accordance therewith. Approval by written consent shall be constituted by receipt within the time period specified in the solicitation of a number of written consents which equals or exceeds the minimum number of votes which would be required for approval if the action were taken at a meeting at which all members entitled to vote were present and voted.

Section 9. Consent of Absentees. The transactions of any meeting of members, either annual or special, except the litigation evaluation meeting discussed in Article VII hereinabove and the litigation approval discussed in Article III, Section 4 hereinabove, 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 or by absentee ballot; and if, either before or after the meeting, each of the members not present in person or by proxy, or absentee ballot, 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. <u>Minutes; Presumption of Notice</u>. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed to truthfully 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 XI

ADVISORY COMMITTEE

Within one (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three (3) nonDeveloper Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than fifty percent (50%) of the nonDeveloper 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 other Co-owners and to aid in the transition of control of the Association from the Developer to the Coowners. A chairman of the Committee shall be selected by the members. The Advisory Committee shall cease to exist automatically when the nonDeveloper 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 XII

BOARD OF DIRECTORS

Section 1. Qualifications of Directors. Subject to the decision approval requirements set forth in Article I, Section 2 hereinabove, the affairs of the Association shall be governed by a Board of Directors, all of whom must be members in good standing of the Association or officers, partners, trustees, employees or agents of non-person members of the Association (i.e. corporations, limited liability companies, partnerships, etc.) except for the first Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto appointed by the Developer. Good standing shall be deemed to include a member who is current in all financial obligations owing to the Association and who is not in default of any of the provisions of the Condominium Documents. Directors shall serve without compensation.

Section 2. <u>Election of Directors</u>.

- (a) First Board of Directors. The first Board of Directors shall be comprised of one (1) person 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 nonDeveloper Co-owners to the Board. Immediately prior to the appointment of the first nonDeveloper Co-owner to the Board, the Board shall be increased in size to five (5) persons. Thereafter, elections for nonDeveloper 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.
- Appointment of NonDeveloper Co-owners to Board Prior to First (b) Annual Meeting. Not later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of twenty-five percent (25%) of the Units that may be created, one (1) of the five (5) directors shall be elected by nonDeveloper Co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to nonDeveloper Co-owners of fifty percent (50%) of the Units that may be created, two (2) of the five (5) directors shall be elected by nonDeveloper Co-owners. When the required number of conveyances has been reached, the Developer shall notify the nonDeveloper Coowners and request that they hold a meeting and elect the required director or directors, as the case may be. The meetings of the Co-owners to elect the required number of directors, as aforedescribed, shall only require a quorum of the non-Developer Co-owners to hold such meetings since the Developer will not cast votes on the Developer owned Units. Upon certification by the Co-owners to the Developer of the directors so elected, the Developer shall then immediately appoint such director or directors 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) <u>Election of Directors at and After First Annual Meeting.</u>
 - (i) Not later than one-hundred twenty (120) days after conveyance of legal or equitable title to nonDeveloper Co-owners of seventy five percent (75%) of the Units, the nonDeveloper Co-owners shall elect all directors on the Board, except that the Developer shall have the right to designate one (1) director as long as the Developer owns and offers for sale at least ten percent (10%) of the Units in the Condominium or as long as ten percent (10%) of the Units remain that may be created. Whenever the required conveyance level is achieved, a meeting of Co-owners shall be properly 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 expiration of fifty four (54) months after the first conveyance of legal or equitable title to a nonDeveloper Co-owner of a Unit in the Condominium, the nonDeveloper 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 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 (i) above. 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 nonDeveloper Co-owners have the right to elect under subsection (ii), or if the product of the number of the members of the Board of Directors 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 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 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 of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one (1) director as provided in subsection (i).
 - (iv) Except as provided in Article XII, Section 2(c)(ii), at the First Annual Meeting, three (3) directors shall be elected for a term of two (2) years and two (2) directors shall be elected for a term of one (1) year. At such meeting, all nominees shall stand for election

as one slate and the three (3) persons receiving the highest number of votes shall be elected for a term of two (2) years and the two (2) persons receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either two (2) or three (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 two (2) directors elected at the First Annual Meeting) of each director shall be two (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 X, Section 3 hereof.

Section 3. <u>Powers and Duties</u>. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners or by Consensus of the members, as provided in Article I, Section 2 herinabove.

Section 4. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by Consensus of the members, as provided in Article I, Section 2 herinabove, the Board of Directors shall be responsible specifically for the following:

- (a) To manage and to administer the affairs of, and to maintain, the Condominium and the Common Elements thereof.
- (b) To levy and collect assessments, as provided in Article II hereinabove, against and from the Co-owner members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and to collect and to 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.
- (f) Subject to the Consensus of the members, as provided in Article I, Section 2 herinabove, 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.

- (g) To grant easements, rights of entry, rights of way, and licenses to, through, over, and with respect to Association property and/or the Common Elements of the Condominium on behalf of the members of the Association in furtherance of any of the purposes of the Association and to dedicate to the public any portion of the Common Elements of the Condominium; provided, however, that, subject to the provisions of the Master Deed, any such action shall also be approved by affirmative vote of more than sixty percent (60%) of all Co-owners, unless such right is specifically reserved to the Developer as provided in Article X of the Master Deed in which event Co-owner approval shall not be required. The aforestated sixty percent (60%) approval requirement shall not apply to sub-paragraph (h) below.
- (h) Subject to the Consensus of the members, as provided in Article I, Section 2 herinabove, to grant such easements, licenses and other rights of entry, use and access, and to enter into any contract or agreement, including wiring agreements, utility agreements, right of way agreements, access agreements and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multichannel multipoint distribution service and similar services (collectively "Telecommunications") to the Condominium or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium, within the meaning of the Act, except that same shall be paid over to and shall be the property of the Developer during the Construction and Sales Period and, thereafter, the Association.
- (i) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the Association and to secure the same by mortgage, pledge, or other lien on property owned by the Association or assessments collected or to be collected by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than sixty percent (60%) of all of Co-owners, unless same is a letter of credit and/or appeal bond for litigation, unless same is for a purchase of personal property with a value of \$15,000.00 or less, and/or unless same is a loan by the Developer to fund a deficit in the Budget of the Association.

- (j) To make and enforce reasonable rules and regulations in accordance with Article VI, Section 10 of these Bylaws and such other applicable provisions and to make and enforce resolutions and policies in furtherance of any or all of the purposes of the Association or of the Condominium Documents.
- (k) Subject to the Consensus of the members, as provided in Article I, Section 2 herinabove, 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 by the Condominium Documents required to be performed by the Board.
- (I) To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Unit Co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or the State of Michigan or to satisfy the requirements of the United States Department of Housing and Urban Development.
- (m) 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, but which shall not be a Co-owner or resident or affiliated with a Co-owner or resident) at a 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 three (3) years or which is not terminable by the Association upon ninety (90) days written notice thereof to the other party, and no such contract shall violate the provisions of Section 55 of the Act.

Section 6. <u>Vacancies</u>. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum,

except that the Developer shall be solely entitled to fill the vacancy of any director whom it is permitted in the first instance, under these Bylaws, to designate. Each person so elected shall serve until the next annual meeting of members, at which the Co-owners shall elect a director to serve the balance of the term of such directorship. Vacancies among nonDeveloper Co-owner elected directors which occur prior to the Transitional Control Date may be filled only through election by nonDeveloper Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

Section 7. Removal. Except for directors appointed by the Developer, at any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one (1) or more of the directors may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of all of the Co-owners eligible to vote and a successor may then and there be elected to fill the vacancy thus created. 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 appointed by it at any time or from time to time in its sole discretion. Any director elected by the nonDeveloper Co-owners to serve before the First Annual Meeting of members may be removed before the First Annual Meeting by the nonDeveloper Co-owners in the same manner set forth in this Section 7 above for removal of directors generally.

Section 8. <u>First Meeting</u>. The first meeting of the 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 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 Board of 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. In lieu thereof, said notice may also be hand delivered or electronically transmitted, i.e. via facsimile, E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director.

Section 10. <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by the President upon three (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. In lieu thereof, said notice may also be hand delivered or electronically transmitted, i.e. via facsimile, E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) directors.

Section 11. <u>Waiver of Notice</u>. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board 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 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 is less than a quorum present, the majority of those persons may adjourn the meeting to a subsequent time upon twenty-four (24) hours' prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for purposes of determining a quorum.

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

Section 14. <u>Action by Written Consent</u>. Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid if consented to in writing by the requisite majority of the Board of Directors.

Section 15. Actions of First Board of Directors Binding. All of the actions (including, without limitation, the adoption of these Bylaws, and any rules and regulations adopted pursuant to Article VI, Section 10 hereunder, policies or resolutions for the Association, and any undertakings or contracts entered into with others on behalf of the Association) of the First Board of Directors of the Association named in its Articles of Incorporation 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 Annual Meeting of members or at any subsequent annual meeting of members, provided that 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 16. <u>Fidelity Bonds</u>. 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 XIII

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, Secretary and a Treasurer. Both the President and the Vice-President must be members of the Association; other officers may, but need not be, members of the Association. Any such members serving as officers shall be in good standing of the Association. The directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two (2) offices except that of President and Vice-President may be held by one (1) person. Officers shall be compensated only upon the affirmative vote of more than sixty percent (60%) of all Co-owners.

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

Section 3. Removal. Upon Consensus of the members, as provided in Article I, Section 2 herinabove and the 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 by Consensus of the members, as provided in Article I, Section 2 herinabove or 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. <u>President</u>. The President shall be the chief executive officer of the Association. The President shall preside and may vote at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time-to-time as the President may in the President's discretion deem appropriate to assist in the conduct of the affairs of the Association, or as required Consensus of the members, as provided in Article I, Section herinabove.

Section 5. <u>Vice-President</u>. The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor 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 the Vice President by the Board of Directors.

Section 6. <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; the Secretary shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; the Secretary shall, in general, perform all duties incident to the office of the Secretary.

Section 7. <u>Treasurer</u>. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time-to-time, be designated by the Board of Directors.

Section 8. <u>Duties</u>. The officers shall have such other duties, powers and responsibilities as shall, from time-to-time, be authorized by the Board of Directors.

ARTICLE XIV

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 XV

FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and 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. nonprivileged Association books, records, and contracts concerning the administration and operation of the Condominium shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours, subject to such reasonable inspection procedures as may be established by the Board of Directors from time to time. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The cost of any such audit and any accounting expenses shall be expenses of administration.

Section 2. <u>Fiscal Year</u>. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the directors. Absent such determination by the Board of Directors, the fiscal year of the Association shall be the calendar year. The commencement date of the fiscal year shall be subject to change by the directors for accounting reasons or other good cause.

Section 3. <u>Depositories</u>. The 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 banks or savings associations as are insured by the Federal Deposit Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government or in such other depositories as may be adequately insured in the discretion of the Board of Directors.

ARTICLE XVI

INDEMNIFICATION OF OFFICERS AND DIRECTORS;
DIRECTORS' AND OFFICERS' INSURANCE

Section 1. Indemnification of Directors and Officers. Every director and every officer of the Association (including the First Board of Directors and any other director and/or officer of the Association appointed by the Developer) shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, including actions by or in the right of the Association, 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 as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Association (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has Association approved. the shall notify all Co-owners thereof.

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

ARTICLE XVII

AMENDMENTS

Section 1. <u>Proposal</u>. 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 by one-third (1/3) or more of the Co-owners by instrument in writing signed by them.

Section 2. <u>Meeting</u> . 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, except as may be permitted by Article IX, Section 7 of these Bylaws.

Section 3. <u>Voting</u>. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose, or as permitted by Article IX, Section 7 hereinabove, by an affirmative vote of not less than sixty-six and two-thirds percent (66-2/3%) of all Co-owners entitled to vote as of the record date for such votes; provided, that any such amendment also shall have the consent of each affected Co-owner and first mortgagee if required by the Act and/or Article VIII, Section 1 of the Master Deed. During the Construction and Sales Period, these Bylaws may not be amended in any manner so as to materially affect and/or impair the rights of the Developer, unless said amendment has received the prior written consent of the Developer. Notwithstanding anything to the contrary, no amendment may be made to Article III, Section 4, and Article VII of these Bylaws at any time without the written consent of the Developer.

Section 4. Mortgagee Approval. Notwithstanding any other provision of the Condominium Documents to the contrary, mortgagees are entitled to vote on amendments to the Condominium Documents only when and as required by the Act, as amended. Moreover, insofar as permitted by the Act, these Bylaws shall be construed to reserve to the Developer during the Construction and Sales Period, and to the Coowners thereafter, the right to amend these Bylaws without the consent of mortgagees if the amendment does not materially alter or change the rights of mortgagees generally. or as may be otherwise described in the Act, notwithstanding that the subject matter of the amendment is one which in the absence of this sentence would require that mortgagees be afforded the opportunity to vote on the amendment. If, notwithstanding the preceding sentences, mortgagee approval of a proposed amendment to these Bylaws is required by the Act, the amendment shall require the approval of sixty-six and two-thirds percent (66-2/3%) of the first mortgagees of Units entitled to vote thereon. Mortgagees are not required to appear at any meeting of Co-owners but their approval shall be solicited through written ballots in accordance with the procedures provided in the Act.

Section 5. <u>By Developer.</u> 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 rights of a Coowner or mortgagee, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or the State of Michigan, to comply with the requirements of governmental agencies, to carry out the intent of developing this Condominium Project in accordance with the approved plans, and to comply with amendments

Section 6. <u>When Effective</u>. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Washtenaw County Register of Deeds.

Section 7. <u>Binding</u>. A copy of each amendment to these 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 Condominium irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XVIII

COMPLIANCE

The Association of Co-owners and all present or future Co-owners, tenants, land contract purchasers, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the Act, as amended, and with the 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. In the event any provision of these Bylaws conflicts with any provision of the Master Deed, the provisions of the Master Deed shall govern.

ARTICLE XIX

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 XX

REMEDIES FOR DEFAULT

Touchstone Cohousing Bylaws (Exhibit "A" to the Master Deed) Section 1. <u>Relief Available</u>. Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

(a) <u>Legal Action</u>. Failure to comply with any of the terms and provisions of the Condominium Documents or the Act, including any of the rules and regulations adopted pursuant to Article VI, Section 10 hereunder, 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.

- Recovery of Costs. In the event of a default of the Condominium (b) Documents by a Co-owner, nonCo-owner resident, lessee, tenant and guest, the Association or the Developer, as the case may be, shall be entitled to recover from the Co-owner, nonCo-owner resident, lessee. tenant and guest, the prelitigation costs and attorney fees incurred in obtaining their compliance with the Condominium Documents. proceeding arising because of an alleged default by any Co-owner, nonCo-owner, lessee, tenant and guest, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's 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 attorney's fees. The Association or the Developer, as the case may be, if successful, shall also be entitled to recoup the costs and attorney's fees incurred in defending any claim, counterclaim or other matter from the Co-owner asserting the claim, counterclaim or other matter.
- (c) Removal and Abatement. The violation of any of the provisions of the Condominium Documents, including the rules and regulations adopted pursuant to Article VI, Section 10 hereunder, shall also give the Association or the Developer, as the case may be, or their 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; provided, however, that judicial proceedings shall be instituted before items of construction are altered or demolished pursuant to this subsection. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.
- (d) Assessment of Fines. The violation of any of the provisions of the Condominium Documents, including any of the rules and regulations adopted pursuant to Article VI, Section 10 hereunder, by any Co-owner, or his tenant or nonCo-owner occupant of his Unit, in addition to the rights set forth above, shall be grounds for assessment by the Association of a monetary fine for such violation against said Co-owner. No fine may be assessed unless the rules and regulations establishing such fine have first been duly adopted by the in the same manner as prescribed in Article VI, Section 10 of these Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-owner and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the

notice and offer evidence in defense of the alleged violation. Upon finding an alleged violation after an opportunity for hearing has been provided, the Board of Directors may levy a fine in such amount as it, in its discretion, deems appropriate, and/or as is set forth in the rules and regulations establishing the fine procedure. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

Section 2. <u>Nonwaiver of Right</u>. 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. <u>Cumulative Rights, Remedies, and Privileges</u>. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 4. Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

Section 5. Article Not Applicable to Default by Developer. The term "Co-owner", when used in this Article XX with respect to the remedies of the Association and other Co-owners with respect to a Co-owner default, including, without limitation, any default under Article II herein above, shall be construed so as to exclude the Developer, and no such remedy shall be available to the Association or any Co-owner with respect to any claim that the Developer is in default in the performance of any obligation of the Developer the performance of which is due during the Construction and Sales Period.

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 thereupon 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

same is defined in Article III, Section 11 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 the 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 or contract rights granted or reserved to or for the benefit of the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, litigation rights, 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 reservation and not hereby. or

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 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.

RMM/KMB/TouchstoneCohousing/Bylaws.12.5.04

Recorded August 16, 2005 Liber 4500, Pages 285 (1 through 18), Washtenaw County Records. Washtenaw County Condominium Subdivision Plan No. 471.

TOUCHSTONE COHOUSING

FIRST AMENDMENT TO MASTER DEED

On this 15th day of August, 2005, Honeycreek Cohousing Development Company, LLC, a Michigan Limited Liability Company, hereinafter referred to as "Developer", whose address is 424 Little Lake Drive, Ann Arbor, MI 48103, Developer of Touchstone Cohousing, a Condominium Project established pursuant to the Master Deed thereof, recorded in Liber 4443, Page 29 (1 through 95), inclusive, Washtenaw County Records, and known as Touchstone Cohousing, Washtenaw County Condominium Subdivision Plan 471, pursuant to the authority reserved in Article IX, Section 4 of said Master Deed, the Developer, being the sole owner of all of the Units in the Condominium, hereby amends the Master Deed of Touchstone Cohousing for the purpose of changing Unit numbering, locations and styles, adding Common Element Garages, increasing the convertible area to include Units 35 through 46 as further described in Article VII below, and adding a right to expand the Condominium to include the area described in Article VII below. Said Master Deed is amended in the following manner:

1. Amended Article V, Section 2 of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article V, Section 2 of the Master Deed as recorded and the previously recorded Article V, Section 2 shall be of no further force or effect.

ARTICLE V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

* * *

Section 2. Percentages of Value. The percentage of value assigned to each Unit was computed based upon the average square footages of the buildings, inclusive of the Units contained therein (but not including any basement areas, attic spaces or garage spaces), with the resultant percentages reasonably adjusted to total precisely one hundred percent (100%). The percentage of value assigned to each Unit shall be determinative of each Co-owner's undivided interest in the Common Elements and the proportionate share of each respective Co-owner in the proceeds and expenses of administration. Voting rights shall be equal as provided by the Bylaws. Set forth below are:

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

UNIT NO. (*style) ASSIGNED	% OF VALUE	UNIT NO. (*style) ASSIGNED	% OF VALUE	UNIT NO. (*style) ASSIGNED	% OF VALUE
1 (I)	2.85	16 (I)	2.85	32 (F/L)	1.39
2 (G/L)	1.84	17 (I)	2.85	33 (F/U)	1.53
3 (G/U)	2.08	18 (G/L)	1.84	34 (I)	2.85
4 (E/L)	0.98	19 (G/U)	2.08	35 (G/L)	1.84
5 (E/U)	1.10	20 (I)	2.85	36 (G/U)	2.08
6 (I)	2.85	21 (I)	2.85	37 (G/L)	1.84
7 (I)	2.85	22 (G/L)	1.84	38 (G/U)	2.08
8 (F/U)	1.53	23 (G/U)	2.08	39 (G/U)	2.08
9 (F/L)	1.39	24 (I)	2.85	40 (G/L)	1.84
10 (F/L)	1.39	25 (J)	3.51	41 (I)	2.85
11 (F/U)	1.53	26 (G/L)	1.84	42 (G/U)	2.08
12 (I)	2.85	27 (G/U)	2.08	43 (G/L)	1.84
13 (I)	2.85	28 (J)	3.51	44 (G/L)	1.84
14 (G/L)	1.84	29 (I)	2.85	45 (G/U)	2.08
15 (G/U)	2.08	30 (F/U)	1.53	46 (I)	2.85
		31 (F/L)	1.39	TOTAL:	100%

^{* &}quot;U" = "upper" Unit style; "L" = "lower" Unit style

2. Amended Article VI, Section 1 of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article VI, Section 1 of the Master Deed as recorded and amended, and the previously recorded Article VI, Section 1 shall be of no further force or effect.

ARTICLE VI

CONTRACTION OF CONDOMINIUM

Section 1. Contractible Area. Although the Condominium established pursuant to this Master Deed of Touchstone Cohousing consists of forty-six (46) Units, the Developer hereby reserves the right within a period ending no later than six (6) years from the date of recording of this Master Deed to contract the size of the Condominium so as to contain six (6) Units or more, by withdrawing one or more of Units 1 through 6 and 13 through 46, together with the Common Elements, utilities, and/or roadway which are not needed to service the remaining Units (unless use and access easements are provided), from the Condominium (labeled "need not be built" on the Condominium Subdivision Plan attached hereto as Exhibit "B" and hereinafter referred to as "Contractible Area"). Developer reserves the right to use a portion of the land so withdrawn to establish, in its sole discretion, a rental development, a separate condominium project (or projects), or any other form of development or retain same as raw land. Developer further reserves the right, subsequent to such withdrawal but prior to six (6) years from the date of recording this Master Deed, to expand the Project so reduced to include all or any portion of the land so withdrawn.

3. Amended Article VII of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article VII of the Master Deed as recorded and amended, and the previously recorded Article VII shall be of no further force or effect.

ARTICLE VII

CONVERTIBLE AREA AND EXPANSION OF CONDOMINIUM

Section 1. Convertible Area. The Developer intends to construct

the Units in the Condominium as indicated on the Condominium Subdivision Plan (Exhibit "B" hereto). However, the Developer hereby reserves the right to convert Units 35 through 46, and/or the General and Limited Common Elements appurtenant to Units 35 through 46, to General or Limited Common Elements by the elimination of any or all of said Units as provided in Article VI of the Master Deed, and/or to make reasonable changes to the Common Element areas, including, without limitation, to the Convertible Dormer Area, as depicted on Exhibit "B" hereto, as the need arises in order to make changes to Unit styles, types and sizes. The Developer further hereby reserves the right to create additional General Common Elements and/or create or assign Limited Common Elements within any portion of the Condominium and/or to designate those Common Elements therein which may be subsequently assigned as Limited Common Elements, including, without limitation, General Common Element Garage spaces which may be assigned as to individual Units as provided in Article IV, Section 1 (d) hereinabove.

Section 2. No Additional Units to be Created in Convertible Area. No additional Units beyond the 46 Units currently included shall be added to the Condominium as a result of the exercise of the Developer's option to convert the Condominium reserved in Section 1 above, since the Developer's right to convert the Condominium is limited solely to the right to reasonably alter styles, types, sizes, and boundaries of the Units and the Common Elements, to create additional Common Elements and/or to convert Unit space to Common Elements as provided in Section 1 above.

Section 3. Expandable Area. The Condominium Project established pursuant to the Master Deed of Touchstone Cohousing, as amended, and consisting of forty-six (46) Units is intended to be the first phase of an expandable Condominium under the Act which, if expanded. may contain additional Common Elements to be established in the Expandable Area, as depicted on Exhibit "B", and/or upon all or some portion or portions of the Expandable Area. No additional residential Units will be constructed in the Expandable Area. Any other provisions of this Master Deed notwithstanding, the size of this Condominium may, at the option of the Developer or its successors or assigns, from time to time, be increased by the addition to this Condominium of any portion of the Expandable Area. The location, nature, appearance and design of all such additional land shall be determined by the Developer in its sole discretion. Said Expandable Area is described as follows:

A one-half (½) undivided interest to be co-owned with Great Oak Cohousing in the Preservation Area described as follows:

Preservation Area:

Commencing at the Northwest corner of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan; S05_20'06"W 1617.32 feet along the West line of said section to the point of beginning; thence S85_09'45"E 602.04 feet along the South line of "Sunward Co-Housing of Ann Arbor", a condominium as recorded in Liber 27 of Plats, Pages 69 through 71, inclusive, Washtenaw County Records to a point on the Westerly right-ofway line of Little Lake Drive; thence N06_25'50"E 16.77 feet along said right-of-way line; thence S84_39'05"E 33.01 feet to a point on the centerline of Little Lake Drive; thence S06_25'50"W 249.79 feet along said centerline; thence N84_39'54"W 630.57 feet to a point on the West line of said section; thence N05_20'06"E 227.76 feet along said West line to the point of beginning. Being a part of the West ½ of the Northwest 1/4 of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan and containing 3.36 acres of land, more or less. Being subject to the rights of the Public over that portion of Little Lake Drive as occupied. Also being subject to easements and restrictions of record, if any.

(hereinafter referred to as "Expandable Area").

Section 4. Expansion Not Mandatory. Nothing herein contained shall in any way obligate Developer to enlarge the Condominium beyond the phase established by this Master Deed and Developer (or its successors and assigns) may, in its discretion, establish all or a portion of said Expandable Area as any other form of development or retain same as undeveloped land. There are no restrictions on the election of the Developer to expand the Condominium other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium all or any portion of the Expandable Area described in this Article VII nor is there any obligation to add portions thereof in any particular order nor to construct particular improvements thereon in any specific locations.

Section 5. <u>Time Period in Which to Exercise Option to Convert or Expand</u>. The Developer's option to convert certain areas of the Condominium as provided in Section 1 above, or to expand the Condominium as provided in Section 3 above, shall expire six (6) years from the date of recording of this Master Deed and may be exercised at one time or at different times within said six (6) year period as the

Developer, in its sole discretion, may elect. This period may be extended with the prior approval of sixty-six and two-thirds percent (66-2/3%) of all Co-owners eligible to vote.

Section 6. <u>Amendment of Master Deed</u>. Such conversion or expansion of this Condominium Project 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 discretion of the Developer or its successors and assigns.

Section 7. Consent of Interested Persons. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint Developer or its successors and assigns 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 the entire Master Deed or the Exhibits hereto and any pertinent portions of this Master Deed and the Exhibits hereto. These provisions hereby give notice to all persons acquiring an interest in the Condominium that such amendment of this Master Deed may be made and recorded and no further notice of such amendment shall be required.

Section 8. <u>Consolidating Master Deed</u>. In the event this Master Deed is amended from time to time to expand the size of the Condominium, as provided hereinabove, a Consolidating Master Deed shall be recorded pursuant to the Act when the Condominium is finally concluded as determined by Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

^{4.} Sheets 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 of the Condominium Subdivision Plan of Touchstone Cohousing, as attached hereto, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede originally recorded Sheets 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 of the Condominium

Subdivision Plan of Touchstone Cohousing, and the aforedescribed originally recorded and amended Sheets shall be of no further force or effect.

In all other respects, other than as hereinabove indicated, the initial Master Deed of Touchstone Cohousing, including the Bylaws and the Condominium Subdivision Plan respectively attached thereto as Exhibits "A" and "B", recorded as aforesaid, is hereby ratified, confirmed and redeclared.

ratified, confirmed and redeclared. HONEYCREEK COHOUSING DEVELOPMENT COMPANY, LLC, а Michigan Limited Liability Company, John D. Lindeberg STATE OF MICHIGAN) ss. COUNTY OF WASHTENAW On this 15th day of August, 2005, the foregoing First Amendment to Master Deed was acknowledged before me by John D. Lindeberg the Manager of Honeycreek Cohousing Development Company, LLC, a Michigan Limited Liability Company, on behalf of said Company. ____, Notary Public Acting in _____ County,

First Amendment to Master Deed
Drafted by and When Recorded Return to:
ROBERT M. MEISNER, ESQ.
MEISNER & ASSOCIATES, P.C.
30200 Telegraph Road, Suite 467
Bingham Farms, Michigan 48025-4506

irst Amendment to Master Deed

Michigan

(248) 644-4433

 $DSK/KM/server/developers/Touchstone Cohousing/First Amedment\ to\ Master\ Deed-\ 8.5.05$

TOUCHSTONE COHOUSING

SECOND AMENDMENT TO MASTER DEED

On this _	day of	, 2009,	Honeycree	k Cohousing	Development
Company, LLC,	a Michigan Lim	ited Liability	Company,	hereinafter re	ferred to as
"Developer", who	se address is 11°	17 Spring Str	eet, Ann Arb	or, MI 48103,	Developer of
Touchstone Coho	ousing, a Condo	minium Proje	ct establish	ed pursuant to	o the Master
Deed thereof, rec	orded in Liber 444	43, Page 29 (1 through 95), inclusive, as	amended by
First Amendment	to Master Deed	recorded in l	_iber 4500,	Pages 285 (1	through 18),
inclusive, Washt	enaw County F	Records, and	l known as	Touchstone	Cohousing,
Washtenaw Cou	nty Condominiun	n Subdivision	n Plan 471,	pursuant to	the authority
reserved in VI, Se	ection 1 of said M	laster Deed,	as amended	, and as reser	ved in Article
IX, Section 4 to	carry out the i	intend of de	veloping this	s Condominiu	m Project in
accordance with	the approved pla	ans and for t	the purpose	of facilitating	conventional
mortgage loan fil	nancing for exist	ing or prosp	ective Co-ov	vners, hereby	amends the
Master Deed of	Touchstone Coh	ousing for th	e purpose d	f contracting	the land and
Building H inclusi	ve of Units 35 thr	ough 40, and	l Building I ir	clusive of Uni	ts 41 through
46, and to clarify	the right to expan	d the Condor	ninium to ad	d the contracte	ed land, Units
and/or any portion	n thereof back into	the Condom	ninium, as fui	ther described	l below. Said
Master Deed is an	mended in the foll	owing manne	er:		

1. Amended Article II of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article II of the Master Deed as recorded and the previously recorded Article II shall be of no further force or effect.

ARTICLE II LEGAL DESCRIPTION

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

Commencing at the Northwest corner of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan; thence S05°20'06"W 2257.89 feet along the West line of said Section to the POINT OF BEGINNING; thence S86°33'21"E 623.41 feet to a point on the centerline of Little Lake Drive; thence S06°25'50"W 200.48 feet along said centerline; thence N83°27'25"W 167.35 feet; thence Southwesterly 62.82 feet along the arc of a 40.00 foot radius circular curve to the left, through a central angle of 89°58'58", having a chord that bears S51°33'06"W 56.56 feet; thence S06°33'37"W 61.97 feet; thence Southwesterly 92.01 feet along the arc of a 70.00 foot radius circular curve to the right, through a central angle of 75°18'35", having a chord that bears S44°12'54"W 85.53 feet; thence S04°36'01"W 78.12 feet to a point on the East and West 1/4 line of said Section; thence N85°23'59"W 357.11 feet along said East and West 1/4 line to the West 1/4 corner of said Section 26; thence N05°20'06"E 426.72 feet (recorded as 426.71) along the West line of said Section to the Point of Beginning. Being a part of the West ½ of the Northwest 1/4 of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan and containing 4.89 acres of land, more or less. Being subject to the rights of the public over that portion of Little Lake Drive as occupied. Also being subject to all other lawful easements, restrictions and right-of-ways of record and all governmental limitations.

Parcel Identification Numbers: H-08-26-255-001 through H-08-26-255-034

2. Amended Article V, Sections 1 and 2 of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article V, Sections 1 and 2 of the Master Deed, as recorded and the previously recorded Article V, Sections 1 and 2 shall be of no further force or effect.

ARTICLE V UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Units. The Condominium consists of thirty-four (34) Units. Each Unit in the Condominium is described in this Section with reference to the Condominium Subdivision Plan of Touchstone Cohousing as surveyed by Washtenaw Engineering located at P.O. Box 1128, 3250 W. Liberty Rd., Ann Arbor, MI 48103, and which Plan is attached hereto as Exhibit "B". Each Unit shall include: (1) with respect to each Unit with a basement, all that space contained within the unpainted surfaces of the basement floor and walls and the uncovered underside of the first-floor joists, including the stairwells, (2) with respect to each Unit without a basement, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, (3) with respect to the upper floors of such Unit, if any, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, and (4) with respect to the attic area of such Unit, if any, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, or, if the attic is unfinished, if any, all that space contained within the interior wall studs, roof trusses and floor joists, including the stairwells, all as shown on the floor plans and sections in Exhibit "B" hereto and delineated with heavy outlines.

Notwithstanding anything hereinabove to the contrary, although within the boundaries of a Unit for purposes of computation of square footage in the Condominium Subdivision Plan, the Co-owner of a Unit shall not own or tamper with any structural components contributing to the support of the building in which such Unit is located, including but not limited to support columns, nor any pipes, wires, conduits, ducts, flues, shafts or public utility lines situated within such Unit which service or comprise the Common Elements or a Unit or Units in addition to the Unit where located. Easements for the existence, maintenance and repair of all such structural components shall exist for the benefit of the Association and, to the extent applicable, the Developer during the Construction and Sales Period.

Section 2. <u>Percentages of Value</u>. The percentage of value assigned to each Unit was computed based upon the average square footages of the buildings, inclusive of the Units contained therein (but not including any basement areas, attic spaces or garage spaces), with the resultant percentages reasonably adjusted to total precisely one hundred percent (100%). The percentage of value assigned to each Unit shall be determinative of each Co-owner's undivided interest in the Common Elements and the proportionate share of each respective Co-owner in the proceeds and expenses of administration. Voting rights shall be equal as provided by the Bylaws. Set forth below are:

(1) Each Unit number as it appears on the Condominium Subdivision Plan.

(2) The percentage of value assigned to each Unit.

UNIT NO. (*style) ASSIGNED	% OF VALUE	UNIT NO. (*style) ASSIGNED	% OF VALUE	UNIT NO. (*style) ASSIGNED	% OF VALUE
1 (I)	3.82	13 (I)	3.82	24 (I)	3.82
2 (G/L)	2.47	14 (G/L)	2.47	25 (J)	4.71
3 (G/U)	2.79	15 (G/U)	2.79	26 (G/L)	2.47
4 (E/L)	1.30	16 (I)	3.82	27 (G/U)	2.79
5 (E/U)	1.46	17 (I)	3.82	28 (J)	4.71
6 (I)	3.82	18 (G/L)	2.47	29 (I)	3.82
7 (I)	3.82	19 (G/U)	2.79	30 (F/U)	2.05
8 (F/U)	2.05	20 (I)	3.82	31 (F/L)	1.87
9 (F/L)	1.87	21 (I)	3.82	32 (F/L)	1.87
10 (F/L)	1.87	22 (G/L)	2.47	33 (F/U)	2.05
11 (F/U)	2.05	23 (G/U)	2.79	34 (I)	3.82
12 (I)	3.82			TOTAL:	100%

* "U" = "upper" Unit style; "L" = "lower" Unit style

3. Amended Article VI, Section 1 of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article VI, Section 1 of the Master Deed as recorded and amended, and the previously recorded Article VI, Section 1 shall be of no further force or effect.

ARTICLE VI

CONTRACTION OF CONDOMINIUM

Section 1. Contractible Area. Although the Condominium established pursuant to this Master Deed of Touchstone Cohousing, as hereby amended, consists of thirtyfour (34) Units, the Developer hereby reserves the right within a period ending no later than six (6) years from the date of recording of this Master Deed to contract the size of the Condominium so as to contain six (6) Units or more, by withdrawing one or more of Units 1 through 6 and 13 through 34, and any Units and/or land that may subsequently be added to the Condominium pursuant to the expandable provision in Article VII of this Master Deed, as amended hereinbelow, together with the Common Elements, utilities, and/or roadway which are not needed to service the remaining Units (unless use and access easements are provided), from the Condominium (labeled "need not be built" on the Condominium Subdivision Plan attached hereto as Exhibit "B" and hereinafter referred to as "Contractible Area"). Developer reserves the right to use a portion of the land so withdrawn to establish, in its sole discretion, a rental development, a separate condominium project (or projects), or any other form of development or retain same as raw land. Developer further reserves the right, subsequent to such withdrawal but prior to six (6) years from the date of recording this Master Deed, to expand the Project so reduced to include all or any portion of the land, Units and/or Common Elements so withdrawn, as provided in Article VII hereinbelow.

4. Amended Article VII, Section 3 of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article VII, Section 3 of the Master Deed as recorded and amended, and the previously recorded Article VII, Section 3 shall be of no further force or effect.

ARTICLE VII

CONVERTIBLE AREA AND EXPANSION OF CONDOMINIUM

* * *

Section 3. <u>Expandable Areas</u>. The Condominium Project established pursuant to the Master Deed of Touchstone Cohousing, as amended, and consisting of thirty-four (34) Units is intended to be the first phase of an expandable Condominium under the

- Act. The following two (2) expandable areas are individually referred to as specified hereinbelow, and collectively referred to in this Master Deed, as amended, as "Expandable Areas."
- A. <u>Expandable Preservation Area</u>. Any other provisions of this Master Deed notwithstanding, the size of this Condominium may, at the option of the Developer or its successors or assigns, from time to time, be increased by the addition to this Condominium of any portion of the Expandable Preservation Area, as depicted on Exhibit "B," which, if expanded, may contain additional Common Elements to be established thereon and/or upon all or some portion or portions of said Expandable Preservation Area. No additional residential Units will be constructed in said Expandable Preservation Area. The location, nature, appearance and design of all such additional land shall be determined by the Developer in its sole discretion. Said Expandable Preservation Area is described as follows:

A one-half (½) undivided interest to be co-owned with Great Oak Cohousing in the Preservation Area described as follows:

Preservation Area:

Commencing at the Northwest corner of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan; thence S05°20'06"W 1617.32 feet along the West line of said section to the point of beginning; thence S85°09'45"E 602.04 feet along the South line of "Sunward Co-Housing of Ann Arbor", a condominium as recorded in Liber 27 of Plats, Pages 69 through 71, inclusive, Washtenaw County Records to a point on the Westerly right-of-way line of Little Lake Drive; thence N06°25'50"E 16.77 feet along said right-of-way line; thence S84°39'05"E 33.01 feet to a point on the centerline of Little Lake Drive; thence S06°25'50"W 249.79 feet along said centerline; thence N84°39'54"W 630.57 feet to a point on the West line of said section; thence N05°20'06"E 227.76 feet along said West line to the point of beginning. Being a part of the West ½ of the Northwest 1/4 of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan and containing 3.36 acres of land, more or less. Being subject to the rights of the Public over that portion of Little Lake Drive as occupied. Also being subject to easements and restrictions of record, if anv.

(hereinafter individually referred to as "Expandable Preservation Area")

B. Area of Future Development. Any other provisions of this Master Deed notwithstanding, the size of this Condominium may, at the option of the Developer or its successors or assigns, from time to time, be increased by the addition to this Condominium of any portion of the Area of Future Development, as depicted on Exhibit "B," which, if expanded, may contain one (1) or more Units not to exceed forty-six (46) total Units in the overall Condominium Project, and/or additional Common Elements to be established thereon and/or upon all or some portion or portions of said Area of Future Development. The location, nature, appearance and design of all such additional Units, Common Elements and/or land shall be determined by the Developer in its sole discretion. One-hundred percent (100%) of all additional Unit areas will be

devoted to residential use. Said Area of Future Development is described as follows:

Commencing at the Northwest corner of Section 26, T2S, R5E, Township, Washtenaw County, Michigan; S05°20'06"W 2257.89 feet along the West line of said Section; thence S86°33'21"E 623.41 feet to a point on the centerline of Little Lake Drive: thence S06°25'50"W 200.48 feet along said centerline to the POINT OF BEGINNING; thence continuing along said centerline S06°25'50"W 239.00 feet to a point on the East and West 1/4 line of said Section; thence N85°23'59"W 257.61 feet along said East and West 1/4 line; thence N04°36'01"E 78.12 feet; thence Northeasterly 92.01 feet along the arc of a 70.00 foot radius circular curve to the left, through a central angle of 75°18'35", having a chord that bears N44°12'54"E 85.53 feet; thence N06°33'37"E 61.97 feet; thence Northeasterly 62.82 feet along the arc of a 40.00 foot radius circular curve to the right, through a central angle of 89°58'58", having a chord that bears N51°33'06"E 56.56 feet; thence S83°27'25"E 167.35 feet to the Point of Beginning. Being a part of the West ½ of the Northwest 1/4 of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan and containing 1.26 acres of land, more or less. Being subject to the rights of the public over that portion of Little Lake Drive as occupied. Also being subject to all other lawful easements, restrictions and right-of-ways of record and all governmental limitations.

Parcel ID No. 08-26-200-014 (part of)

(hereinafter individually referred to as "Area of Future Development")

ARTICLE VIII EASEMENTS

* * *

Section 2. <u>Easement Retained by Developer Over Roads and Other Common Elements</u>. Developer reserves for the benefit of itself, its successors and assigns, and

^{5.} Amended Article VIII, Sections 2, 4 and 11 of said Master Deed of Touchstone Cohousing as set forth below, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede Article VIII, Sections 2, 4 and 11 of the Master Deed as recorded and amended, and the previously recorded Article VIII, Sections 2, 4 and 11 shall be of no further force or effect.

all future owners of the land described in Article VII, or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, an easement for the unrestricted use of all roads in the Condominium, including the ingress and egress easement recorded in Liber 4172, Page 637 (pages 1-8), inclusive, Washtenaw County Records, for the purpose of ingress and egress to and from all or any portion of the land described in Article VII, or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Article VII, Section 2 shall be shared by this Condominium and any completed dwellings located within the land described in Article VII above, and also including any completed dwellings located on any portions of the land withdrawn from the Condominium from time to time as reserved in Article VI above, and whose closest means of access to a public road is over such road or roads. The Co-owners of this Condominium (to be paid as a cost of administration by the Association) shall be responsible from time to time for payment of a 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 of the completed dwellings in any land described in Article VII above, and also including any completed dwelling located on any land that may be withdrawn from time to time as reserved in Article VI above, which lies outside this Condominium and whose closest means of access to a public road is over such road or ingress and egress easement area.

* * *

Section 4. Easement Retained by Developer to Tap Into Utilities and Detention Basins and for Surface Drainage. Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of any land described in Article VII, or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend, and enlarge all utility mains located on the Condominium Premises and the detention basins, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunications systems, and storm and sanitary sewer mains and/or to access the storm drainage easement located in Great Oak Cohousing as recorded in Liber 4454, Page 20 (pages 1-13), inclusive, Washtenaw County Records. In the event that the Developer, its successors and assigns, utilizes, taps, ties into, extends or enlarges any utilities located on the Condominium Premises and/or the detention basins 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, typing in, extension or enlargement. All expenses of maintenance, upkeep, repair and replacement of the utility mains and/or the detention basins described in this Article VIII, Section 4 shall be shared by this Condominium and any completed dwellings in any portions of any land described in Article VII, or any portion or portions thereof, including any completed dwelling on any land that may be

withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, which are served by such utility mains or the detention basins. The Co-owners of this Condominium (to be paid as a cost of administration by the Association) shall be responsible, from time to time, for payment of a proportionate share of said expenses, which share shall be determined by multiplying said 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 completed dwellings on the land described in Article VII, or any portion or portions thereof, including completed dwelling on any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, which are serviced by such utility mains and/or the detention basins; 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, that the expense sharing shall be applicable only to the utility mains and the detention basins 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 in the Condominium and by the owner or owners, or any association of owners, as the case may be, of the land described in Article VII, or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, upon which are located the Units which such lead or leads service. Developer also hereby reserves for the benefit of itself, its successors and assigns, a perpetual easement to modify the landscaping and/or grade in any portion of the Condominium Premises in order to preserve and/or facilitate surface drainage in a portion or all of the land described in Article VII, or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof. The Developer, its successors and assigns, shall bear all costs of such modifications. Any such modification to the landscaping and/or grade in the Condominium Premises under the provisions of this Article VIII, Section 4, shall not impair the surface drainage in this Condominium.

Section 5. Grant of Easement by Great Oak Cohousing Over Preservation Area to this Condominium. Pursuant to the Master Deed of Great Oak Cohousing, recorded in Liber 4150, Page 447 (pages 1-36, inclusive), Washtenaw County Records, this Condominium, including the land described in Article VII, or any portion or portions thereof, and any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, has been granted an easement over the General Common Elements of Great Oak Cohousing for ingress, egress and maintenance, repair and replacement of the Preservation Area located within Great Oak Cohousing, as depicted on Exhibit "B" hereto. This Condominium Association, and any completed dwelling on the expandable land described in Article VII, or any portion or portions thereof, who are not part of this Association, and any completed dwellings on any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, is required to share in the costs of maintenance of the Preservation Area with Great Oak Cohousing which shall be a cost of administration.

Section 6. Grant of Easement by this Condominium over Entryway to Great Oak

Cohousing. Pursuant to a Grant of Easement for Ingress and Egress recorded in Liber 4172, Page 637 (pages 1-8, inclusive), the neighboring Condominium, Great Oak Cohousing, has an easement for ingress and egress purposes and for the construction, installation, maintenance and repair of roads, and access ways over, across and within this Condominium in the location of the easement area depicted therein and as depicted on Exhibit "B" hereto. Great Oak Cohousing shall equally share in the costs of maintenance, repair or reconstruction of the roadway within the easement area with Touchstone Cohousing. In the event the ingress and egress easement is utilized by the completed dwellings in the Expandable Area of Future Development described in Article VII, Section 3.B. hereinabove, or any portion or portions thereof, said completed dwellings shall share in the payment of Touchstone Cohousing's portion of the costs of maintenance, repair or reconstruction of the roadway within the easement area which such share shall be determined by multiplying said expenses times a fraction, the numerator of which is the number of dwelling Units in Touchstone Cohousing, and the denominator of which is comprised of the number of such Units plus all completed dwellings in said Expandable Area of Future Development, or any portion or portions thereof, which utilize the roadway constructed within the ingress and egress easement area.

* * *

Section 11. <u>Sharing of Expenses</u>. For purposes of this Article VIII, the calculation of any fraction for the sharing of pertinent expenses according to the number of Units in this Condominium and the dwellings in the land described in Article VII, or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VI above, or any portion or portions thereof, shall include only those Units or dwellings for which a certificate of occupancy has been issued by the Township.

6. Article VIII of said Master Deed of Touchstone Cohousing, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, be hereby amended to add the following new Section 12.

ARTICLE VIII EASEMENTS

* * *

Section 12. Reciprocal Storm Drainage Easements.

A. <u>Touchstone Cohousing Storm Drainage Easement Over Area of Expandable Future Development</u>. Touchstone Cohousing shall have an easement over the Expandable Area of Future Development referenced in Article VII, Section 3.B. hereinabove, for access and use of the storm drain located therein, as depicted on

Exhibit "B" hereto, and described as follows:

20 FOOT WIDE DRAINAGE EASEMENT

Commencing at the Northwest corner of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan; thence S05°20'06"W 2257.89 feet along the West line of said Section; thence S86°33'21"E 623.41 feet to a point on the centerline of Little Lake Drive; thence S06°25'50"W 200.48 feet along said centerline; thence N83°27'25"W 99.96 feet to the POINT OF BEGINNING; thence S08°42'04"W 154.70 feet; thence N78°47'16"W 116.84 feet to the POINT OF TERMINATION.

Touchstone Cohousing Association shall share in the costs of maintenance, upkeep, repair and replacement of the storm drain in accordance with the formula set forth in Section 4 of this Article VIII, hereinabove.

B. Area of Future Development Easement Over Storm Drainage System in Touchstone Cohousing. Honeycreek Cohousing Development Company, LLC, or its successors or assigns, as the owners of the Area of Future Development as referenced in Article VII, Section 3.B. hereinabove, shall have an easement over Touchstone Cohousing as necessary for the access and use of the storm drainage system located therein, including, without limitation, storm sewer mains, two (2) detention basins, the thirty foot (30') storm drainage easement located in Great Oaks Cohousing, as described in the Grant of Easement and Agreement recorded in Liber 4454, Pages 20 (pages 1-13), inclusive, Washtenaw County Records, and over the Preservation Area adjacent thereto, as depicted on Exhibit "B" hereto. If there are completed dwellings on the Area of Future Development, the completed dwellings shall share in the costs of maintenance, upkeep, repair and replacement of the storm drainage system in accordance with the formula set forth in Section 4 of this Article VIII hereinabove.

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In all other respects, other than as hereinabove indicated, the initial Master Deed

^{7.} Sheets 1, 2, 3, 4, 5, 6, 7 and 8 of the Condominium Subdivision Plan of Touchstone Cohousing, as attached hereto, shall, upon recordation in the office of the Washtenaw County Register of Deeds of this Amendment, replace and supersede originally recorded Sheets 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 of the Condominium Subdivision Plan of Touchstone Cohousing, and the aforedescribed originally recorded and amended Sheets shall be of no further force or effect.

of Touchstone Cohousing, including the Bylaws and the Condominium Subdivision Plan respectively attached thereto as Exhibits "A" and "B", recorded as aforesaid, is hereby ratified, confirmed and redeclared.

HONEYCREEK COHOUSING DEVELOPMENT COMPANY, LLC, a Michigan Limited Liability Company,

	a mongan chimoa clashiy company,
	By: John D. Lindeberg Its: Manager
STATE OF MICHIGAN)	
) ss. COUNTY OF WASHTENAW)	
Master Deed was acknowledged before	, 2009, the foregoing Second Amendment to ore me by John D. Lindeberg the Manager of Company, LLC, a Michigan Limited Liability
Public	, Notary
Michigan	Acting in County, Michigan My Commission Expires:
Second Amendment to Master Deed Drafted by and When Recorded Return ROBERT M. MEISNER, ESQ. MEISNER & ASSOCIATES, P.C. 30200 Telegraph Road, Suite 467	to:

 $RMM/KM/server/developers/Touchstone Cohousing/Second Amedment\ to\ Master\ Deed-\ 4.24.09$

Bingham Farms, Michigan 48025-4506

(248) 644-4433

L: 4845 P: 486 6011989 ADM 05/02/2011 11:03 AM Total Pages: 2 Lawrence Kestenbaum, Washtenam Co



TOUCHSTONE CO-HOUSING



THIRD AMENDMENT TO MASTER DEED

WHEREAS, Touchstone Cohousing Association, a Michigan non-profit corporation organized to administer, operate, manage and maintain Touchstone Cohousing Condominium, a condominium project established pursuant to the Master Deed as recorded on December 6, 2004 in Liber 4443, Page 29 et seq. and First Amendment to Master Deed recorded on August 16, 2005 in Liber 4500 Page 285 et seq., and Second Amendment to Master Deed recorded on April 27, 2009 in Liber 4730 Page 93 et seq., Washtenaw County Records, and designated as Washtenaw County Condominium Subdivision Plan No. 471; and,

WHEREAS, amendments to the Condominium Bylaws (Exhibit A to the Master Deed) were duly adopted and approved by the membership on February 19, 2011 in accordance with the requirements of MCL 559.190;

NOW, THEREFORE, the Condominium Bylaws (Exhibit A to the Master Deed) are hereby amended as follows:

Article II Section 6 is hereby amended to read as follows:

Section 6. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Condominium which acquires title to the Unit pursuant to the remedies provided in the mortgage and any purchaser at a foreclosure sale in regard to said first mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the acquisition of title by such holder, purchaser or assignee (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). If title is acquired via deed in lieu of foreclosure, the grantee under such deed shall be fully liable to the Association for all amounts owed on the unit.

Article II Section 7 is hereby amended to read as follows:

Section 7. <u>Developer's Liability for Expenses and Assessments</u>. The Developer shall be liable for payment of all expenses incurred by the Association with respect to unsold units and/or common elements owned by the Developer and as provided by MCL 559.145.

Article II Section 12 is hereby deleted in its entirety.

Article III Section 4 is hereby deleted in its entirety.

Time Submitted for Recording
Date 5 2 20 Time 1 22 AV
Lawrence Kestenbaum
Washtenaw County Clerk/Register



Article VII is hereby deleted in its entirety.

Article X Section 8 is hereby deleted in its entirety.

The last sentence of Article XVII Section 3 is hereby deleted in its entirety.

Article XX Section 5 is hereby deleted in its entirety.

In all other respects, other than as hereinabove indicated, the Master Deed of Touchstone Cohousing Condominium and Condominium Bylaws (Exhibit A to the Master Deed) recorded as aforesaid are hereby ratified, confirmed and redeclared.

TOUCHSTONE COHOUSING ASSOCIATION,

a Michigan non-profit coporation

Executed: March 3, 2011

Thomas Idzikowski, President

STATE OF MICHIGAN

) ss.

COUNTY OF WASHTENAW)

MICHAGE FLAH ANDREAT Notary Public State of Michigan, County of WASHTENSTE

My commission expires: SEP 13, 2013

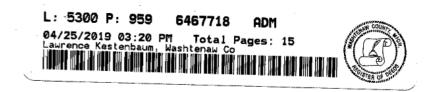
Acting in the County of Washtenaw

DRAFTED BY AND WHEN RECORDED RETURN TO:
D. DOUGLAS ALEXANDER (P29010)

ALEXANDER, ZELMANSKI, DANNER & FIORITTO, PLLC

44670 ANN ARBOR RD., STE. 170

PLYMOUTH, MI 48170



TOUCHSTONE COHOUSING

FOURTH AMENDMENT TO MASTER DEED

This Fourth Amendment to the Master Deed is made on April 12, 2019 by Touchstone Cohousing Association, a Michigan non-profit corporation.

RECITALS

WHEREAS, Touchstone Cohousing Association, a Michigan nonprofit corporation organized to administer, manage, and maintain Touchstone Cohousing, a condominium project established pursuant to the Master Deed recorded on December 6, 2004 in Liber 4443, Page 29 inclusive, as amended by First Amendment to Master Deed recorded on August 16, 2005 in Liber 4500, Page 285, and as amended by Second Amendment to Master Deed recorded on April 27, 2009 in Liber 4730, Page 93, and as amended by Third Amendment to Master Deed recorded on May 2, 2011 in Liber 4845, Page 486, Washtenaw County Records, and designated as Washtenaw County Condominium Subdivision Plan No. 471; and

WHEREAS, the members of Touchstone Cohousing Association have duly adopted and approved amendments to the Master Deed on or about April 12, 2019 in accordance with the requirements of MCL 559.190;

NOW, THEREFORE, the Master Deed for Touchstone Cohousing is amended as follows:

Article II of the Master Deed of Touchstone Cohousing is amended to read as follows:

ARTICLE II LEGAL DESCRIPTION

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

Time Submitted for Recording
Date 4-35 2019 Time 315 PM
Lawrence Kestenbaum
Washtenaw County Clerk/Register



Commencing at the Northwest corner of Section 26, T2S, R5E, Scio Township, Washtenaw County, Michigan; thence S05°20'06"W 2257.89 feet along the West line of said Section to the POINT OF BEGINNING; thence S86°33'21"E 623.41 feet to a point on the centerline of Little Lake Drive; thence S06°25'50"W 439.48 feet to a point on the East and West 1/4 line of said Section; thence N85°23'59"W 614.72 feet along said East and West ½ line to the West 1/4 corner of said Section 26; thence N05°20'06"E 426.72 feet (recorded as 426.71) along the West line of said Section to the Point of Beginning. Being a part of the West 1/2 of the Northwest 1/4 of Section 26 T2S, R5E, Scio Township, Washtenaw County, Michigan and containing 6.15 acres of land, more or less. Being subject to the rights of the public over that portion of Little Lake Drive as occupied. Also being subject to all other lawful easements, restrictions and right-of-ways of record and all governmental limitations.

Parcel Identification Numbers: H-08-26-255-001 through H-08-26-255-046

Article V, Sections 1 and 2 of the Master Deed of Touchstone Cohousing are amended to read as follows:

ARTICLE V UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Units. The Condominium consists of forty-six (46) Units. Each Unit in the Condominium is described in this Section with reference to the Condominium Subdivision Plan of Touchstone Cohousing as surveyed by Washtenaw Engineering located at P.O. Box 1128, 3250 W. Liberty Rd., Ann Arbor, MI 48103, and which Plan is attached hereto as Exhibit "B". Each Unit shall include: (1) with respect to each Unit with a basement, all that space contained within the unpainted surfaces of the basement floor and walls and the uncovered underside of the first-floor joists, including the stairwells, (2) with respect to each Unit without a basement, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, (3) with respect to the upper floors of such Unit, if any, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, and (4) with respect to the attic area of such Unit, if any, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, or, if the attic is unfinished, if any, all that space contained within the interior wall studs, roof trusses and floor joists, including the stairwells, all as shown on the floor plans and sections in Exhibit "B" hereto and delineated with heavy outlines. Notwithstanding anything hereinabove to the contrary, although within the boundaries of a Unit for purposes of computation of square footage in the Condominium Subdivision Plan, the Co-owner of a Unit shall not own or tamper with any structural components contributing to the support of the building in which such Unit is located, including but not limited to support columns, nor any pipes, wires, conduits, ducts, flues, shafts or public utility lines situated within such Unit which service or comprise the Common Elements or a Unit or Units in addition to the Unit where located. Easements for the existence, maintenance and repair of all such structural components shall exist for the benefit of the Association.

Section 2. Percentages of Value. The percentage of value assigned to each Unit was computed based upon the average square footages of the buildings, inclusive of the Units contained therein (but not including any basement areas, attic spaces or garage spaces), with the resultant percentages reasonably adjusted to total precisely one hundred percent (100%). The percentage of value assigned to each Unit shall be determinative of each Co-owner's undivided interest in the Common Elements and the proportionate share of each respective Co-owner in the proceeds and expenses of administration. Voting rights shall be equal as provided by the Bylaws. Set forth below are:

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

<u>Unit</u>	<u>Tvpe</u>	Sq Ft.	POV	<u>Unit</u>	Type	Sq Ft.	POV
1	I	1314	2.81%	33	F/U	706	1.51%
2	G/L	849	1.82%	34	I	1314	2.81%
3	G/U	961	2.06%	35	A/L	862	1.85%
4	E/L	451	0.97%	36	A/U	981	2.10%
5	E/U	502	1.07%	37 38	A/L A/U	862 981	1.85% 2.10%
6	I	1314	2.81%	39	A/L	862	1.85%
7	1	1314	2.81%	40	A/U	981	2.10%
8	F/U	706	1.51%	41	A/L	862	1.85%
9	F/L	639	1.37%	42	A/U	981	2.10%
10	F/L	639	1.37%	43	В	1234	2.64%
11	F/U	706	1.51%	44	В	1234	2.64%
12	I	1314	2.81%	45	В	1234	2.64%
13	I	1314	2.81%	46	В	1234	2.64%
14	G/L	849	1.82%			Total	100.00%
15	G/U	961	2.06%			TULAT	100.0070
16	I	1314	2.81%				
17	I	1314	2.81%				
18	G/L	849	1.82%				
19	G/U	961	2.06%				
20	I	1314	2.81%				
21	I	1314	2.81%				
22	G/L	849	1.82%				
23	G/U	961	2.06%				
24	I	1314	2.81%				
25	J	1620	3.47%				
26	G/L	849	1.82%				
27	G/U	961	2.06%				
28	J	1620	3.47%				
29	I	1314	2.81%				
30	F/U	706	1.51%				
31	F/L	639	1.37%				
32	F/L	639	1.37%				
34	T/L	037	1.31/0				

In all other respects, other than as hereinabove indicated, the Master Deed of Touchstone Cohousing is hereby ratified, confirmed and redeclared.

TOUCHSTONE COHOUSING ASSOCIATION

a Michigan nonprofit corporation

By:

Robyn Roatal

Title: President

STATE OF MICHIGAN

) ss

COUNTY OF WASHTENAW)

The foregoing Fourth Amendment to the Master Deed of Touchstone Cohousing was acknowledged before me, a notary public, on this 23 day of Apr. 2019 by Robyn Rontal, President of Touchstone Cohousing Association, a Michigan non-profit corporation, who acknowledged and certified that the foregoing amendment was duly approved by the affirmative vote and consent of the co-owners of the Association and that she has executed this Fourth Amendment to Master Deed as her own free act and deed on behalf of the Association.

Notary Public

Washtenaus County, Michigan

My commission expires: 0303202

JULIE A HARNESS NOTARY PUBLIC - STATE OF MICHIGAN

COUNTY OF WASHTENAW
My Commission Expires Feb. 3, 2021
Acting in the County of WASHTENAW

Drafted by, and when recorded, return to:

Richard M. Delonis, Esq. SZURA & DELONIS, P.L.C. 29777 Telegraph Road, Suite 2475 Southfield, MI 48034 (248) 716-3600

REPLAT No. 2 OF

WASHTENAW COUNTY CONDOMINIUM SUBDIVISION PLAN No. 471

EXHIBIT B TO THE 4TH AMENDMENT TO THE MASTER DEED OF

THIS CONDOMINIUM SUBDIVISION PLAN IS NOT REQUIRED TO CONTAIN DETAILED PROJECT DESIGN PLANS PREPARED BY THE APPROPRIATE LICENSED DESIGN PROFESSIONAL SUCH PROJECT DESIGN PROFESSIONAL SUCH PROJECT DESIGN PLANS ARE FILLD, AS PART OF THE CONSTRUCTION PERMIT APPLICATION, MITHER ENFORCING AGENCY FOR THE STATE CONSTRUCTION CODE IN THE RELEVANT GOVERNMENTAL SUBDIVISION, THE ENFORCING AGENCY MAY BE A LOCAL BUILDING DEPARTMENT OR THE STATE DESIGNATIONS OF THE STATE O

ICENSING AND

TOUCHSTONE COHOUSING

SCIO TOWNSHIP, WASHTENAW COUNTY, MICHIGAN

HONEYCREEK COHOUSING DEVELOPMENT CO., L.L.C. 424 LITTLE LAKE DRIVE #42 ANN ARBOR, MICHIGAN 48103

JESCRIPTIONS

"Söcken 86, 1725, IABE Seb Township, 1952/00/W 1617,32 text along the West 1952/00/W 1617,32 text along the West 1952/00/W 1617,32 text along the West 1952/00/W 1617,32 text along the South time 8 (BED)R". Conviorabilism Studiesian Plass 1723, Vascillensav Chauli Percordic to a polit of Nestinana Chauli Thing, Thanca M08/20/50/E 16:77 feet at a Dring, Thanca M08/20/50/E 16:77 feet

SURVEYOR

MASHEMAW ENGINEERING COMPANY
3526 W. LIBERTY ROAD, SUITE 400
P.O. BOX 1128
ANN ARBOR, MICHIGAN 48103

- 1. COVER SHEET
 2. SURVEY PLAN
 3. SITE PLAN
 4. UTILITY PLAN
 4. UTILITY PLAN
 5. FLOOR PLANS AND SECTIONS: BUILDINGS A
 6. FLOOR PLANS AND SECTIONS: BUILDINGS B & G
 7. FLOOR PLANS AND SECTIONS: BUILDINGS C, D & E
 8. FLOOR PLANS AND SECTIONS: BUILDING F
 9. GARAGE FLOOR PLANS AND SECTIONS
 9. GARAGE FLOOR PLANS AND SECTIONS
 COMMUNITY BUILDING FLOOR PLAN
- FLOOR PLANS AND SECTIONS: BUILDING H & I

THE ASTERISK (*) INDICATES A NEW OR AMENDED SHEET WHICH IS REVISED, DATED 3-12-2019. THE SHEETS WITH THIS AMENDMENT ARE TO SUPPLEMENT OR REPLACE THOSE SHEETS PREVIOUSLY RECORDED.



DSBONK. MANNAND PE, MICH. No. 52559

PROPOSED, DATED 3-12-2019 SHEET 1

