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Bernard J. Youngblood  
Wayne Co. Register of Deeds

MASTER DEED FOR PINE ARBOR CONDOMINIUM  
as required by the Michigan Condominium Act,  
MCLA 559.101 et seq., MSA 26.50(101) et seq., as amended.

Wayne County Condominium Subdivision Plan No.

1. The master deed establishing Pine Arbor Condominium, a condominium project
2. Exhibit A to the master deed: Condominium Bylaws of Pine Arbor Condominium
3. Exhibit B to the master deed: Condominium Subdivision Plan for Pine Arbor Condominium
4. Exhibit C to the master deed: Affidavit of Mailing for Notices required by MCLA 559.171, MSA 26.50(171)

No interest in real estate is being conveyed by this document. No revenue stamps are required.

Drafted by:

John Policicchio, Member  
Pine Arbor Condominium, L.L.C.  
19901 Dix-Toledo Highway  
Brownstown, MI 48183

06.00 REMONSTRATION  
Receipt #0807  
RECORDED  
BERNARD J. YOUNGBLOOD, REGISTER OF DEEDS  
WAYNE COUNTY, MI  
4252.00 DEED

This is to certify that there are no tax liens or titles on  
this property and that taxes are paid for FIVE YEARS  
previous to date of this instrument EXCEPT 2004  
No. 8995 Bernard J. Youngblood Date 03-18-05  
WAYNE COUNTY TREASURER Clerk D. Parker

EXAMINED AND APPROVED  
DATE 18-NOV-2005  
BY NC AK/4  
NORMAN C. DUPIUE  
PLAT ENGINEER

MDA 252 WR 82895 (A) D

MASTER DEED FOR PINE ARBOR CONDOMINIUM  
as required by the Michigan Condominium Act,  
MCLA 559.101 et seq., MSA 26.50(101) et seq., as amended.

This master deed is made and signed on the 17<sup>th</sup> day of MARCH, 2005, by Pine Arbor Condominium L.L.C., a Michigan limited liability company whose address is 19901 Dix Toledo Highway, Brownstown Michigan 48183, hereinafter referred to as the "Developer", whose development office for Pine Arbor Condominium is situated at the same address, telephone (734) 479-4450.

WHEREAS, the developer is constructing a residential condominium project to be known as "Pine Arbor Condominium." pursuant to the architectural and site plans approved by the City of Woodhaven, on a parcel of land described in Article II of this document. The parcel of land may be enlarged, but as now situated will be developed to comprise approximately 18.00 +/- acres of land (the "Subject Site"), plus an additional permanent easement for storm water management of 2.54 +/- acres of land, lying to the south of the Subject Site, and has been approved by the City of Woodhaven to accommodate approximately one hundred sixty-three (163) Units, all of which will have attached garages, and allowing for some three bedroom Units... It is also possible that the improvements described in Exhibit B will not all be built, depending on market conditions, and other factors, which will also require that an amended Master Deed would be recorded. Notwithstanding Section 33 (provisions relating to a Contractible Condominium), 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", during a period ending 10 years from the date of commencement of construction by the developer of the project, the developer, its successors, or assigns have 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. This master deed contains provisions permitting the expansion, contraction, or rights of convertibility of Units or common elements in the condominium project, and the time period is 6 years from the date the developer exercised its rights with respect to either expansion, contraction, or rights of convertibility, whichever right was exercised last. 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 expiration of the time periods, such lands shall remain part of the project as general common elements and all rights to construct units upon that land shall cease. In such an event, if it becomes necessary to adjust percentages of value as a result of fewer units existing, a co-owner or the association of co-owners may bring an action to require revisions to the percentages of value. Further, in the event that there is no need to modify the terms of the Master deed or Bylaws and if the only changes are revisions to the Condominium Subdivision Plan, then there shall be no need to re-record, the master deed and/or Bylaws but any such revisions may be reflected by the recording of an amendment for the purpose of evidencing the locations of units, Common Elements and utilities as actually built. The developer desires, by recording this Master deed, together with the Condominium Bylaws and the Condominium Subdivision Plan, both of which are incorporated by reference and made a part of this document,



to establish this real property and the improvements and appurtenances now and in the future located on it as a condominium project under the provisions of the Michigan Condominium Act.

NOW, THEREFORE, by recording this document, the developer establishes Pine Arbor Condominium as a residential condominium project under the act and declares that Pine Arbor Condominium (hereinafter sometimes referred to as the "Condominium", "Project", or "Condominium Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, and used subject to the act and to the conditions stated in this Master deed, all of which shall run with the land and burden and benefit the developer, its successors and assigns: any persons acquiring or owning an interest in the real property; and their grantees, successors, heirs, executors, administrators, and assigns.

## ARTICLE I THE PROJECT

The project is a residential condominium that is being constructed to comprise a total of approximately One Hundred Sixty-three (163) residential living Units. The developer and its successors specifically reserve the right to elect, within six years after the initial recording of the master deed for the project, to expand or contract the project by withdrawing all or part of the land described in Article II, the withdrawn land to be in an orderly pattern to affect as minimally as reasonably possible the developed portion(s) by an amendment or a series of amendments to the master deed, without the consent of any co-owner, mortgagee, or other party. However, no Unit that has been constructed and sold may be withdrawn without the consent of the owner and the mortgagee of the Unit. Except as stated in this document, no restrictions or limitations on such an election exist regarding what land may be withdrawn, when or in what order land may be withdrawn, or how many Units or common elements may be withdrawn. However, the land constituting the project shall not be reduced ("contracted") to less than that reasonably necessary to accommodate buildings 1- 6, 16 - 22, and 29 -31, including access and utilities.

The one hundred sixty-three (163) condominium Units that compose the project, including the numbers, boundaries, dimensions, and areas of them, are completely described in the condominium subdivision plan, Exhibit B. Each Unit is suitable for individual use, having its own garage and doorway entrance(s) from and exit(s) to a common element of the project. Each co-owner in the project shall have a particular and exclusive property right to the co-owner's Unit and to the limited common elements appurtenant to it and shall have an undivided and inseparable right to share the general common elements of the project with other co-owners, as designated by this master deed.

## ARTICLE II LEGAL DESCRIPTION

The land on which the project is situated and which is submitted for condominium ownership pursuant to the Michigan Condominium Act, is located in the City of Woodhaven, Wayne County, Michigan, and is described as follows:

PART OF THE NORTHWEST ¼ OF SECTION 28, T.4S., R.10E., CITY OF WOODHAVEN, WAYNE COUNTY, MICHIGAN BEING DESCRIBED AS: COMMENCING AT THE NORTHWEST CORNER OF SECTION 28, T.4S., R.10E., CITY OF WOODHAVEN, WAYNE COUNTY, MICHIGAN; THENCE ALONG THE NORTH LINE OF SAID SECTION 28, N 88° 12' 38" E, 33.01' TO POINT OF BEGINNING; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 28, N 88° 12' 38" E. 462.40'; THENCE S 00° 50' 52" E, 264.00'; THENCE N 88° 12' 38" E, 165.00'; THENCE S 00° 50' 52" E, 1045.32'; THENCE S 87° 22' 50" W, TO THE EASTERLY RIGHT OF THE WAY LINE OF PETERS ROAD 66.00' WIDE, 630.10'; THENCE ALONG THE SAID EASTERLY RIGHT OF WAY LINE OF PETERS ROAD, N 00° 44' 22" W, 1318.49' TO THE POINT OF BEGINNING. CONTAINING 17.96 ACRES, SUBJECT TO THE RIGHT OF THE PUBLIC IN THE NORTHERLY 33.00' VAN HORN ROAD AND ANY EASEMENT AND RESTRICTIONS OF RECORD.



Plus the above described land, the "Subject Site," is supplemented by a permanent easement for storm drain purposes, including a detention basin and all related piping, including necessary pumps, etc. See recorded easement, WCR, L. 38245, P. 622-627. The easement legal description follows:

Storm Water Basin and Drainage Easement Description: (Revised 1-7-03)

AN EASEMENT FOR STORM WATER BASIN AND DRAINAGE EASEMENT OVER PART OF TAX PARCEL NO. 59-080-99-0003-000 LOCATED IN PART OF PART OF THE NORTHWEST 1/4 OF SECTION 28, TOWN 4 SOUTH, RANGE 10 EAST, CITY OF WOODHAVEN, WAYNE COUNTY, MICHIGAN, DESCRIBED AS BEGINNING AT A POINT ON THE WEST LINE OF SECTION 28 ALSO BEING THE CENTERLINE OF PETERS ROAD, 66 FEET WIDE, WHICH IS DISTANT S. 00°54'20" E. 1591.13 FEET FROM THE NORTHWEST CORNER OF SECTION 28 AND PROCEEDING THENCE N. 87°12'52" E. 448.12 FEET; THENCE N 00°54'20" W. 272.16 FEET; THENCE N. 87°12'52" E. 20.01 FEET; THENCE S. 00°54'20" E. 272.12 FEET; THENCE N. 87°12'52" E. 106.25 FEET; THENCE S. 00°54'20" E. 183.01 FEET TO A POINT ON THE SOUTHERLY LINE OF TAX PARCEL NUMBER 59-080-99-0003-000, THENCE S. 87°12'55" W. 574.38 FEET ALONG THE SOUTHERLY LINE OF TAX PARCEL NUMBER 59-080-99-0003-000 TO A POINT ON SAID WEST LINE OF SECTION 28 AND CENTERLINE OF PETERS ROAD; THENCE N. 00°54'20" W. 183.00 FEET ALONG SAID WEST LINE OF SECTION 28 AND CENTERLINE OF PETERS ROAD TO THE POINT OF BEGINNING. SAID EASEMENT AREA CONTAINING 2.54 ACRES MORE OR LESS.

### ARTICLE III DEFINITIONS

Certain terms are used not only in this master deed but also in other documents for the condominium, such as the articles of incorporation; the association bylaws; the rules and regulations of the Pine Arbor Condominium Association; and deeds, mortgages, liens, land contracts, easements, and other documents affecting interests in the project. As used in such documents, the following definitions apply unless the context otherwise requires:

1. *The arbitration association* means the American Arbitration Association or its successor.
2. *The association of co-owners or the association* means the nonprofit corporation organized under Michigan law of which all co-owners must be members. This corporation shall administer and maintain the project. Any action required of or permitted to the association may be carried out by its board of directors unless it is specifically reserved to its members by the condominium documents or Michigan law.
3. *The association bylaws* means the corporate bylaws of the association organized to maintain and administer the project.
4. *Common elements, if used without modification*, means the part of the project other than the condominium Units, including all general and limited common elements described in Article IV.

5. *Condominium bylaws* means Exhibit A, the bylaws stating the substantive rights and obligations of the co-owners.
6. *Condominium documents* includes this master deed and all its exhibits recorded pursuant to the Michigan Condominium Act and any other documents referred to in this document that affect the rights and obligations of a co-owner in the condominium.
7. *The condominium subdivision plan* means Exhibit B, which is the site drawing, the survey, and other drawings depicting the existing and proposed structures and improvements, including their locations on the land.
8. *Condominium Unit or Unit* means that part of the project designed and intended for separate ownership and use, as described in this master deed.
9. *Co-owner* means a person, a firm, a corporation, a partnership, an association, a trust, or another legal entity, or any combination, who owns a condominium Unit in the project, including a vendee of a land contract of which the purchase is not in default. Owner is synonymous with *co-owner*.
10. *The developer* means Pine Arbor Condominium L.L.C., a Michigan limited liability company, which has made and signed this master deed, as well as its successors and assigns.
11. *General common elements* means those common elements of the project described in Article IV(1), which are for the use and enjoyment of all co-owners, subject to such charges as may be assessed to defray the operation costs.
12. *Limited common elements* means those common elements of the project described in Article IV(2), which are reserved for the exclusive use of the co-owners of a specified Unit or Units. "Patios" are first floor enclosed or fenced areas. "Balconies" are second floor appurtenant exterior, railed areas to "Ranch Units", as depicted on Exhibit B.
13. *The master deed* means this instrument as well as its exhibits and amendments, by which the project is submitted for condominium ownership.
14. *Percentage of value* means the percentage assigned to each Unit by this master deed, which determines the value of a co-owner's vote at association meetings when voting by value or by number and value and the proportionate share of each co-owner in the common elements of the project.
15. *The project or the condominium* means Pine Arbor Condominium, a condominium development established in conformity with the Michigan Condominium Act.
16. *The transitional control date* means the date when a board of directors for the association takes office pursuant to an election in which the votes that may be cast by eligible co-owners unaffiliated with the developer exceed the votes that may be cast by the developer.

Whenever a reference is made in this document to the singular, a reference shall also be included to the plural if appropriate.



#### ARTICLE IV COMMON ELEMENTS

The common elements of the project as depicted in Exhibit B and the responsibilities for their maintenance, repair, and replacement are as follows.

1. The general common elements are:
  - a. the land described in Article II but not included within the boundaries of a condominium unit, including easement interests of the condominium in the land provided to it for ingress and egress, if any;
  - b. the drives, sidewalks, adjoining drives, parking areas other than in Unit driveways, lawns, yards, trees, shrubs, and other plantings;
  - c. the exterior lights and other electrical, telephone, and cable television wiring networks throughout the common areas of the project, including those within common walls, floors and ceilings;
  - d. the plumbing and gas-line networks throughout the common areas of the project, including those within common walls, floors, and ceilings;
  - e. the heating and air-conditioning ducts and conduits throughout the common areas of the project, including those within common walls, floors, and ceilings;
  - f. the water distribution system, municipal water meter housing, underground sprinkling system, and associated water usage, sanitary sewer system, and storm drainage system serving the project;
  - g. the foundations, roofs, perimeter walls, and other walls as shown on Exhibit B, ceilings, floors, entrances, and exits of the project (including doors and chimneys);
  - h. any common attic spaces, and the portions of any garage or parking area not designated as a limited common element on the condominium subdivision plan; and
  - i. all other common elements of the project not designated in this document as limited common elements that are not enclosed within the boundaries of a condominium Unit and that are intended for common use or are necessary for the existence, upkeep, or safety of the project.

Some or all of the utility and cable television lines, systems (including mains and service leads), and equipment may be owned by the local public authority or by a utility or cable

television company that is providing the pertinent service. Accordingly, such lines, systems, and equipment shall be general common elements only to the extent of the co-owners' interest in them, if any, and the developer makes no warranty of such an interest.

2. The limited common elements shall be subject to the exclusive use and enjoyment of the co-owner of the Unit to which the limited common elements are appurtenant. The limited common elements are:
  - a. the pipes, ducts, wiring, and conduits located entirely within a condominium Unit and servicing only that Unit;
  - b. the patio, balconies, outside step, stoop, and entryways appurtenant to each Unit in the project. (stairs to Ranch Units and within Townhouse Units are considered part of the Unit);
  - c. the driveway leading to the garage and the walkway from the driveway leading to the Unit stoop, which shall be appurtenant to the Unit or Units serviced by these elements;
  - d. the fireplace combustion chamber, if any, and the separate furnace, water heater, air conditioner, and compressor within or adjacent to a Unit and servicing only that Unit;
  - e. the automatic garage door opening mechanism, if any, garage door, and the windows, sliders, and screens within or adjacent to any Unit's perimeter walls;
  - f. windows, storms and screens, doors, frames, sills, mullions, mutins, seals, shall be appurtenant as limited common elements to the Units which they service;
  - g. each air-conditioner compressor, if any, located outside any building shall be limited in use to the co-owner of the Unit which such compressor services;
  - h. the interior surfaces of perimeter walls, doors, ceilings, and floors within a condominium Unit; and
  - i. water meters for Unit owner use and associated water usage to the Units which they service.

If any of the limited common elements described in this provision have not been assigned in the condominium subdivision plan, the developer reserves the right to designate each such element as a limited common element appurtenant to a particular Unit by subsequent amendments to this master deed. The co-owners and mortgagees of condominium Units and all other parties interested in the project shall be deemed to have irrevocably and unanimously consented to such amendments and irrevocably appoint the developer or its successors as agent and attorney to make any such amendments to the



master deed.

3. Responsibilities for cleaning, decorating, maintaining, repairing, and replacing the common elements are as follows:

a. The costs of maintaining, repairing, and replacing the limited common elements described in Article IV(2) (a) (pipes, ducts, wiring, etc.), (b) (the costs of maintenance, repair and replacement of each patio, balcony, outside step, stoop, and entryways appurtenant to each Unit in the project), (c) (the association shall be responsible for mowing any unenclosed patio area which consists mainly of lawn), (d) (fireplace, water heater, air conditioner, etc.), (e) (automatic garage door opener, if any, and garage door, (f) (the cost of maintenance, cleaning, repair and replacement of all windows, storms and screens and doors appurtenant to the Unit), (g) (air conditioner and mechanism to which such air-conditioner and compressor is appurtenant): and routinely cleaning, decorating, and maintaining the interior of the limited common elements described in Article IV(2) (b), (c), (d), (e), (f), (g) (h) and (i), and the painting, staining, and otherwise refinishing the patios, balconies, entryways and stoops, shall be borne by the co-owner of the Unit or Units to which such common elements are appurtenant.

b. The appearance of patios, balconies, entrance ways, and stoops shall at all times be subject to the approval of the association. If a co-owner's cleaning and decorating of such common elements does not conform to reasonable standards established by the association, the association may take whatever action is necessary to bring the elements up to required standards and charge the cost to the owner responsible for cleaning, decorating, and maintaining the element.

c. The costs of cleaning, decorating, maintaining, repairing, and replacing all general and limited common elements other than those described above shall be borne by the association, except for repairs or replacements necessitated by the acts or neglect of co-owners or their agents, invitees, family members, or pets. The association shall be responsible for mowing any unenclosed patio area which consists mainly of lawn.

d. If any Unit owner elects to construct or install any improvements to the interior of the Unit or, with written consent from the association, to the common elements appurtenant to the Unit that increase the costs of maintenance, repairs, or replacements for which the association is responsible, the association may assess the increased costs or expenses against the Unit.

e. Provisions for persons with disabilities. A co-owner may make improvements or modifications to the co-owner's condominium Unit; including improvements or



modifications to common elements and to the route from the public way to the door of the co-owner's condominium Unit, at his or her expense, if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities who reside in or regularly visit the Unit, or to alleviate conditions that could be hazardous to persons with disabilities who reside in or regularly visit the Unit. The improvement or modification shall not impair the structural integrity of a structure or otherwise lessen the support of a portion of the condominium project. The co-owner is liable for the cost of repairing any damage to a common element caused by building or maintaining the improvement or modification. The improvement or modification shall comply with all applicable state and local building code requirements and health and safety laws and ordinances and shall be made as closely as reasonably possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed modification.

An improvement or modification allowed by this section that affects the exterior of the condominium Unit shall not unreasonably prevent passage by other residents of the condominium project. A co-owner who has made exterior improvements or modifications allowed by this section shall notify the association of co-owners in writing of the co-owner's intent to lease or rent the Unit to others at least thirty (30) days after entering such a lease or rental agreement. Not more than thirty (30) days after receiving a notice from a co-owner under this subsection, the association of co-owners may require the co-owner to remove the improvement or modification at the co-owner's expense. If the co-owner fails to give timely notice of a conveyance or lease, the association of co-owners at any time may remove or require the co-owner to remove the improvement or modification at the co-owner's expense. However, the association of co-owners may not remove or require the removal of an improvement or modification if a co-owner intends to resume residing in the Unit within twelve (12) months or a co-owner conveys or leases his or her condominium Unit to a person with disabilities who needs the same type of improvement or modification or who has a person residing with him or her who requires the same type of improvement or modification.

If a co-owner makes an exterior improvement or modification allowed under this section, the co-owner shall maintain liability insurance, underwritten by an insurer authorized to do business in this state and naming the association of co-owners as an additional insured, in an amount adequate to compensate for personal injuries caused by the exterior improvement or modification. The co-owner is not liable for acts or omissions of the association of co-owners with respect to the exterior improvement or modification and is not required to maintain liability insurance with respect to any common element. The association of co-owners is responsible for maintenance, repair, and replacement of the improvement or modification only to the extent of the cost currently incurred by the association of co-owners for maintenance, replacement, and repair of the common elements covered or replaced by the improvement or modification. All costs of maintenance, repair, and replacement of the improvement or modification exceeding that currently incurred by the association of co-owners for maintenance, repair, and



replacement of the common elements covered or replaced by the improvement or modification shall be assessed to and paid by the co-owner or the Unit serviced by the improvement or modification.

Before an improvement or modification allowed by this section is made; the co-owner shall submit plans and specifications for the improvements or modifications to the association of co-owners for review and approval. The association of co-owners shall determine whether the proposed improvement or modification substantially conforms to the requirements of this section and shall not deny a proposed improvement or modification without good cause. If the association of co-owners denies a proposed improvement or modification, the association of co-owners shall list, in writing, the changes needed to make the proposed improvement or modification conform to the requirements of this section and shall deliver that list to the co-owner. The association of co-owners shall approve or deny the proposed improvement or modification not later than sixty (60) days after the plans and specifications are submitted by the co-owner proposing the improvement or modification to the association of co-owners. If the association of co-owners does not approve or deny submitted plans and specifications within the sixty (60) day period, the co-owner may make the proposed improvement or modification without the approval of the association of co-owners.

4. Except as stated in this master deed, condominium Units shall not be separable from the common elements appurtenant to them and shall not be used in any manner inconsistent with the purposes of the project or in any other way that would interfere with or impair the rights of any co-owner to use and enjoy the co-owner's Unit or the common elements appurtenant to it.

## ARTICLE V

### DESCRIPTIONS AND PERCENTAGES OF VALUE OF CONDOMINIUM UNITS

1. Description of Units. This Condominium consists of 163 units numbered 1 thru 163. Each Unit in the Condominium Project is completely described, with elevations referenced to an official benchmark of the U.S. Geological Survey sufficient to relocate accurately the space enclosed by the description without reference to the structure itself and is provided in the condominium subdivision plan as described in this paragraph with reference to the Condominium Subdivision Plan of Pine Arbor Condominium prepared by Warner, Cantrell & Padmos, Inc., consulting engineers and surveyors, and attached hereto as Exhibit B. Each Unit shall include all that space contained within the unpainted walls and ceilings and from the finished sub floor all as shown on the floor plans and sections in Exhibit B hereto and delineated with outlines. Detailed architectural plans and specifications have been filed with the City of Woodhaven. Each Unit shall include all the space within certain horizontal planes and vertical planes designated by a heavy outline on the interior finished surface of the walls, floors, and ceilings and depicted in the condominium subdivision plan and as delineated by detailed dimensional descriptions of the Unit in the outline, minus any common elements in the Unit. In determining



dimensions, each Condominium Unit shall be measured from the interior finished unpainted surfaces of the walls and ceilings and from the interior surfaces of the finished sub floor.

2. Percentage of Value. The percentages of value are to be computed on the basis of comparative characteristics of the Units and there are not material differences among them insofar as the allocation of the Percentages of Value is concerned, and each shall have an equal vote in Condominium affairs. The percentage of value assigned to each Unit shall always be the number of Units divided by 100%. This percentage shall be each co-owner's respective share of the Common elements of the Project, the proportionate share of each co-owner in the proceeds and expenses of the administration and the value of such co-owner's vote at meetings of the Association of Co-owners.

3. The developer may modify the number, size, style, and location of a Unit or of any limited common element appurtenant to a Unit as described in Exhibit B by an amendment effected solely by the developer or its successors without the consent of any co-owner, mortgagee, or other party; as long as the modification does not unreasonably impair or diminish the appearance of the project or the view, privacy, or other significant attributes or amenities of other Units that adjoin or are proximate to the modified Unit or limited common element. No Unit that has been sold or is subject to a binding purchase agreement shall be modified without the consent of the co-owner or of the purchaser and the mortgagee. However, no Unit modified in accordance with this provision shall be conveyed until an amendment to the master deed has been recorded after approval by the appropriate percentage of all co-owners, mortgagees of Units, and other parties interested in the project necessary to effect such modifications and, subject to the limitations stated in this master deed. All such interested parties irrevocably appoint the developer or its successors as agent and attorney to sign such amendments to the master deed and all other condominium documents as may be necessary to effect such modifications.

## ARTICLE VI EASEMENTS

Every part of a condominium Unit that contributes to the structural support of a building shall be burdened with an easement of structural support for the benefit of the common elements. To the extent that a condominium unit or common element encroaches on any other condominium unit or common element, whether by reason of any deviation from the plans in the construction, repair, renovation, restoration, or replacement of any improvement, or by reason of the settling or shifting of any land or improvement, or moving of a building or due to survey errors or construction deviations, and for the maintenance of the encroachments after rebuilding in the event of destruction, a valid easement for the encroachment shall exist. There shall also be permanent easements in favor of the association for the maintenance and repair of common elements for which the association is responsible. There shall be easements to, through, and over those parts of the land, structures, buildings, improvements, and walls (including interior Unit walls) as are reasonable for the installation, maintenance, and repair of all utility services



furnished to the project. Public utilities shall have access to the common elements and to the Units at reasonable times for the installation, repair, or maintenance of such services. Any costs incurred in opening and repairing any wall of the project to install, repair, or maintain such services shall be an administration expense assessed against all co-owners in accordance with the condominium bylaws.

Until final completion of the project as described in Article I of this master deed, the developer reserves nonexclusive easements for the benefit of itself and its successors and assigns to use, at any time without charges other than the reasonable cost of work performed, utilities consumed, or maintenance required as a direct result of such use. (1) for the unrestricted use of all roads, driveways, and walkways in the condominium for the purpose of ingress and egress to and from any part of the land described in Article II and (2) to use, tap into, tie into, extend, or enlarge all utility lines and mains, public and private, located on the land described in Article II.

As long as the developer owns at least one Unit in the project, it shall be subject to the provisions of this master deed.

#### ARTICLE VII ADVISORY COMMITTEE

1. Developer may amend documents. If there is no co-owner other than the developer, the developer may unilaterally amend the condominium documents or, with the consent of any interested mortgagee, unilaterally terminate the project. All documents reflecting such amendment or termination shall be recorded in the public records of Wayne County, Michigan.

2. Co-owners later required to amend documents. If there is a co-owner other than the developer, the condominium documents may be amended for a proper purpose only as follows:

(a.) An advisory committee of non developer co-owners shall be established either 120 days after conveyance of legal or equitable title to non developer co-owners of 1/3 of the Units that may be created or 1 year after the initial conveyance of legal or equitable title to a non developer co-owner of a Unit in the project, whichever occurs first. The advisory committee shall meet with the condominium project board of directors for the purpose of facilitating communication and aiding the transition of control to the association of co-owners. The advisory committee shall cease to exist when a majority of the board of directors of the association of co-owners is elected by the non developer co-owners.

(b.) Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non developer co-owners of 25% of the Units that may be created, at least one director and not less than 25% of the board of directors of the association of co-owners shall be elected by non developer co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non developer co-owners of 50% of the Units that may be created, not less than 33 - 1/3% of the board of directors shall be elected by non developer co-owners. Not later than one hundred twenty (120) days after



conveyance of legal or equitable title to non developer co-owners of 75% of the Units that may be created, and before conveyance of 90% of such Units, the non developer co-owners shall elect all directors on the board, except that the developer shall have the right to designate at least one director as long as the developer owns and offers for sale at least 10% of the Units in the project or as long as 10% of the Units remain that may be created.

(c.) Notwithstanding the formula provided in subsection (2), fifty four (54) months after the first conveyance of legal or equitable title to a non developer co-owner of a Unit in the project, if title to not less than 75% of the Units that may be created has not been conveyed, the non developer co-owners have the right to elect, as provided in the condominium documents, a number of members of the board of directors of the association of co-owners equal to the percentage of Units they hold and the developer has the right to elect, as provided in the condominium documents, a number of members of the board equal to the percentage of Units which are owned by the developer and for which all assessments are payable by the developer. This election may increase, but does not reduce, the minimum election and designation rights otherwise established in subsection (2). Application of this subsection does not require a change in the size of the board as determined in the condominium documents.

(d.) If the calculation of the percentage of members of the board that the non developer co-owners have the right to elect under subsection (2), or if the product of the number of members of the board multiplied by the percentage of Units held by the non developer co-owners under subsection (3) results in a right of non developer co-owners to elect a fractional number of members of the board, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number; which number shall be the number of members of the board that the non developer co-owners have the right to elect. After application of the formula contained in this subsection, the developer has the right to elect the remaining members of the board. Application of this subsection does not eliminate the right of the developer to designate 1 member as provided in subsection (2).

(f.) As used in this section, "Units that may be created" means the maximum number of Units in the condominium project as stated in the master deed.

(g.) For purposes of calculating the timing of events described in this section, conveyance by a developer to a residential builder, even though not an affiliate of the developer, is not considered a sale to a non developer co-owner until such time as the residential builder conveys that Unit with a completed residence on it or until it contains a completed residence which is occupied.

### 3. Provisions Requiring Votes of Mortgagees:

(a) To the extent the Condominium Act, or the condominium documents, require a vote of mortgagees of Units on amendment of the condominium documents, the procedure described in this section applies.



(b) The date on which the proposed amendment is approved by the requisite majority of co-owners is considered the "Control Date."

(c) Only those mortgagees who hold a duly recorded mortgage or a duly recorded assignment of a mortgage against one (1) or more condominium Units in the condominium project on the Control Date is entitled to vote on the amendment. Each mortgagee entitled to vote shall have one (1) vote for each condominium Unit in the project that is subject to its mortgage or mortgages, without regard to how many mortgages the mortgagee may hold on a particular condominium Unit.

(d) The association of co-owners shall give a notice to each mortgagee entitled to vote containing all of the following:

(i) A copy of the amendment or amendments as passed by the co-owners.

(ii) A statement of the date that the amendment was approved by the requisite majority of co-owners.

(iii) An envelope addressed to the entity authorized by the board of directors for tabulating mortgagee votes.

(iv) A statement containing language in substantially the form described in subsection (e).

(v) A ballot providing spaces for approving or rejecting the amendment and a space for the signature of the mortgagee or an officer of the mortgagee.

(vi) A statement of the number of condominium Units subject to the mortgage or mortgages of the mortgagee.

(vii) The date by which the mortgagee must return its ballot.

(e) The notice provided by subsection (d) shall contain a statement in substantially the following form:

"A review of the association records reveals that you are the holder of one (1) or more mortgages recorded against title to one (1) or more units in Pine Arbor Condominium. The co-owners of the condominium adopted the attached amendment to the condominium documents on the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, the Control Date. Pursuant to the terms of the condominium documents and/or the Michigan condominium act, you are entitled to vote on the amendment. You have one (1) vote for each unit that is subject to your mortgage or mortgages.

The amendment will be considered approved by mortgagees if it is approved by 66-2/3% of the mortgagees. In order to vote, you must indicate your approval or rejection on the enclosed ballot, sign it, and return it not later than ninety (90) days from the Control Date. Failure to timely return a ballot will constitute a vote for approval. If you oppose the amendment, you must vote against it."

(f) The association of co-owners shall mail the notice required by subsection (d) to the mortgagee at the address provided in the mortgage or assignment for notices by certified mail, return receipt requested, postmarked within 30 days after the Control Date.

(g) The amendment is considered to be approved by the mortgagees if it is approved by 66-2/3% of the mortgagees whose ballots are received, or are considered to be received, in accordance with Section 90(2) of the Condominium Act (2/3rds of the votes of the co-owners and mortgagees), by the entity authorized by the board of directors to tabulate mortgagee votes not later than one hundred (100) days after the Control Date. In determining the one hundred (100) days, the control date itself shall not be counted but the one-hundredth day shall be included unless the one-hundredth day is a Saturday, Sunday, legal holiday, or holiday on which the United States postal service does not regularly deliver mail, in which case the last day of the 100 days shall be the next day that is not a Saturday, Sunday, legal holiday, or holiday on which the United States postal service does not regularly deliver mail.

(h) The association of co-owners shall maintain a copy of the notice, proofs of mailing of the notice, and the ballots returned by mortgagees for a period of two (2) years after the control date.

(i) Notwithstanding any provision of the condominium documents to the contrary, mortgagees are entitled to vote on amendments to the condominium documents only under the following circumstances:

(i) Termination of the condominium project.

(ii) A change in the method or formula used to determine the percentage of value assigned to a Unit subject to the mortgagee's mortgage.

(iii) A reallocation of responsibility for maintenance, repair, replacement, or decoration for a condominium Unit, its appurtenant limited common elements, or the general common elements from the association of co-owners to the condominium unit subject to the mortgagee's mortgage.

(iv) Elimination of a requirement for the association of co-owners to maintain insurance on the project as a whole or a condominium Unit subject to the mortgagee's mortgage or reallocation of responsibility for obtaining or maintaining, or both, insurance from the association of co-owners to the condominium unit subject to the mortgagee's mortgage.



(v) The modification or elimination of an easement benefiting the condominium Unit subject to the mortgagee's mortgage.

(vi) The partial or complete modification, imposition, or removal of leasing restrictions for condominium Units in the condominium project.

## ARTICLE VIII ADMINISTRATION

1. The bylaws shall contain provisions for the designation of persons to administer the affairs of the condominium project and shall require that those persons keep books and records with a detailed account of the expenditures and receipts affecting the condominium project and its administration, and which specify the operating expenses of the project.

2. The bylaws shall provide that the person designated to administer the affairs of the project shall be assessed as the person in possession for any tangible personal property of the project owned or possessed in common by the co-owners. Personal property taxes based on that tangible personal property shall be treated as expenses of administration.

3. The bylaws shall contain specific provisions directing the courses of action to be taken in the event of partial or complete destruction of the building or buildings in the project.

4. The bylaws shall provide that expenditures affecting the administration of the project shall include costs incurred in the satisfaction of any liability arising within, caused by, or connected with, the common elements or the administration of the condominium project, and that receipts affecting the administration of the condominium project shall include 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 project.

5. The bylaws shall provide that the association of co-owners shall prepare and distribute to each owner at least once each year a financial statement, the contents of which shall be defined by the association of co-owners.

6. The bylaws shall provide an indemnification clause for the board of directors of the association of co-owners. The indemnification clause shall require that ten (10) days' notice, before payment under the clause, be given to the co-owners. The indemnification clause shall exclude indemnification for willful and wanton misconduct and for gross negligence. The bylaws shall also provide that the association shall maintain a policy of officers and directors liability to insure the members of the board of directors for acting in their capacity as members of the board.

7. The bylaws may allocate to each condominium Unit a number of votes in the association of co-owners proportionate to the percentage of value appertaining to each condominium Unit, or an equal number of votes in the association of co- owners.

8. The bylaws shall contain a provision providing that arbitration of disputes, claims, and grievances arising out of or relating to the interpretation of the application of the condominium document or arising out of disputes among or between co-owners shall be submitted to arbitration and that the parties to the dispute, claim, or grievance shall accept the arbitrator's decision as final and binding, upon the election and written consent of the parties to the disputes, claims, or grievances and upon written notice to the association. The commercial arbitration rules of the American arbitration association are applicable to any such arbitration.

9. In the absence of the election and written consent of the parties under paragraph 8., neither a co-owner nor the association is prohibited from petitioning a court of competent jurisdiction to resolve any dispute, claim, or grievance.

10. The election by the parties to submit any dispute, claim, or grievance to arbitration prohibits the parties from petitioning the courts regarding that dispute, claim, or grievance.

## ARTICLE IX TERMINATION OF PROJECT

1. Termination of project by developer and unaffiliated co-owners. If there is a co-owner other than the developer; then the condominium project shall be terminated only by the agreement of the developer and unaffiliated co-owners of condominium units to which 4/5 of the votes in the association of co-owners appertain, or a larger majority as the condominium documents may specify.

2. Agreement of the required majority of co-owners to termination of the condominium shall be evidenced by their execution of the termination agreement or of ratifications thereof, and the termination shall become effective only when the agreement is so evidenced of record.

3. Upon recordation of an instrument terminating, a condominium project the property constituting the condominium project shall be owned by the co-owners as tenants in common in proportion to their respective undivided interests in the common elements immediately before recordation. As long as the tenancy in common lasts, each co-owner or the heirs, successors, or assigns thereof shall have an exclusive right of occupancy of that portion of the property which formerly constituted the condominium unit.

4. Upon recordation of an instrument terminating a condominium project; any rights the co-owners may have to the assets of the association of co-owners shall be in proportion to their respective undivided interests in the common elements immediately before recordation, except that common profits shall be distributed in accordance with the condominium documents and this act.



5. 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", during a period ending ten (10) years from the date of commencement of construction by the developer of the project, the developer, its successors, or assigns have 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. If the master deed contains provisions permitting the expansion, contraction, or rights of convertibility of units or common elements in the condominium project, then the time period is 6 years from the date the developer exercised its rights with respect to either expansion, contraction, or rights of convertibility, whichever right was exercised last.

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 expiration of the time periods, such lands shall remain part of the project as general common elements and all rights to construct Units upon that land shall cease. In such an event, if it becomes necessary to adjust percentages of value as a result of fewer Units existing, a co-owner or the association of co-owners may bring an action to require revisions to the percentages of value pursuant to the Condominium Act.

#### ARTICLE X MORTGAGEE OBTAINS TITLE THROUGH FORECLOSURE

If the mortgagee of a first mortgage of record or other purchaser of a condominium Unit obtains title to the condominium Unit as a result of foreclosure of the first mortgage, such person, its successors, and assigns are not liable for the assessments by the administering body chargeable to the Unit that became due prior to the acquisition of title to the Unit by such person except for assessments that have priority over the first mortgage under the Condominium Act, Section 108, as described below in Article XV, and:

The mortgagee of a first mortgage of record of a condominium Unit shall give notice to the association of co-owners of the commencement of foreclosure of the first mortgage by advertisement by serving a copy of the published notice of foreclosure required by statute upon the association of co-owners by certified mail, return receipt requested, addressed to the resident agent of the association of co-owners at the agent's address as shown on the records of the Michigan corporation and securities bureau, or to the address the association provides to the mortgagee, if any, in those cases where the address is not registered, within ten (10) days after the first publication of the notice. The mortgagee of a first mortgage of record of a condominium Unit shall give notice to the association of co-owners of intent to commence foreclosure of the first mortgage by judicial action by serving a notice setting forth the names of the mortgagors, the mortgagee, and the foreclosing assignee of a recorded assignment of the mortgage; the date of the mortgage and the date the mortgage was recorded; the amount claimed to be due on the mortgage on the date of the notice; and a description of the mortgaged premises that substantially conforms with the description contained in the mortgage upon the association of co-owners by



certified mail, return receipt requested, addressed to the resident agent of the association of co-owners at the agent's address as shown on the records of the Michigan Corporation and Securities Bureau, or to the address the association provides to the mortgagee, if any, in those cases where the address is not registered, not less than ten (10) days before commencement of the judicial action. Failure of the mortgagee to provide notice as required by this section shall only provide the association with legal recourse and will not, in any event, invalidate any foreclosure proceeding between a mortgagee and mortgagor.

## ARTICLE XI COMMON EXPENSES

1. Except to the extent that the condominium documents provide otherwise, expenses associated with the maintenance, repair, renovation, restoration, or replacement of a limited common element shall be specially assessed against the condominium Unit to which that limited common element was assigned at the time the expenses were incurred. If the limited common element involved was assigned to more than one condominium Unit, the expenses shall be specially assessed against each of the condominium Units equally so that the total of the special assessments equals the total of the expenses, except to the extent that the condominium documents provide otherwise.

2. To the extent that the condominium documents expressly so provide, any other unusual common expenses benefiting less than all of the condominium Units, or any expenses incurred as a result of the conduct of less than all those entitled to occupy the condominium project or by their licensees or invitees, shall be specially assessed against the condominium Unit or condominium Units involved, in accordance with reasonable provisions as the condominium documents may provide.

3. The amount of all common expenses not specially assessed pursuant to subsections 1. and 2. shall be assessed against the condominium units in proportion to the percentages of value or other formula stated in the master deed for apportionment of expenses of administration.

4. A co-owner shall not be exempt from contributing as provided in this act by non use or waiver of the use of any of the common elements, nor by abandonment of his or her condominium Unit, nor by any alleged act, omission, or failure to maintain on the part of the association.

## ARTICLE XII AMENDMENT RULES

1. The condominium documents may be amended by the developer or by the board of directors of the association without the consent of co-owners or mortgagees if the amendment does not materially alter or change the rights of a co-owner or mortgagee and if the



condominium documents contain a reservation of the right to amend for that purpose to the developer or the association of co-owners. An amendment that does not materially change the rights of a co-owner or mortgagee includes, but is not limited to, a modification of the types and sizes of unsold condominium Units and their appurtenant limited common elements. An amendment that does not materially change the rights of a mortgagee further includes, but is not limited to, any change in the condominium documents that, in the written opinion of an appropriately licensed real estate appraiser, does not detrimentally change the value of any Unit affected by the change.

2. Except as provided in this section, the master deed, bylaws, and condominium subdivision, plan may be amended, even if the amendment will materially alter or change the rights of the co-owners or mortgagees, with the consent of not less than 2/3 of the votes of the co-owners and mortgagees. A mortgagee shall have one (1) vote for each mortgage held. The 2/3 majority required in this section may not be increased by the terms of the condominium documents, and a provision in any condominium documents that requires the consent of a greater proportion of co-owners or mortgagees for the purposes described in this subsection is void and is superseded by this subsection. Mortgagees are not required to appear at any meeting of co-owners except that their approval shall be solicited through written ballots. Any mortgagee ballots not returned within ninety (90) days of mailing shall be counted as approval for the change.

3. The developer may reserve, in the condominium documents, the right to amend materially the condominium documents to achieve specified purposes, except a purpose provided for in subsection 4. Reserved rights may not be amended except by or with the consent of the developer. If a proper reservation is made, the condominium documents may be amended to achieve the specified purposes, without the consent of co-owners or mortgagees.

4. The method or formula used to determine the percentage of value of Units in the project for other than voting purposes, and any provisions relating to the ability or terms under which a co-owner may rent a Unit, may not be modified without the consent of each affected co-owner and mortgagee. A co-owner's condominium Unit dimensions or appurtenant limited common elements may not be modified without the co-owner's consent.

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

6. A person causing or requesting an amendment to the condominium documents shall be responsible for costs and expenses of the amendment, except for amendments based upon a vote of a prescribed majority of co-owners and mortgagees or based upon the advisory committee's decision, the costs of which are expenses of administration.

7. A master deed amendment, including the consolidating master deed, dealing with the addition, withdrawal, or modification of Units or other physical characteristics of the project shall comply with the standards prescribed in Section 66 of the Condominium Act, for preparation of an original condominium subdivision plan for the project.

8. For purposes of this section, the affirmative vote of a 2/3 of co-owners is considered 2/3 of all co-owners entitled to vote as of the record date for such votes.

9. An amendment to the master deed or other recorded condominium document shall not be effective until the amendment is recorded.

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

### ARTICLE XIII AMENDMENTS WHERE VOTES OF MORTGAGEES ARE REQUIRED

1. To the extent this act or the condominium documents require a vote of mortgagees of Units on amendment of the condominium documents, the procedure described in this section applies.

2. The date on which the proposed amendment is approved by the requisite majority of co-owners is considered the "Control Date."

3. Only those mortgagees who hold a duly recorded mortgage or a duly recorded assignment of a mortgage against one or more condominium Units in the condominium project on the control date is entitled to vote on the amendment. Each mortgagee entitled to vote shall have one (1) vote for each condominium unit in the project that is subject to its mortgage or mortgages, without regard to how many mortgages the mortgagee may hold on a particular condominium unit.

4. The association of co-owners shall give a notice to each mortgagee entitled to vote containing all of the following:

- (a) A copy of the amendment or amendments as passed by the co-owners.
- (b) A statement of the date that the amendment was approved by the requisite majority of co-owners.
- (c) An envelope addressed to the entity authorized by the board of directors for tabulating mortgagee votes.
- (d) A statement containing language in substantially the form described in subsection (5).



(e) A ballot providing spaces for approving or rejecting the amendment and a space for the signature of the mortgagee or an officer of the mortgagee.

(f) A statement of the number of condominium Units subject to the mortgage or mortgages of the mortgagee.

(g) The date by which the mortgagee must return its ballot.

5. The notice provided by subsection 4, shall contain a statement in substantially the following form:

"A review of the association records reveals that you are the holder of one (1) or more mortgages recorded against title to one (1) or more Units in the Pine Arbor Condominium. The co-owners of the condominium adopted the attached amendment to the condominium documents on the Control Date. Pursuant to the terms of the condominium documents and/or the Michigan Condominium Act, you are entitled to vote on the amendment. You have one (1) vote for each unit that is subject to your mortgage or mortgages.

The amendment will be considered approved by mortgagees if it is approved by 66-2/3% of the mortgagees. In order to vote, you must indicate your approval or rejection on the enclosed ballot, sign it, and return it not later than ninety (90) days from the Control Date. Failure to timely return a ballot will constitute a vote for approval. If you oppose the amendment, you must vote against it."

6. The association of co-owners shall mail the notice required by subsection 4, to the mortgagee at the address provided in the mortgage or assignment for notices by certified mail, return receipt requested, postmarked within thirty (30) days after the control date.

7. The amendment is considered to be approved by the mortgagees if it is approved by 66-2/3% of the mortgagees whose ballots are received, or are considered to be received, in accordance with the Condominium Act. Section 90(2), by the entity authorized by the board of directors to tabulate mortgagee votes not later than one hundred (100) days after the Control Date. In determining the one hundred (100) days, the Control Date itself shall not be counted but the one-hundredth day shall be included unless the one-hundredth day is a Saturday, Sunday, legal holiday, or holiday on which the United States postal service does not regularly deliver mail, in which case the last day of the one hundred (100) days shall be the next day that is not a Saturday, Sunday, legal holiday, or holiday on which the United States postal service does not regularly deliver mail.

8. The association of co-owners shall maintain a copy of the notice, proofs of mailing of the notice, and the ballots returned by mortgagees for a period of two (2) years after the Control Date.

9. Notwithstanding any provision of the condominium documents to the contrary, mortgagees are entitled to vote on amendments to the condominium documents only under the following circumstances:

- (a) Termination of the condominium project.
- (b) A change in the method or formula used to determine the percentage of value assigned to a unit subject to the mortgagee's mortgage.
- (c) A reallocation of responsibility for maintenance, repair, replacement, or decoration for a condominium unit, its appurtenant limited common elements, or the general common elements from the association of co-owners to the condominium unit subject to the mortgagee's mortgage.
- (d) Elimination of a requirement for the association of co-owners to maintain insurance on the project as a whole or a condominium unit subject to the mortgagee's mortgage or reallocation of responsibility for obtaining or maintaining, or both, insurance from the association of co-owners to the condominium unit subject to the mortgagee's mortgage.
- (e) The modification or elimination of an easement benefiting the condominium unit subject to the mortgagee's mortgage.
- (f) The partial or complete modification, imposition, or removal of leasing restrictions for condominium Units in the condominium project.

#### ARTICLE XIV CO-OWNER DEFAULTS

A default by a co-owner shall entitle the association of co-owners to the following relief:

- a. Failure to comply with any of the terms or provisions of the condominium documents, shall be grounds for relief, which may include without limitations, an action to recover sums due for damages, injunctive relief, foreclosure of lien if default in payment of assessment, or any combination thereof.
- b. In a proceeding arising because of an alleged default by a co-owner, the association of co-owners or the co-owner, if successful, shall recover the costs of the proceeding and reasonable attorney fees, as determined by the court.
- c. Such other reasonable remedies the condominium documents may provide including but without limitation the levying of fines against co-owners after notice and hearing thereon and the imposition of late charges for nonpayment of assessments as provided in the condominium bylaws or rules and regulations of the condominium.



ARTICLE XV  
CO-OWNER DEFAULTED ASSESSMENTS AND FINES AS LIENS

1. Sums assessed to a co-owner by the association of co-owners that are unpaid together with interest on such sums, collection and late charges, advances made by the association of co-owners for taxes or other liens to protect its lien, attorney fees, and fines in accordance with the condominium documents, constitute a lien upon the Unit or Units in the project owned by the co-owner at the time of the assessment before other liens except tax liens on the condominium Unit in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record except that past due assessments that are evidenced by a notice of lien, recorded as set forth in subsection (3), have priority over a first mortgage recorded subsequent to the recording of the notice of lien.

The lien upon each condominium Unit owned by the co-owner shall be in the amount assessed against the condominium Unit, plus a proportionate share of the total of all other unpaid assessments attributable to condominium Units no longer owned by the co-owner but which became due while the co-owner had title to the condominium Units. The lien may be foreclosed by an action or by advertisement by the association of co-owners in the name of the condominium project on behalf of the other co-owners.

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

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

(a) Notice of lien shall set forth all of the following:

(i) The legal description of the condominium Unit or condominium Units to which the lien attaches.

(ii) The name of the co-owner of record.

(iii) The amounts due the association of co-owners at the date of the notice, exclusive of interest, costs, attorney fees, and future assessments.

(b) The notice of lien shall be in recordable form, executed by an authorized representative of the association of co-owners and may contain other information that the association of co-owners considers appropriate.

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

4. The association of co-owners, acting on behalf of all co-owners, unless prohibited by the master deed or bylaws, may bid in at the foreclosure sale, and acquire, hold, lease, mortgage, or convey the condominium Unit.

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

6. An action for money damages and foreclosure may be combined in one (1) action.

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

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

#### ARTICLE XVI FIRST LIEN AGAINST CONDOMINIUM UNIT SALE PROCEEDS

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

(a) Amounts due the state, or any subdivision thereof, or any municipality for taxes and special assessments due and unpaid on the condominium Unit.

(b) Payments due under a first mortgage having priority thereto.

2. A purchaser or grantee is entitled to a written statement from the association of co-owners setting forth the amount of unpaid assessments, interest, late charges, fines, costs, and attorney fees against the seller or grantor and the purchaser or grantee is not liable for, nor is the condominium Unit conveyed or granted subject to a lien for any unpaid assessments, interest, late charges, fines, costs, and attorney fees against the seller or grantor in excess of the amount set forth in the written statement. Unless the purchaser or grantee requests a written statement from the association of co-owners as provided in this act, at least 5 days before sale, the



purchaser or grantee shall be liable for any unpaid assessments against the condominium Unit together with interest, costs, fines, late charges, and attorney fees incurred in the collection thereof.

## ARTICLE XVII TRANSITIONAL CONTROL DATE (RENTALS)

1. Before the transitional control date, during the development and sales period the rights of a co-owner, including the developer, to rent any number of condominium Units shall be controlled by the provisions of the condominium documents as recorded by the developer and shall not be changed without developer approval. After the transitional control date, the association of co-owners may amend the condominium documents as to the rental of condominium Units or terms of occupancy as provided in the Michigan Condominium Act, section 90(4). The amendment shall not affect the rights of any lessors or lessees under a written lease otherwise in compliance with this section and executed before the effective date of the amendment, or condominium Units as long as they are owned or leased by the developer.

2. A co-owner, including the developer, desiring to rent or lease a condominium Unit shall disclose that fact in writing to the association of co-owners at least ten (10) days before presenting a lease form or otherwise agreeing to grant possession of a condominium Unit to a potential lessee and at the same time, shall supply the association of co-owners with a copy of the exact lease form for its review for its compliance with the condominium documents. If no lease form is to be used, then the co-owner or developer shall supply the association of co-owners with the name and address of the potential lessee, along with the rental amount and due dates under the proposed agreement.

3. Tenants or non co-owner occupants shall comply with all of the conditions of the condominium documents of the condominium project, and all leases and rental agreements shall so state.

4. If the association of co-owners determines that the tenant or non co-owner occupant failed to comply with the conditions of the condominium documents, the association of co-owners shall take the following action:

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

(b) If after 15 days the association of co-owners believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the co-owners on behalf of the association of co-owners, if it is under the control of the developer, an action for both eviction against the tenant or non co-owner occupant and, simultaneously, for money damages against the co-owner and tenant or non co-owner occupant for breach of the conditions of the condominium

documents. The relief provided for in this section may be by summary proceeding. The association of co-owners may hold both the tenant and the co-owner liable for any damages to the general common elements caused by the co-owner or tenant in connection with the condominium Unit or condominium project.

5. When a co-owner is in arrearage to the association of co-owners for assessments, the association of co-owners may give written notice of the arrearage to a tenant occupying a co-owner's condominium Unit under a lease or rental agreement, and the tenant, after receiving the notice, shall deduct from rental payments due the co-owner the arrearage and future assessments as they fall due and pay them to the association of co-owners. The deduction does not constitute a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the co-owner to the association of co-owners, then the association of co-owners may do the following:

- (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 (4) (b).

#### ARTICLE XVIII CONSTRUCTION LIENS

A construction lien otherwise arising under the construction lien act, 1980 PA 497, MCL 570.1101 to 570.1305, is subject to the following limitations:

- (a) Except as provided in this section, a construction lien for work performed upon a condominium Unit or upon a limited common element may attach only to the condominium Unit upon which the work was performed or to which the limited common element is appurtenant.
- (b) A construction lien for work authorized by the developer, residential builder, or principal contractor and performed upon the common elements may attach only to condominium Units owned by the developer, residential builder, or principal contractor at the time of recording of the statement of account and lien.
- (c) A construction lien for work authorized by the association of co-owners may attach to each condominium Unit only to the proportionate extent that the co-owner of the condominium Unit is required to contribute to the expenses of administration as provided by the condominium documents.
- (d) A construction lien may not arise or attach to a condominium Unit for work performed on the common elements not contracted by the developer, residential builder, or principal contractor or by the association of co-owners.



ARTICLE XIX  
SUITS AGAINST DEVELOPER, BUILDERS, AND OTHERS

A person shall not maintain any action against any developer, residential builder, licensed architect, contractor, sales agent, or manager of a condominium project arising out of the development or construction of the common elements, or the management, operation, or control of a condominium project, more than three (3) years from the transitional control date or two (2) years from the date the cause of action accrues, whichever occurs later. Further conditions are contained in Article X of the By-laws.

Witnesses:

Samuel Leone

Karen Dayton  
KAREN DAYTON

BY:

John Policicchio  
MANAGING MEMBER  
Pine Arbor Condominium L.L.C.;  
a Michigan Limited Liability Company

BY:

Michael Schuyler  
MEMBER  
Pine Arbor Condominium L.L.C.  
A Michigan Limited Liability Company

19901 Dix Toledo Highway  
Brownstown, MI 48183  
(734) 479-4450

STATE OF MICHIGAN )

) SS.

COUNTY OF WAYNE )

Karen Dayton  
Notary Public, Wayne County, MI  
My Commission Expires 12-13-2008

Karen Dayton

Notary Public, Wayne County, MI  
My Commission Expires 12-13-2008

Acknowledged before me in Wayne County, Michigan, on this 17<sup>th</sup> day of March, 2005, by Pine Arbor Condominium, L.L.C., a Michigan limited liability company, by John Policicchio, its :Managing Member, with full authority of the Limited Liability Company.

Master Deed Drafted by and when recorded return to:

John Policicchio, Member  
Pine Arbor Condominium, L.L.C.  
19901 Dix-Toledo Highway  
Brownstown, MI 48183