

BY-LAWS OF OLD HOMESTEAD ASSOCIATION

ARTICLE I - MEETINGS

SECTION 1: ANNUAL MEETINGS

The annual meeting of the members of the Association shall be held on the first Monday in the month of March each year within the City of Farmington Hills, Michigan or the City of Farmington, Michigan. At the annual meeting officers and chairmen of standing committees are to be elected. Also, such other matters as are pertinent to the Association shall be presented at this time. If for any reason the annual meeting of the members shall not be held on the day hereinbefore designated, such meeting may be called and held as a special meeting and the same proceedings may be had thereat as at an annual meeting; provided, however, that the notice of such meeting shall be the same notice as required herein in Article I, Section 3.

SECTION 2: SPECIAL MEETINGS

Special meetings of the members of the Association may be held at any time within the City of Farmington Hills, Michigan or the City of Farmington, Michigan, pursuant to:

- A) a resolution of the Board of Directors, or
- B) a resolution passed by a majority of members present at any annual or special meeting, or
- C) a call signed by forty (40) of the voting members.

Calls for special meetings shall specify the time, place and object or objects thereof and no other business than that specified in the call shall be considered at any such meeting. Notice of such meeting shall be the same notice as required herein in Article I, Section 3.

SECTION 3: NOTICE OF MEETINGS

A typed or printed notice stating the time and place and the object or objects of the meeting shall be prepared and mailed, or included in the newsletter, to each member at least ten (10) days before the date of such meeting.

ARTICLE II - MEMBERSHIP

Membership shall be granted to qualified persons upon payment of current fiscal year's dues to the Treasurer. Membership entitles the individual to attend any Board and/or Committee meeting of the Association to observe and make suggestions.

ARTICLE III-DUES

SECTION 1:

The membership fee shall be paid upon joining the Association, which shall be in full payment for the remainder of dues for that fiscal year. Annual dues for each succeeding fiscal year shall be paid to the Treasurer by each member. Household membership fee shall be \$6.00.

SECTION 2:

The purpose of the collection of dues is to provide funds for necessary expenses in connection with the operation of the Association. The Directors may, without amendment to these By-Laws, fix annual dues for one or more years at a lesser amount but may not increase the annual dues above such amount without an amendment to these By-Laws.

SECTION 3:

Members whose dues are in arrears shall be considered not in good standing and shall not have a vote in any meeting.

ARTICLE IV - QUORUM

Ten per cent (10%) of the voting members of the Association, in person, shall constitute a quorum for the transaction of business at any meeting, with the exception of Board of Directors meetings.

ARTICLE V - VOTING

SECTION 1:

Each lot shall be entitled to one vote when represented at any meeting of the Association. Voting is restricted to voting members in good standing. Voting may be either in person or by proxy. Proxies must be filed with the Secretary of the Association before the appointed time of each meeting of the members of the Association. To be eligible to vote expenditure of the maintenance fund, voting members must be current on Association dues and maintenance fee.

SECTION 2:

If more than one member lot owner of a designated lot appears at a meeting, then prior to calling the meeting to order, the voting lot member must be designated to the Secretary of the Association. If there is a dispute as to the voting member lot owner and there is no decision made with regard to who shall vote at a meeting, no vote will be counted on behalf of that lot.

ARTICLE VI - ELECTIONS

SECTION 1:

Officers of the Association and Chairpersons of the Maintenance Committee, Social Committee, Plans and Restrictions Committee, and the Community Relations/Neighborhood Watch Committee, who shall also serve as Directors, shall be elected at the annual meeting by oral ballot, or at the discretion of the Board of Directors, by written ballot.

A Chairperson and one member of an Auditing Committee shall be elected at this time, also by oral ballot.

SECTION 2:

The candidates receiving the largest number of votes shall be declared elected.

SECTION 3:

In the event a written ballot is implemented, three (3) Inspectors of Election shall be appointed by the President to conduct the election of officers, Auditing Committee members and Directors. No person who is a candidate for election may serve as an Inspector of Election.

ARTICLE VII - NOTICE OF ELECTIONS AND APPOINTMENTS

The Secretary shall cause to be distributed notices to the members of the names and addresses of newly elected and appointed officers, directors, and committee chairpersons.

ARTICLE VIII - DIRECTORS

SECTION 1:

The Board of Directors, eight (8) in number, shall be the governing body of the Association and shall consist of the four duly elected officers and the chairpersons of the following committees: Plans and Restrictions, Maintenance, Social, and Community Relations/Neighborhood Watch.

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SECTION 2:

The Board of Directors shall hold not less than six (6) meetings each year, on dates and at times determined by such Board, the first of which meetings shall be within ten (10) days following the annual election.

SECTION 3:

The President of the Association shall be the presiding officer of the Board of Directors and the Secretary of the Association shall act as Secretary to the Board.

SECTION 4:

Each director shall have one (1) vote, and a quorum of such Board shall be five (5).

SECTION 5:

No officer or director may serve more than two (2) consecutive terms in the same capacity except the Secretary, unless approved by a vote at the annual meeting.

ARTICLE IX - OFFICERS

SECTION 1:

Officers and Directors must be Association members in good standing. Officers and Directors shall serve for a term of one year or until their successors have been duly elected. In the case of inability of any director or any officer, other than the President, to complete the elected terms, the President may, with the consent of the Board of Directors, appoint an Association member in good standing to succeed such officer or director who shall serve until the next annual meeting or until a successor is duly elected; provided, however, that the Board of Directors may, at its option, call a special meeting of the Association at which the membership shall elect an Association member in good standing to succeed such officer or director and serve the unexpired term.

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SECTION 2: The President shall be the chief executive officer of the Association and shall preside at all meetings.

SECTIONS:

The Vice-President shall succeed to the office of President upon vacancy of the position. The Vice-President shall preside at meetings in the absence of the President and shall perform such other duties as may be assigned by the President.

SECTION 4:

The Secretary shall make and keep accurate records of actions taken at all meetings of members and directors and shall give written report of the same at the next meeting and shall perform all other services delegated by the President. The Secretary shall handle all correspondence of the Association and shall also issue the notices of meetings. In the absence of the Secretary at any meeting, a Secretary Pro-Tern may be appointed by the presiding officer.

SECTION 5:

The Treasurer shall collect all dues and funds belonging to the Association. The Treasurer shall have custody of the funds of the Association and shall keep a separate accounting of the funds of the maintenance fund and of the funds of the membership fund, but may use a single Association account at the bank. Expenditures from the membership fund shall be upon order of the Board of Directors and solely for expenses and purposes of the Association. All checks paying out Association funds shall be signed by the Treasurer and countersigned by either the President or Vice-President. The Treasurer shall prepare a signed report covering the fiscal year, ending with the close of his term of office. Within five (5) business days after the expiration of his term of office the Treasurer shall submit such report to the Auditing Committee. If there is insufficient time to prepare a report for audit prior to the annual meeting, the Treasurer shall submit an unaudited report at the time of the annual meeting.

SECTION 6:

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Par. 1: The Auditing Committee's term of office shall be during the twelve (12) months starting when appointed at the March annual meeting.

Par. 2: Each Auditing Committee shall examine the Treasurer's Report submitted for the prior fiscal year and shall conduct such interim examinations as it deems advisable. The Auditing Committee shall attach its signed report to the Treasurer's Report, which it has examined, and shall submit this report to the Board of Directors on or before the second Board meeting of the succeeding fiscal year.

Par. 3: No officer, director, or committee member shall, during such term of office/serve on the Auditing Committee. No person who has been Treasurer at any time during the previous twelve (12) months shall serve on the Auditing Committee. Any person serving on the Auditing Committee shall not be eligible for election or appointment to the office of Treasurer during the period of such audit service nor for twenty-four (24) months after its completion.

ARTICLE X - COMMITTEES

SECTION 1:

The Chairperson of each standing committee shall select members of the committee subject to the approval of the President-Par. 1: The standing committees shall be composed of the following number of members:

Plans and Restrictions Committee	1 to 3 members
Maintenance Committee	1 to 3 members
Social Committee	Unlimited members
Community Relations/Neighborhood Watch Committee	1 to 3 members
Nominating Committee	3 members.

In each of the above committees the chairperson shall be included in the number of members listed.

Par. 2: Members of the Nominating Committee shall be appointed annually by the President, with the consent of the Board of Directors, at least sixty (60) days prior to the regular annual meeting as provided in Article 1, Section 1, of the By-Laws. One of the members appointed to the nominating committee shall be a member of the Board of Directors: The function of the nominating committee is to nominate eligible members of the Association for election as officers and/or directors of the Association. The committee shall endeavor to nominate at least two (2) persons for each office to be filled. The slate of nominations shall be presented to the membership with the notice of the annual meeting, or presented at the annual meeting.

SECTION 2:

The Social Committee will be given necessary operating funds at the discretion of the Board. However, social events should be self-sustaining by an assessment to the participants.

SECTIONS:

Additional special committees may be provided for from time to time by the Board of Directors. In such cases the President shall appoint the Chairperson and the members of such committees, with the consent of the Board of Directors.

SECTION 4:

Upon call of the chairperson, such special committees shall meet with such regularity as is required to properly perform their functions.

SECTION 5:

All Committee chairpersons shall make reports in writing at such times as directed by the President.

ARTICLE XI - MAINTENANCE FUND

SECTION 1:

All maintenance fund assessments shall be paid when due to the Treasurer of the Association.

SECTION 2:

The expenditure of such maintenance funds shall be upon order of the Board of Directors and strictly in accordance with the provisions of the restrictions, but limited to the sum of \$2,000.00 per total project without prior approval of the voting members.

SECTIONS:

The following interpretations of the maintenance fund expenditure provisions of such restrictions are considered to be strictly in accordance with the provisions of such restrictions and shall be applied as a matter of Association policy:

Par. 1: The expenses incurred in administering or maintaining the maintenance fund shall be borne by the maintenance fund as a community service which the Association determines to be necessary and advisable and in reliance upon an implied power of self-sustainment in order to be able to carry out maintenance fund objectives.

Par. 2: The expenses incurred in collecting annual maintenance charges, including the sending of notices, shall be borne by the maintenance fund as expenses incident to the enforcement of such charges and obligations, which use of funds the Association determines to be necessary and advisable.

ARTICLE XII-AMENDMENTS

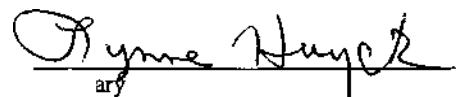
These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the affirmative vote of a majority of votes cast at any annual or special meeting of the members of the Association, provided a quorum, as defined in Article IV of these Articles, is present at such meeting, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements for annual or special meetings of the Association, whichever may be applicable.

ARTICLE XIII-LITIGATION

In the event that a violation of these By-Laws or the Restrictions on Old Homestead Subdivision has occurred, as determined by a majority vote of the Board of Directors, the Board of Directors, in its discretion, may retain legal counsel to pursue any and all legal recourse that may be necessary to correct or eliminate the violation, including, but not necessarily limited to, legal proceedings in a court of law or equity. If the Association or the Board of Directors is made a party to any litigation brought by or on behalf of any lot owner within Old Homestead Subdivision, the Board of Directors is also authorized to retain legal counsel to provide representation on behalf of the Association and/or the Board.

If such legal action is taken by or against the Association or the Board and a court of law or equity finds in favor of the Association and/or the Board, the association and/or the board shall be entitled to recover, from the lot owner(s) whose actions precipitated the legal proceedings, all costs and reasonable attorney fees in bringing or defending such legal action.

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GLOSSARY

ANNUAL DUES	Fee assessed to its members for the operations and functions of the Association.
ANNUAL MEETING	Regular scheduled meeting, annually, for Association proceedings and open to all current Association members in good standing.
ASSOCIATION	Old Homestead Association
ASSOCIATION BOARD	Minimum of eight (8) individuals composed of: President, Vice-President, Secretary, Treasurer, Maintenance Committee Chairperson, Social Committee Chairperson, Plans and Restrictions Committee Chairperson, Community Relations/Neighborhood Watch Chairperson.
AUDITING COMMITTEE	Reviews and submits an independent report of the Association's financial statement as submitted by the Treasurer.
FISCAL YEAR	Twelve-month period ending February 28 (29).
MAINTENANCE FEE	Annual fee for the establishment of a maintenance fund. Established amount of fee to be reviewed annually by the Association Board.
MAINTENANCE FUND	Fees collected-from lot owners for the sole function of financing the costs which are described in the restrictions.
MEMBER IN GOOD STANDING	Any individual lot owner or proxy designate who is current in both the current fiscal year's membership dues and maintenance fees will be granted voting rights on all Association issues.
MEMBER NOT IN GOOD STANDING	Any individual lot owner or proxy designate who is not current with the fiscal year's membership dues and/or maintenance fees, thus forfeiting a vote at Association meetings.
MEMBERSHIP FEE	Reviewed, assessed and collected annually from Association members.
MEMBERSHIP FUND	Membership fees collected annually from members for the financing of all Association activities, but excluding those funded by the Maintenance fund.
OFFICERS	Elected officials of the Association.
QUORUM	Ten per cent (10%) of the voting members of the Association, at any meeting.
SPECIAL MEETINGS	Any duly called meeting at times other than the regularly scheduled annual meeting as identified within the By-Laws.
VOTING MEMBER	An individual lot owner or proxy designate. A voting member is current in membership dues and maintenance fees and has all rights to vote on all Association issues.

RESTRICTIONS ON OLD HOMESTEAD SUBDIVISION

IT IS HEREBY DECLARED that the following general restrictions are covenants running with the land, binding upon heirs, personal representatives, successors and assigns of the Grantor, and upon the purchasers of each and every individual lot in said subdivision (except as hereinabove provided) and heirs, personal representatives, successors and assigns of such purchaser for the time limited in this instrument:

1. USES OF PROPERTY. Each lot shall be used for providing residence purposes only and no building of any kind whatsoever shall be erected, reerected, moved or maintained thereon except a private dwelling house and appurtenant buildings as hereinafter provided. Such dwelling house shall be designed and erected for occupation by a single private family and a private attached garage for the sole use of the respective owner or occupant of the lot upon which such garage is erected. Such garage may have living quarters in connection therewith for use and occupancy by servants of the owner of the respective lot. Other buildings may be erected only if approved by the Grantor in such manner and location as the Grantor may in its sole discretion permit in writing.

2. CHARACTER AND SIZE OF BUILDINGS. No building, septic tank, fence, wall or other structure shall be commenced, erected or maintained, nor shall any addition to or change or alteration to any structure be made except interior alterations, until the plans and specifications, prepared by a competent architect, showing the nature, kind, shape, height and materials, color scheme, location on lot and approximate cost of such structure and the grading plan of the lot to be built upon shall have been submitted to and approved in writing by the Grantor or its authorized agent, and a copy of said plans and specifications as finally approved, lodged permanently with said Grantor, and unless all buildings or additions thereto are built by a licensed building contractor.

The Grantor shall have the right to refuse to approve any such plans or specifications or grading plan, which are not suitable or desirable in its opinion for aesthetic or other reasons; and in so passing upon such plans, specifications and grading, it shall have the right to take into consideration the suitability of the proposed building or other structure to be built to the site upon which it is proposed to erect the same, and the harmony as planned in view of the outlook from the adjacent or neighboring properties. It is understood and agreed that the purpose of this paragraph is to cause the platted lands to develop into a beautiful, harmonious private residence section and if a disagreement on the points set forth in this paragraph should arise, the decision of the Grantor shall control.

However, in the event the Grantor or its agents have failed to approve or disapprove such plans and locations within thirty (30) days after the same shall have been delivered to the Grantor, then such approval will not be required provided the plans and location on the lot conform to or are in harmony with existing structures in the tract and these restrictions.

In any case, with or without the approval of the Grantor, no dwelling shall be permitted on any lot in the subdivision unless, in the case of a one or one and a half story building, the ground floor area thereof shall be not less than 1500 square feet. The cubical content of any dwelling shall be not less than 15,000 cubic feet measured from the bottom of the first floor joists. The area and volume of the garage not exceeding a two car garage may be included in the above computation.

3. BUILDING LINES. No building on any of said lots shall be erected nearer than 50 feet to the front lot line or nearer than 15 feet to the side or rear lot line except by written consent of the Grantor.

4. ANIMALS. No chickens, other fowl or live stock shall be kept or harbored on any of the said lots. No animals shall be kept or maintained on any lot excepting household pets for use by the owner and members of his family. No animals shall be kept on the premises for any commercial purpose. Household pets shall have such care as not to be objectionable or offensive on account of noise, odor or unsanitary conditions. Animals may be declared nuisances and must be disposed of within thirty (30) days if so requested in writing by the Grantor or its duly authorized representatives. At no time shall any horses be kept on the land.

5. SEWAGE. Septic tanks for the proper and sanitary disposal of sewage shall be installed for each residence. No septic tank shall be constructed nearer than 30 feet to any boundary line of any lot. No septic tank or means of sewage disposal shall be installed until approved and permitted by the State Board of Health or by other lawfully constituted and authorized public health authority having jurisdiction.

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6. SIGNS. No sign or billboard shall be placed or maintained on any residence lot, except that one sign advertising the lot or house and lot for sale or lease, and having not more than three square feet of surface and the top of which shall be three feet or less above the ground, may be erected and maintained on any of said lots. Such other signs may be erected and maintained as are permitted in writing by the Grantor.

7. EASEMENTS. Easements and rights of way are hereby reserved in and over the rear six feet of each of the said lots and also over a strip of land six feet in width along the side lot lines wherever it may be deemed necessary by the Grantor for the installation or maintenance of telephone or electric poles, lines or conduits, or sewer, gas or water mains, or any other service deemed necessary or advisable by the Grantor. Easements for over-hanging wires for Edison or telephone service are also reserved for any other location where deemed necessary by the Grantor. An easement for public utility purposes is also retained over the rear twelve feet of- Lots 174 to 185, inclusive.

The Grantor shall have the right to assign the use of said easements to any person, firm or corporation furnishing such service, with the understanding that any damage to trees, shrubs, lawns or fences accrued from such installation or maintenance shall be promptly repaired as nearly as possible by the person, firm or corporation furnishing said service.

8. REFUSE. No refuse pile or other unsightly or objectionable feature shall be allowed on any of said lots unless the same shall be properly concealed. Refuse, ashes, garbage and debris of any kind shall be cared for in such a manner as not to be offensive to neighboring property owners.

9. MAINTENANCE FUND. (A) All the land included in said plat, whether owned by the Grantor or by others, except streets and parks maintained for the general use of the owners of land included in said tract, and except land taken or sold for public improvements or uses, shall be subject to an annual maintenance charge at the rate of \$10.00 per lot commencing January 1st, 1956 and at such a rate as may be determined by the Grantor or the Old Homestead Improvement Association which may hereafter be formed as provided herein for each year thereafter for the purpose of creating a fund, to be known as the Maintenance Fund, to be paid by the respective owners of the land included in said tract to the Grantor annually, in advance on the first day of January in each year, commencing with January 1st, 1956.

(B) Said annual charge may be adjusted from year to year, after 1956, by the Grantor or the Old Homestead Association, as the needs of the property may in their judgment require, but in no event shall such a charge be raised above \$20.00 per lot, except by the approval and consent in writing of the owners of 75% of the lots in said plat which approval and consent shall make any such additional assessment binding upon all of the owners of property in said plat.

(C) Said maintenance fund shall be used for such of the following purposes as the Grantor hereto or the Association shall determine necessary and advisable: for improving and maintaining roadways of said property; for planting trees and shrubbery and the care thereof; for collecting and disposing of garbage, ashes and rubbish; for employing night watchmen; for caring for vacant property, for removing grass or weeds; for constructing, purchasing, maintaining or operating any community service, or for doing any other things necessary or advisable in the opinion of the Grantor hereto for keeping the property neat or in good order; for expenses incident to the examination of plans as herein provided and to the enforcement of these building restrictions, conditions, obligations, reservations, rights, powers, and charges.

(D) It is expressly agreed that the Maintenance Fund charge referred to herein, including any expenses incurred in removing or completing any building in accordance with preceding paragraph, shall be a lien and encumbrance on the land with respect to which said charges are made, and it is expressly agreed that by the acceptance of title of any of said lots, the owner (not including thereby the mortgagee as long as he is not the owner) from the time of acquiring title thereto shall be held to have covenanted and agreed to pay to the first party hereto all charges provided for herein which were then due and unpaid to the time of his acquiring the title, and all such charges thereafter falling due during the ownership thereof. A certificate in writing signed by the Grantor hereto or its agent shall be given on demand to any owner liable for said charges, which shall set forth the status of such charges. This certificate shall be binding on the said parties hereto.

(E) By his acceptance of title, each owner shall be held to vest in the Grantor the right and power in its own name to take and prosecute all suits, legal equitable or otherwise, which may in the opinion of the Grantor be necessary or advisable for the collection of such charges.

10. LOT OWNER'S ASSOCIATION. At any time after the sale by Grantor of two-thirds in number of the lots in the said subdivision (execution of a land contract constituting a sale for the purposes of this section) the Grantor may appoint and constitute an association of lot owners, to be known as the Old Homestead Association, to exercise all rights, privileges and duties of supervision and control in connection with these restrictions which are reserved herein to the Grantor and upon the execution and recording of appropriate instruments of appointment by the Grantor, the said Association shall thereupon have and exercise all rights reserved to the Grantor and the Grantor shall be fully released and discharged from further obligations and responsibilities in connection therewith; providing always that the Grantor shall upon the formation of said Association convey to said Association all interests reserved heretofore in the Grantor in connection with the said subdivision.

11. VIOLATIONS. Violation of any restriction or condition or breach of any covenant or agreement herein contained shall give the Grantor, in addition to all other remedies provided by law, the right to enter upon the land (upon or) as to which such violation or breach exists, and summarily to abate and remove, at the expense of the owner thereof, any erection, thing or condition that may be or exist contrary to the intent and meaning of the provision hereof, and the Grantor shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal.

12. TERM OF RESTRICTIONS. All of the restrictions, conditions, covenants, charges and agreements contained herein shall be the covenants running with the land and shall continue in force for a period of 25 years from the date of recording hereof and shall automatically be continued thereafter for successive periods of _____ years each provided, however, that after 25 years from the date of recording hereof the owners of the fee of two-thirds (2/3) or more of the lots in said subdivision may release all or part of said lots from all or any portion of these restrictions by executing and acknowledging an appropriate agreement or agreements in writing for such purposes and recording the same in the Office of the Register of Deeds for Oakland County, Michigan.

13. SEVERABILITY. Each restriction herein is intended to be severable and in the event that any one covenant is for any reason held void, it shall not affect the validity of the remaining covenants and restrictions.