

RIDGE WOOD HOMEOWNERS ASSOCIATION
BRIGHTON TOWNSHIP MICHIGAN

Ridge Wood Homeowner
Brighton, MI 48114

Dear Homeowner:

As the newly elected Board of the Ridge Wood Homeowners Association, we want to try and get the new-year off to a good start by ensuring that all homeowners understand the rules under which the Association operates and the special rules (Declarations) that apply to our properties. As such, we have prepared the following documents for distribution to all homeowners:

Overview of Homeowners Association, Ridge Wood Subdivision

Overview of Documents Governing the Ridge Wood Subdivision

Additionally we have attached a copy of the Declarations, By Laws, and Articles of Incorporation. Please spend some time in reading and understanding these documents. we know that most homeowners take great pride in their properties and we are hopeful that with a full understanding of the regulations governing the subdivision, we can keep the number of conflicts and issues to a minimum.

Sincerely,
RIDGE WOOD HOMEOWNERS ASSN.

OVERVIEW OF DOCUMENTS GOVERNING THE RIDGE WOOD SUBDIVISION BRIGHTON TOWNSHIP, MICHIGAN

PURPOSE

Based on feedback from homeowners within our subdivision, it is apparent that there is not a universal understanding of the documents that apply to our properties in the Ridge Wood Subdivision. This letter along with the attached copies of the Declarations and By Laws are provided to give the homeowners a better understanding of the documents with the hope that through this understanding, conflicts and misunderstandings can be minimized.

DECLARATIONS

The subdivision was created in three main phases and as such, there are three Declarations filed. The declarations contain the covenant, easements, restrictions and assessment liens for the subdivision. The three Declarations are titled: Ridge Wood Subdivision No. 1, dated May 25, 1993; Ridge Wood Subdivision No. 2, dated August 29, 1994; and Ridge Wood Subdivision No. 3, dated October 10, 1995. All three of the Declarations are identical in all material respects. The purpose of creating the Declarations is very important to understand:

“In order to preserve the general character and aesthetics of said land and to secure to the Lot Owners the full benefit and enjoyment of their homes, the Developer wishes to impose certain building and use restrictions, covenants and easements and to provide for the establishment of a homeowner’s association with assessment powers, all as set forth herein.”

Each homeowner should have obtained a copy of the Declarations at closing if the real estate professionals had done a thorough job in closing on your home. Whether or not you received this document, or were aware or not of these restrictions, they are legally filed and are enforceable upon each property in our subdivision.

The Declarations are divided into several sections as follows (a copy of the Declarations for Subdivision No. 3 is included for your reference):

Building Restrictions - These describe the regulations pertaining to the type of building that can be built, of what it must be constructed, as well as some detailed requirements for well and septic that transfers requirements of the subdivision approval obtained by the developer on to each lot.

Other Restrictions - These provide the regulations for “using” our properties.

Architectural Control - This describes the process for obtaining approval for any improvements that a homeowner may wish to make on their property.

Homeowner's Association - This section establishes the guidelines under which the Homeowner's Association is organized and operated.

Expansion of Subdivision - This section allows the Developer to subdivide any contiguous land, but forces such expanded subdivision to conform with the rules provided in the Declaration.

Amendment - This section allows for the modification of the declarations, but requires a 2/3 vote and 10 years have elapsed since the Declarations were recorded.

Enforcement - This section states how the Declarations are to be enforced. Note that the Declarations may be enforced by the Association or any Lot Owner. Note also that any failure to enforce a particular restriction does not constitute a waiver of the right to do so.

Miscellaneous - Contains miscellaneous provisions.

Please read these Declarations carefully to understand the regulations that were established for our collective benefit.

BY LAWS

The Declarations establish the requirement for the developer to establish a Michigan non-profit corporation. Such corporation was established as "Ridge Wood Homeowner's Association" in June of 1995. That Association is governed by a set of rules titled "By Laws of Ridge Wood Homeowner's Association" (copy attached). The rules are well organized, and describe how meetings are organized, how Directors are elected, how votes are taken, and other technical matters.

SUMMARY

The above information gives a general introduction to the Declarations and the By Laws. For a better understanding, however, it is important that some time is spent by each homeowner familiarizing themselves with the documents. In this way, each of us can become better informed homeowners and we can all work together in a positive way to "preserve the general character and aesthetics of our land and to secure for ourselves the benefit and enjoyment of our homes."

OVERVIEW OF HOMEOWNER'S ASSOCIATION RIDGE WOOD SUBDIVISION BRIGHTON TOWNSHIP, MICHIGAN

PURPOSE

Based on feedback from homeowner's and based on the lack of full participation of homeowners in subdivision events and meetings the following summary has been prepared to give a better understanding of the organization.

STRUCTURE

In accordance with the Bylaws, the Board of Directors is elected on an annual basis at the Annual Meeting. The homeowners, technically elect three Directors who then in-turn are supposed to select a President, Vice President, Secretary and Treasurer. In previous Board action, a resolution was passed that mandated that the three board members elected serve the position of President, Vice President and Secretary so that the homeowners, would actually be voting for these three positions. The Treasurer is nominated by the board, and this position is usually volunteered to by one of the homeowners. The three officers and the Treasurer work on a volunteer basis without compensation.

The board holds meetings at their discretion to conduct required business. Minutes of these meetings are kept and are available to interested parties upon request. Special meetings may be called at any time, and in that event, proper notice will be given to all homeowners.

COMMITTEES

The Board has established several committees to more efficiently administer some of the duties of the Association

Social Committee - This committee coordinates the various social functions within our subdivision. Standard activities include summer picnic, progressive dinners, etc.

Landscaping Committee - This committee is responsible for administering the maintenance of our common properties as well as planning for and implementing any improvements. The Association owns only one small parcel of property, which is located on Piedmont. The area is currently grassed and maintained. The area at the entrance of the subdivision as well as the islands within the cul-de-sacs are owned by the Livingston County Road Commission. We currently maintain the entrance, the cul-de-sacs and the one small owned parcel.

Architectural Committee - This committee is responsible for reviewing all applications for approval of improvement to properties.

Participation on committees is open to all homeowners, and active participation is encouraged.

FINANCES

The Board keeps the Association's finances, collects dues, pays bills, and in general handles all financial affairs for the subdivision. A budget for each fiscal year is generally prepared, and an accounting is issued at the Annual Meeting. The Board works hard to keep the dues at a reasonable level. Dues collection is enforced strictly and in fairness to those who promptly pay their dues, liens will be placed upon properties that do not comply.

ENFORCEMENT

Our Boards have generally taken a "reactive" rather than "proactive" position relative to enforcement of violations to the Declarations. The Board requires a written complaint from a homeowner prior to initiating any action. Several verbal "complaints" are received during the course of a year, and the Board will urge that the parties first discuss the issue to seek resolution prior to escalating the matter to that of a formal complaint.

While the board may not take action on a violation of the Declarations, the homeowners should understand that in the case of any improvements made without approval, that the homeowner is at risk relative to that improvement to the extent it does not comply with the Declarations. Should a homeowner or future Board at some point have issue with that improvement, the improvement may have to be removed. In the case of violation of other non-building restrictions, the Declarations are clear (see Article VIII, Enforcement) that "...failure to enforce any provisions hereof on any number of occasions shall in no way be deemed a waiver of the right to do so..." In all cases, the approval of the Board of any improvements is one's best assurance of no complications upon the sale of a property or any issued raised by the concerns of others in the future.

COMMENTS AND CONCERNS

Should any homeowner have any comments or concerns, one of the board members should be contacted. The Board members are generally responsive and will work hard to address any concerns. However, please remember that the Board positions are on a volunteer and uncompensated basis, so please be patient during the communication and response period.

**AMENDED AND RESTATED DECLARATION
OF COVENANTS, EASEMENTS, RESTRICTIONS
AND
ASSESSMENT LIENS**

THIS DECLARATION is made as of April 15, 1996, by CULVER ROAD LIMITED PARTNERSHIP (the "Developer"). This Declaration restates and amends the prior Declaration of Covenants, Easements, Restrictions and Assessment Liens which is recorded at Liber 2022, Page 0050 of Livingston County Records ("Prior Declaration") as authorized pursuant to Section VII. (a) of the Prior Declaration. The purpose of this Declaration is to clarify the Developer's intent relating to the Building Restrictions contained in Section II. (h) of the Prior declaration.

PRELIMINARY STATEMENT

The Developer is the owner in fee simple of land located in Brighton Township, Livingston County, Michigan which is more particularly described in Exhibit A. The Developer intends to subdivide the land described in Exhibit A and develop the same as a single-family residential subdivision, to be known as Ridge Wood Subdivision No. 3.

The Developer has heretofore subdivided land contiguous to the land described in Exhibit A and has developed the same as single-family subdivisions known as Ridge Wood Subdivision No. 1 and Ridge Wood Subdivision No. 2.

Ridge Wood Subdivision No. 1 is subject to the Ridge Wood Subdivision No. 1 Declaration of Covenants, Easement, Restrictions and Assessment Liens, dated May 25, 1993, which is recorded at Liber 1739 page 377 of Livingston County Records and which is identical to these Restriction in all material respects.

Ridge Wood Subdivision No. 2 is subject to the Ridge Wood Subdivision No. 2 Declaration of Covenants, Easements, Restrictions and Assessment Liens, dated August 29, 1994, which is recorded at Liber 1880 Page 297 of Livingston County Records and which is identical to these Restrictions in all material respects.

It is intended that Ridge Wood Subdivision No. 1, Ridge Wood Subdivision No. 2 and Ridge Wood Subdivision No. 3 shall constitute an integrated residential development which will be subject to substantially the same covenants, easements, restrictions and assessment liens.

In order to preserve the general character and aesthetics of said land and to secure to the Lot Owners the full benefit and enjoyment of their homes, the Developer wishes to impose certain building and use restrictions, covenants and easements and to provide for the establishment of homeowner's association with assessment powers, all as set forth herein.

DECLARATION

The Developer hereby declares that the land described in Exhibit A shall be held, sold, conveyed, used and occupied subject to the Restrictions set forth in this Declaration. The Restrictions are for the purpose of protecting the value and enjoyment of the Land, shall run with the Land and each Lot thereon, shall bind all parties having any right, title or interest in the land described in Exhibit A and their respective heirs, successors and assigns, and shall inure to the benefit of, and shall be enforceable by, the Developer, its successors and assigns (including Lot Owners), and by the Association after it is formed.

I. DEFINITIONS.

As used in this Declaration:

Any reference to the Developer's "**approval**" means the Developer's written approval. The Developer may grant or withhold approval of any matter in its sole discretion.

The "**Association**" is Ridge Wood Homeowners Association, a Michigan non-profit corporation to be formed pursuant to this Declaration and the corresponding declarations covering other portions of the Subdivision.

The "**Developer**" is Culver Road Limited Partnership, a Michigan limited partnership.

The "**Land**" is (i) the land described in Exhibit A, (ii) Ridge Wood Subdivision No. 1, according to the plat thereof recorded at Liber 31 of Plats, Pages 21, 22, and 23 of Livingston County Records, (iii) Ridge Wood Subdivision No. 2. according to the plat thereof recorded at Liber 35 of Plats, Pages 25, 26, 27, 28 and 29 of Livingston County Records, and (iv) any land contiguous to such land, or any other land hereafter comprising the Land, which is now owned or hereafter acquired by the Developer and is subjected to these Restrictions.

The "**Lot Owners**" are all persons other than the Developer which now have or hereafter acquire an ownership interest in any of the Lots.

The "**Lots**" are the lots included in the Subdivision, as set forth in the plat or plats of the several portions thereof. Any references to a particular Lot means the Lot having the corresponding designation in one of said plats, as appropriate. Any reference to a Lot, which is not designated in a recorded plat covering land which is subject to these Restrictions, shall be disregarded unless and until such a plat is recorded.

The "**Restrictions**" are the covenants, restrictions, easements and assessment liens set forth in this Declaration.

The "**Subdivision**" is the Land as the same may exist from time to time.

The "**Wetland**" means land characterized by the presence of water at a frequency and duration sufficient to support, and that under normal circumstances does support, wetland vegetation or aquatic life, and which is commonly referred to as a bog, swamp or marsh and exceeds five hundred (500) square feet in area.

II. BUILDING RESTRICTIONS.

No structure or improvement of any kind shall be erected or maintained on any Lot except as permitted by the Section II. Each structure or other improvement must receive architectural approval as provided in Section IV.

- (a) Once single-family dwelling may be constructed on each Lot. Each dwelling shall have an attached enclosed garage with space for at least two cars. No carport shall be erected or maintained on any Lot.
- (b) No building shall be constructed nearer than 40 feet to the front lot line, or nearer than 50 feet to the rear lot line, or nearer than 25 to side or any corner, and the total of the two side yards shall not be less than 50 feet, unless the Developer approves construction closer to a lot line.
- (c) Each dwelling shall be no more than 25 feet in height from the highest elevation adjacent to the foundation and shall have a minimum living area, exclusive of garage, basement, unheated porches, breezeways and entrances, of at least the following:
 - (1) If a single-story dwelling, 1,800 square feet;
 - (2) If a one and one-half story dwelling, 1,400 square feet on the ground floor and a total of 2,000 square feet on both floors.
 - (3) If a two-story dwelling, 1,200 square feet on the ground floor and a total of 2,300 square feet on both floors.
 - (4) If a tri-level or multi-level dwelling, 1,800 square feet on the top two levels and total of 2,200 square feet on all levels.
- (d) Construction of structures and other improvements shall comply with all the provisions of this Declaration, including the following requirement:
 - (1) All structures shall be erected upon a foundation constructed on suitably permanent material extending below the frost line. Any exposed exterior foundation shall be covered with brick.
 - (2) Only new, unused materials, or used materials which are approved as to quality and appearance by the Developer, shall be used in construction. Exterior surfaces of asbestos, asphalt, cement block, cinder, slag or imitation brick shall not be permitted, unless the Developer approves and use of such material. Fireplace chimneys shall be made of brick, wood, vinyl or aluminum. Fireplaces may be cantilevered only on the rear of the dwelling. Roof pitches shall have a minimum slope of 6/12, and roof shingles shall have a minimum grade of 235#. Each dwelling shall have gutters and downspouts.
 - (3) Each dwelling shall have driveways and walkways adequate to provide access. Walkways shall be paved with brick or concrete, and driveways shall be paved with brick, concrete or asphalt, unless the Developer approves a different type of

payment. All paving shall be completed prior to occupancy, or if completion is delayed due to weather then as soon thereafter as weather permits.

(4) Garage doors shall be the sectional type and shall face the side or rear of the Lot.

(5) All Lots shall be landscaped in a suitable manner, including finish grading, seeding or sodding, and ornamental plantings. Landscaping shall be completed prior to occupancy, unless a bond or other security, in form and amount satisfactory to the Developer, is posted with the developer to guarantee that the landscaping will be completed. In that event, the landscaping shall be completed within eight (8) months after initial occupancy, and if it is not so completed the developer may complete the same and be reimbursed for the cost thereof from the bond or other security.

(6) No temporary occupancy shall be permitted in any unfinished building.

(e) A dwelling may have decks, patios, and a below-ground swimming pool with related facilities such as fence, heater and pump. No above-ground pools shall be permitted.

(f) No trailer, ten, shack, shed, barn or temporary building of any design shall be erected or maintained on any Lot, except that the developer may construct and maintain a temporary sales and business office on any Lot, or may use any model house for that purpose, during the course of selling the Lots, and during the course of construction of a dwelling the builder may maintain a temporary storage building or trailer for materials and supplies or model offices, which shall be removed upon completion of construction.

(g) No satellite dishes or free-standing antennae shall be erected or maintained on any Lot, nor shall any perimeter fences or walls. However, non-perimeter ornamental fences, garden walls and similar devices may be constructed. Provided that the same do not exceed four (4) feet above grade in height, and if more than two (2) feet above grade in height do not extend further toward the front of the Lot than the rear line of the house.

(h) All utility lines utilized solely for the distribution of utilities to the residential homes built or to be built in the subdivision, including electric, gas, telephone and television cables, shall be installed underground. The underground installation provision of this Section does not apply to the replacement and/or relocation of any utility lines located on the Subdivision property prior to December 11, 1992. No structures shall be erected or maintained over or within any utility or other easement, although after the utilities have been installed such areas may be sodded and planted provided that such plantings do not interfere with the use of the easement and access is granted, without charge or liability for damages, for the maintenance and repair of utility lines and the installation of additional utilities.

(i) Only central air conditioning shall be permitted, and "through the wall" air conditioners shall not be installed or maintained in any dwelling. Outside compressors for central air conditioning shall be located in a rear yard, shall lie within five (5) feet of the rear wall of the dwelling or garage and shall not extend beyond the side of the building into the side yard unless suitably screened from view.

(j) It is intended that water to the dwellings be supplied by wells and sewage be disposed of through septic systems. All Lots shall be subject to the following requirements of the Livingston county Health Department (the "LCHD"):

1. All wells shall be drilled by a licensed Michigan well driller to a depth that will penetrate a minimum of 10 foot protective clay barrier, or to a depth of 100 feet, whichever is less.
2. Test wells to determine onsite water supply adequacy have been drilled on Lots 5, 24, 26, 36, 58, 76, 85, 95, 96 and 115. The test wells must be properly abandoned according to Part 127 of the Public Health code, Act 368, P.A. 1978, unless they are used as a potable water supply.
3. Any other test wells which are not functional must be properly abandoned according to Part 127 of the Public Health Code, Act 368. P.A.1978.
Written certification as to the abandonment of any such wells by a licensed well driller has been submitted to the LCHD.
4. Wells and septic systems shall be located in the exact area as indicated on the preliminary plans as submitted by Brown & Carlson Engineering, last revision date of December 30, 1992, which are on file at the LCHD (the "Preliminary Plan").
5. There shall be no underground utility lines located within the areas designated on such preliminary plans as active and reserve septic systems areas.
6. Well access for Lots 15, 16, 19, 20, 21, 22, 27, 28 45 and 99 may be difficult due to steep slopes in the proposed well locations. Therefore, prior to issuance of any permit a detailed diagram must be submitted to the LCHD regarding access to those proposed locations.
7. The reserve septic locations as designated on the Preliminary Plan must be maintained vacant and accessible for future sewage disposal uses.
8. Prior to issuance of permits for Lots 15, 16, 17, 18, 22, 27, 28, 42, 44, 46, and 97 individual engineered site plans showing elevation and design specifications for both proposed active and reserve septic areas along with house and well areas shall be submitted to the Livingston County Health Department for review and approval. Due to the fact that engineered plans shall be required, along with written engineer approval after the septic areas have been prepared, the cost of the systems may be higher than a typical conventional sewage disposal system.
9. The active and reserve septic areas for Lot 116 were prepared according to the information submitted by the engineer. Elevation and design specifications were submitted in the Livingston County Health Department

for review and approval. Engineer certification was required indicating that this lot was prepared under engineer guidelines, and written certification was required along with an "as-built" drawing depicting the existing grades and final grades in the fill areas. The required engineer certification was submitted to the Livingston county Health Department on April 12, 1993.

10. The onsite sewage disposal systems for Lots 2, 3, 8, 40, 42, 43, 45, 48, 51, 53, 60, 77, 78, 83, 90, 91, 92, 93, 94, 104, 108, 109, 110, 111, 113, 114, and 115 will require the excavation of slow permeable soils to a more permeable soil ranging between 3 feet to 9 feet in depth. Due to the fact that unsuitable soils will be excavated in the area and replaced with clean sharp sand, the cost of the system may be greater than a conventional sewage disposal system.
11. LCHD has received written certification from an engineer that any grades, filling and/or land balancing which has taken place as part of the construction of the improvements in the Subdivision will not affect the placement for either the active or reserve sewage disposal systems and that there will be no changes on any lots affected prior to final plat approval.
12. Written engineering certification has been given which indicates that all storm drains which are within 50 feet to the proposed active or reserve septic system will be sealed with a watertight premium joint material.
13. The bottom of the stone in the septic system on Lot 1 shall be no deeper than 6 inches below the original grade.
14. The septic system on Lot 3 shall be constructed by stripping the top soil and backfilling with a clean sharp sand to the highest original grade and then laying the stone on the highest original grade.
15. The bottom of the stone in the septic system on Lots 22, 59, and 112 shall be no deeper than 12 inches below the original grade.
16. Construction on Lots 1, 3, 10, 14, 15, 16, 17, 18, 22, 27, 28, 30, 39, 42, 44, 46, 97, 102, 105, 109, 113, 114, and 116 shall be in accordance with preliminary site plans which are on file with the LCHD. Underground utility lines shall not be located within the area proposed for active or reserve septic systems.
17. The bottom of the stone in the septic system on Lots 70 and 83 shall be no deeper than 24 inches below the original grade.
18. The bottom of the stone in the septic system on Lots 46 and 114 shall be no deeper than 36 inches below the original grade.
19. The bottom of the stone in the septic system on Lots 50 and 103 shall be no deeper than 42 inches below the original grade.

20. Due to elevation differences between proposed house grades and septic locations. Lots 55,64,66, 85, 105 and 106 may require pump type sewage disposal systems. If pumping is necessary, engineering specifications for a pump size and design must be submitted prior to permits being issued.

21. A 2400 square-foot area has been designated on each lot for the active and reserve sewage disposal systems to accommodate a typical three bedroom single family home. Builders of homes exceeding three bedrooms must demonstrate to the LCHD that sufficient area exists for both active and reserve sewage systems which meet all acceptable isolation distances.

22. There shall be no activity within any wetland as defined in Senate Bill 522 and 807, unless permits have been obtained from the Brighton Township Building and Zoning Department.

23. The provisions of this Section II (j) shall not be amended, modified or terminated, nor shall provision thereof be waived, nor shall any of the Lots be released from any of the provisions thereof, without the prior written consent of LCHD.

24. Improvements shall not be constructed on Lots 94, 99 and 100 until a well has been drilled and approved for household use by the LCHD. If an approved well cannot be drilled on any such Lot for a period of ten years after the date of this Declaration, such Lot shall be deeded to the owners of the adjacent Lot (i.e., Lot 95, 98 or 101).

III. OTHER RESTRICTIONS

(a) No Lot shall be divided, split or reduced in size by any method, without the prior approval of the Developer and compliance with all applicable local ordinances and state laws. Lots may be enlarged by consolidation with one or more adjoining Lots under one ownership. If more than one Lot is developed as a unit, all Restrictions shall apply as to a single Lot.

(b) Each Lot shall be used only for single-family residential purposes. Each dwelling shall be designed and used for occupation by a single family. The garage shall be used solely by the occupants of the dwelling.

- (c) No Lot or dwelling shall be leased or sublet except in its entirety and then only for a period of at least one (1) year.
- (d) No signs, billboards or other advertising devices or symbols shall be displayed anywhere in the Subdivision except "For sale" signs not more than six (6) square feet in area advertising a single Lot for sale and located on such Lot, and other signs which may be erected and displayed by the developer or persons authorized by the Developer advertising Lots or newly constructed dwellings during the course of development, construction and initial marketing of the Subdivision and the dwellings therein. Such signs shall be maintained in a good condition and shall be removed upon termination of their use.
- (e) Boats, trailers, recreational vehicles, trucks, commercial vehicles (except when making normal deliveries), unlicensed or inoperable vehicles and vehicles in the course of repair shall not be stored or parked on or in front of any Lot except within a private enclosed garage. Garage doors shall be kept closed except as necessary for normal use, maintenance and cleaning.
- (f) No clothes lines or outside drying of laundry shall be permitted.
- (g) Each Lot, whether improved or unimproved, occupied or unoccupied, shall be maintained in an orderly manner, and rubbish and debris shall not be permitted to accumulate. The Lot Owners acknowledge that each of the Lots has been left in as natural a state as possible and that as a result of that fact and the construction of roads, there are low spots and other areas in which water may accumulate and stand temporarily. Each Lot Owner agrees that neither the Developer nor the Livingston county Drain commissioner is under any obligation to correct any such condition. No Lot Owner shall fill his lot or construct improvements thereon in such a manner as to cause surface water to flow onto another Lot.
- (h) No fence, wall, tree, hedge, bush, shrub or other planting, or obstacle shall be placed or maintained within twenty-five (25) feet of any roadway if the same would obstruct sight along the roadway or another roadway at elevations between three (3) and six (6) feet due to curvature of the roadway or intersection with another roadway. However, trees may be planted or maintained within this area if the foliage line is maintained at sufficient height to prevent such obstruction of sight.
- (i) All Wetlands shall be allowed to remain in a state of nature. No structures shall be erected on any Wetland, nor shall any grass, bushes, trees or other plants be planted thereon or any fill or other material deposited or placed thereon. No soil or minerals shall be dredged or removed from any Wetland, nor shall any water be drained therefrom. No Lawn shall be planted or maintained within five (5) feet of any Wetland, regardless of whether any portion of the Wetland lies within the Lot boundaries.
- (j) No Lot shall be used as a dumping ground or for outside storage of rubbish, trash, garbage, paint, chemicals, petroleum products or other materials. All such materials shall be kept in a sanitary container within the dwelling or garage. Containers may be placed at the roadside for pick-up but shall not be left there for more than twenty-four (24) hours in any week.
- (k) Any debris resulting from the damage or destruction of any improvement on a Lot shall be removed with all reasonable dispatch in order to prevent an unsightly or unsafe condition.

- (l) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.
- (m) No fowl or other animal in a state of nature shall be molested, trapped, injured or killed, except that a Lot Owner may trap or dispose of any animal which constitutes a nuisance or a threat to health or safety. No fowl or animals shall be kept, bred, sheltered or confined on any Lot except domesticated household pets for the enjoyment of the Lot Owner or member of his family. Household pets shall be given such care as not to be objectionable or offensive to others due to noise, odor or unsanitary conditions and when not confined to a dwelling shall be kept on a leash or in a run or pen and shall not be allowed to run loose. Any animal run or pen shall be maintained in a clean and sanitary manner, shall not exceed 150 square feet in area, shall be located within the rear yard adjacent to a wall of the dwelling or garage and shall not extend beyond the side of the building into the side yard. The run or pen shall be fenced, and the exterior shall be landscaped or planted so as to screen the view of adjoining lots.
- (n) No Lot Owner shall use or discharge within the subdivision, or permit occupants of his Lot or his or their invitees or guests to use or discharge within the Subdivision, any firearms, air guns, pellet guns, archery equipment or slingshots.

IV. ARCHITECTURAL CONTROL

- (a) No building, structure, swimming pool, fence, wall, animal run, landscaping or other improvement shall be erected, enlarged or altered on any Lot, nor shall the grade of any Lot be changed, unless approved by the developer as provided in the Section IV.
- (b) The Developer shall prescribe from time to time the procedures to be followed and the information to be submitted in conducting architectural review. This Section IV sets forth general procedures which the developer intends to follow but, the Developer may alter any of the procedures and requirements contained herein, from time to time.
- (c) New construction of residences and related improvements will be reviewed in a two-step process. An application for preliminary approval must be submitted with the following items in such form, content and detail as the Developer may prescribe: Site Analysis, Dimensioned Site Plan, Schematic Floor Plan, Elevations and Building/Site Section. After preliminary approval has been received and final construction documents have been prepared, an application for final approval must be submitted with the following items in such form, content and detail as the Developer may prescribe: Final Lot Stake-Out, Exterior Color Samples, Dimensioned Site Plan, Foundations and Framing Plan, Floor Plans, Elevations, Building Sections, Electrical and Mechanical Plans, Details, Specifications and Construction Schedule. Preliminary approval will be effective for a period of 12 months. If a proper application for final approval is not submitted within that period, or if any item submitted for preliminary approval is substantially changed, a new application for preliminary approval must be submitted.
- (d) Other improvements and alterations will generally be reviewed in a single-step process. An application for approval must be submitted with the following items in such form, content and

detail as the Developer may prescribe: Statement of Purpose for the improvement or alteration, Color Samples, Site Plan, Drawings, Specifications and completion Schedule.

- (e) The submissions shall designate the proposed builder and, in the case of new construction and other major improvements and alterations, the architect, and shall set forth information concerning their experience, competency and business record. The builder and, where appropriate, the architect must be approved by the Developer, and the Developer may withhold such approval if it determines in its sole discretion that such person's experience, business record or quality of work is inadequate or that such approval would be detrimental to the Subdivision for any other reason.
- (f) All submissions must be made by an architect, builder or other suitable person approved by the Developer. No approval shall be effective if the proposed improvements, enlargement or alteration violates any provision of this Declaration, except where the Developer is authorized to approve a variance by a specific provision hereof. However, the Developer shall have no liability to any Lot Owner or other person for giving any approval which conflicts with this Declaration.
- (g) The Developer may refuse to approve any plans and specifications which, although complying with this Declaration, are not deemed by the Developer to be suitable or desirable for aesthetic or other reasons. In making its decision, the Developer may take into account such factors as it deems relevant, including the suitability of the proposed improvement, enlargement or alteration for the site on which it is to be located and its compatibility with the rest of the neighborhood. The purpose of the review process is to assure the development of an aesthetically pleasing, harmonious private residential neighborhood, and in the event of any disagreement the Developer's decision shall control.
- (h) If the Developer fails to approve or disapprove any improvement, enlargement alteration within 30 days after a proper request and submission has been made, the Developer shall be deemed to have given its approval thereto.

V. HOMEOWNER'S ASSOCIATION

- (a) The Developer shall cause the Association to be formed as a Michigan not-profit corporation, organized for a perpetual term, no later than the time when the Developer has conveyed title to 95 Lots. The Association shall be organized for the purpose of promoting the welfare of the Lot Owners, the maintenance and beauty of any common areas of the Subdivision such other purposes as may be provided in its bylaws.
- (b) The fee simple owner of each Lot shall be a member of the Association and shall have one (1) vote in the election of directors and the conduct of other Association business in accordance with the Association's bylaws.
- (c) The Board of Directors of the Association shall determine an annual budget and may levy an annual assessment against each Lot within the Subdivision; provided that any annual assessment which exceeds, \$150.00 for any Lot, or which exceeds the prior year's assessment by more than ten per cent (10%), must be approved by two-thirds (2/3) of the members of the Association, and no assessment shall be levied against any Lot owned by

the Developer or by any builder whom The Developer exempts from assessment. Assessments shall be payable on April 1 of each year in full, without proration or adjustment. If any assessment is not timely paid, the amount assessed shall constitute a lien against the Lot against which it was assessed. Notice of the lien may be recorded in the Livingston County Records, shall contain a power of sale, and may be foreclosed in accordance with the laws regulating the foreclosure by advertisement of real estate mortgages. At least ten (10) days prior written notice shall be given the fee simple owner of the Lot before commencement of advertisement or foreclosure proceedings.

- (d) The Association shall have the authority to establish rules, regulations and policies for the betterment of the Association, to make and enforce regulations, pertaining to the maintenance and use of any common areas of the Subdivision (including park areas) and shall have the responsibility to maintain any common areas.
- (e) At or before the time when the Developer has conveyed title to 116 Lots, the Developer shall transfer to the Association all the rights, privileges, discretions, authority and duties reserved to the Developer under this Declaration, whereupon the Association shall have, exercise and discharge all such rights, privileges, discretions, authority and duties, and the Developer shall be fully released and discharged from further obligations in connection therewith.

VI. EXPANSION OF SUBDIVISION

The Developer may at any time and from time to time subdivide other land which is contiguous to the Subdivision and subject such land to these Restrictions, in which event the provisions of this Declaration shall be applicable to such other land from and after that time.

VII. AMENDMENT

- (a) Subject to the provisions of Section II (j) and Section III (i), the Developer may amend, modify or terminate these Restrictions, or release any or all the Lots from any part or all of the provisions thereof, or waive any provision thereof, at any time before the Developer has conveyed title to 116 Lots.
- (b) Subject to the provisions of Section II (j) and Section III (i), two thirds (2/3) of the fee simple owners of the Lots may amend, modify or terminate these restrictions, or release any or all the Lots from any part or all of the provisions thereof, or waive any provision thereof, at any time after the Developer's right of amendment and termination has expired and ten (10) years have elapsed from the recordation of these Restrictions.
- (c) Unless terminated in accordance with this Section VII, these Restrictions shall be perpetual.

VIII ENFORCEMENT

The Developer, the Association or any Lot Owner may enforce these Restrictions and may bring an action at law or in equity to enforce the same, to enjoin the violation thereof or to recover damages for a violation. Failure to enforce any of the provisions hereof on any number of occasions shall in no event be deemed a waiver of the right to do so upon the reoccurrence of a breach or a new breach thereafter.

IX. MISCELLANEOUS

- (a) This Declaration shall be construed and enforced in accordance with Michigan law.
- (b) Where necessary or appropriate to the construction hereof, the singular and plural shall be interchangeable, and words of any gender shall include all genders.
- (c) The captions are for convenience only and shall not restrict or enlarge any of the substantive provisions of this Declaration.

BYLAWS OF RIDGE WOOD HOMEOWNERS ASSOCIATION

These Bylaws of Ridge Wood Homeowners Association (the "Association") have been adopted pursuant to the Michigan Nonprofit Corporation Act. The Association has been formed pursuant to Ridge Wood Subdivision No.1 Declaration of covenants, Easements, Restrictions and Assessment Liens, dated as of May 25, 1993, recorded at Liber 1739 Page 377 of Livingston County Records, as amended and restated by Ridge Wood Subdivision No. 1 Amended and Restated Declaration of Covenants, Easements, Restrictions and Assessment Liens, dated as of April 15, 1996, recorded at Liber 2028, Page 918 of Livingston County Records, Ridge wood Subdivision No. 2 Amended and Restated Declaration of covenants, Easements, Restrictions and Assessment Liens, dated as of August 29, 1994, recorded at Liber 1880 page 297 of Livingston County Records, as amended and restated by Ridge Wood Subdivision No. 2 Second Amended and Restated Declaration of Covenants, Easements, Restrictions, and Assessment Liens, dated as of April 15, 1996, recorded at Liber 2028, Page 935 of Livingston county Records, and Ridge Wood Subdivision No. 3 Declaration of Covenants, Easements, Restrictions and Assessment Liens, dated as of October 10, 1995,

recorded at Liber 2022, Page 959 of Livingston county Records, as amended and restated by Ridge Wood Subdivision No. 3 Amended and Restated Declaration of Covenants, Easements, Restrictions and Assessment Liens, dated as of April 15, 1996, recorded at Liber 2028, Page 952 of Livingston county Records (collectively, the "Declaration"). Terms used in these Bylaws which are defined in the Declaration and are not otherwise defined in these Bylaws shall have the same meaning as in the Declaration. Where necessary or appropriate to the construction of these Bylaws, the singular and plural number, and the masculine, feminine and neuter genders, shall be interchangeable.

These Bylaws shall become effective upon the transfer to the Association by the Developer of the rights, privileges, discretions, authority and duties reserved to the Developer under the Declaration.

ARTICLE I

Offices

The principal office of the Association shall be located at such place within Livingston County, Michigan as the Board of Directors (the "Board") may determine from time to time.

ARTICLE II

Membership and Membership Meetings

Section 1. Membership. Each record fee simple owner of a Lot shall be a member of the Association, except that if a record fee simple owner of a Lot sells the Lots by executory land contract, then during the term of the land contract the land contract purchaser shall be a member of the Association in the stead of the record fee simple owner. Membership in the Association is limited to such persons or entities. A member shall cease to be a member when he or she ceases to be a record fee simple owner of a Lot, when he or she sells a fee simple interest in a lot by executory land contract, or when his or her land contract interest in a Lot is forfeited or foreclosed and the redemption period has expired, in which event the person succeeding to his or her interest in the Lot shall become a member. The terms "owner", "owners", "own" and "ownership" and similar terms used in these Bylaws refers to fee simple ownership of a Lot, except that such terms refer to the land contract vendee's interest during the term of an executory land contract for the sale thereof.

Section 2. Quorum. The presence in person or by proxy of five percent (5%) of the members entitled to vote shall constitute a quorum for the transaction of business at any meeting of the members. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 3. Annual Meeting. Than annual meeting of the members shall be held at 7:30 p.m. E.S.T. on the second Monday in November of each year at the Association's principal office, or at such other place within Livingston county, Michigan s the President may determine, for the purposes of electing directors, hearing reports of the affairs of the Association and transacting any other business within the power of the members. Notwithstanding the foregoing, the first annual meeting shall be held on a day designated by the President which is

not more than ninety (90) days after these Bylaws become effective, and the members may at that meeting dispense with the second annual meeting if such meeting would otherwise occur within six (6) months of the first annual meeting.

Section 4. Special Meetings. Special meetings of members shall be called by the President on his or her own initiative or at the request of the Board or at least five (5) of the members of the Association entitled to vote. The request and the notice of the meeting shall state the purpose or purposes for which the meeting is to be called, and the business transacted at any such meeting shall be limited to the purpose or purposes stated in the notice. The meeting shall be held at a time and place within Livingston county, Michigan designated by the President, and if the meeting was requested by the Board or the members the meeting shall be held not less than ten (10) nor more than sixty (60) days after the request is made.

Section 5. Written Notice. Notice of any meeting of members shall specify in writing the place, day and hour thereof, and in the case of a special meeting the purpose or purposes for which the meeting is called, and shall be given by the Secretary to each such member entitled to vote thereat not less than ten (10) nor more than sixty (60) days before each such meeting. Such written notice shall constitute proper notice to each such member if it is given by:

- (1) Delivering it to such member personally; or
- (2) Sending it to such member by mail or other means of written communication, charges prepaid, addressed to such member at the member's address within the Subdivision or such other address as the member may provide to the Secretary in the event the member does not reside in the Subdivision; or
- (3) depositing it in a receptacle for delivery of mail or newspapers to such member's residence within the Subdivision, without postage.

Attendance of a person at a meeting of members, in person or by proxy, constitutes a waiver of notice of the meeting, except when the member attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not properly called or convened.

Section 6. Adjourned Meetings and Notice Thereof. Any meeting of members, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present in person or represented by proxy thereat; in the absence of a quorum no other business may be transacted at such a meeting.

A meeting may be adjourned to another time or place within Livingston County, Michigan, without giving notice of the adjourned meeting if the time and place to which the meeting is adjourned and announced at the meeting at which the adjournment is taken and at the adjourned meeting only such business is transacted as might have been transacted at the original meeting.

Section 7. Voting. The Association shall have one (1) class of voting membership Except as provided below, each member shall be entitled to one (1) vote upon all questions presented for action at any meeting of the members as to which the members have the right to vote. Unless otherwise provided by statute or specifically provided for herein or in the Articles of

Incorporation, all questions shall be determined by a majority vote of those members constituting a quorum.

When more than one person owns a particular Lot, all such persons shall be members; however, they shall collectively be treated as a single member for purposes of all provisions of these Bylaws, including (but not limited to) any provision requiring action to be taken by a given proportion of the members, and they shall be collectively entitled to only one vote. Such vote shall be cast as they, among themselves, may unanimously agree, and if they cannot agree no vote shall be cast. Attendance of any one of such persons at a meeting of the members, in person or by proxy, shall be deemed to be attendance by all members who own the same Lot, and such person shall be entitled to cast the vote of all such members unless the Secretary has been previously notified in writing that such is not the case.

If a person owns more than one Lot, such person shall be treated as a separate member for each Lot owned by him or her for all purposes of these Bylaws and shall be entitled to one vote for each such Lot.

Section 8. Consent of Absentees. The transactions of any annual or special meeting of the members, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present either in person or by proxy and if, either before or after the meeting, each of the members, who was entitled to vote but was not present in person or written approval of the minutes thereof. All such waivers and consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 9. Action Without Meeting. Any action required or permitted to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by the members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote thereon were present and voted. If such action is taken by less than unanimous consent, the Secretary shall promptly give prompt notice of such action to all members who did not consent thereto in writing.

Section 10. Proxies. A member may vote or execute consents in person or by one or more agents authorized by a written proxy executed by such person and filed with the Secretary of the Association at or before the meeting at which the proxy is to be used. A proxy shall be deemed sufficient if it appears on its face to confer the requisite authority and to be signed by the member for whom it is to be voted; no witnesses to the execution of any proxy shall be required.

Section 11. Order of Business at Annual Meeting. The order of business at the annual meeting of members or at any adjourned annual meeting of members shall be as follows:

- (1) Counting of members present in person or by proxy to determine if a quorum exists;
- (2) Reading of Notice and Proof of Mailing;
- (3) Reading of Minutes of Previous Meeting or Meetings;
- (4) Report of President;
- (5) Report of Secretary;

- (6) Report of Treasurer;
- (7) Report of Board of Directors;
- (8) Election of Directors;
- (9) Transaction of such other business as may properly come before the meeting; and
- (10) Adjournment.

However, in the absence of any member's objection, the presiding officer at any such meeting may vary the order in his or her discretion.

Section 12. Removal of Directors. The members may remove any member of the board and may elect a director to fill the vacancy thus created, at any special meeting called for that purpose or by written consent as provided in these Bylaws.

ARTICLE III

Directors and Meetings of the Board of Directors

Section 1. Powers. All of the powers of this Association not expressly reserved to or conferred upon the members by statute, the Articles of Incorporation, or these Bylaws shall be vested in the Board of this Association which shall control and manage its business and affairs.

Section 2. Number of Directors. The authorized number of directors of the Association shall be three (3) until changed by a duly adopted amendment of these Bylaws.

Section 3. Election, Term of Office and Qualification of Directors. Directors must be members of the Association. Directors shall be elected at the annual meeting of members for a term of one (1) year and shall hold office until their respective successors are duly elected and qualified.

Section 4. Vacancies. A vacancy in the board shall be deemed to exist if any of the following events occur:

- (1) Any director dies;
- (2) The authorized number of directors is greater than the number of the directors on the Board;
or

- (3) At any meeting of members at which one or more directors are to be elected, the members then fail to elect the full authorized number of directors.

Vacancies in the Board may be temporarily filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director making such appointment, and each director so appointed shall hold office until his or her successor is elected by the members and is qualified.

The members may elect a director at any time to fill any vacancy temporarily filled or not filled by the one or more remaining directors. If the Board accepts the resignation of a director tendered to take effect at a future time, the Board or the members may at that time elect a successor to take office when such resignation becomes effective.

Section 5. Place of Meeting. Meetings of the Board shall be held at any place within Livingston county, Michigan, which has been approved by the Board.

Section 6. Organization Meeting. Immediately following each annual meeting of members or special meeting of members held for the purpose of electing a new Board, or any adjournment thereof, the newly elected board may hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of each such meeting need not be given and is hereby dispensed with.

Section 7. Other Regular Meetings. Meetings of the board may be regularly scheduled for dates, times and places as determined by the Board, and in such case notice of such meetings need not be given and is hereby dispensed with.

Section 8. Special Meetings and Notice Thereof. Special meetings of the Board for any purpose or purposes, may be called at any time by any director or by the President. The business transacted at any such meeting shall be limited to the purpose or purposes stated in the notice thereof.

Written notice of the place, day and hour of special meetings of the board shall be given to each director by:

- (1) delivering it to such director personally; or
- (2) sending it to such director by mail or other means of written communication, charges prepaid, addressed to such director at the director's address within the Subdivision or such other address as the director may provide to the Secretary in the event the director does not reside in the Subdivision; or
- (3) depositing it in a receptacle for delivery of mail or newspapers to such director's residence within the Subdivision, without postage.

Attendance of a person at a meeting of directors, in person or by proxy, constitutes a waiver of notice of the meeting, except when the director attends a meeting for the express

purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not properly called or convened.

Section 9. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting of the Board need not be given to absent directors if the time and place be fixed at the meeting adjourned provided that the meeting is not adjourned for more than seven (7) days.

Section 10. Waiver of Notice. The attendance of a director at any meeting of the Board shall constitute a waiver of notice of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called, noticed, or convened. In addition, the transactions of whatever kind or nature held at any meeting of the Board, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice of the meeting and a written consent to holding such meeting, or a written approval of the minutes thereof. All such waivers and consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 11. Action without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if, before or after the action, all members of the Board consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board. The consent shall have the same effect as a vote of the Board for all purposes.

Section 12. Quorum. Except to adjourn the meeting as hereinafter provided, a majority of the board shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board unless a greater number be required by law, the Articles of Incorporation, or these Bylaws.

Section 13. Adjournment. A quorum may adjourn any meeting of the board to meet again at a stated place, date, and hour; however, in the absence of a quorum a majority of the directors present at any regular or special meeting of the Board may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 14. Presumption of Assent. A director who is present at any meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to any action taken by the Board at the meeting unless his or her dissent is entered in the minutes of the meeting or is made in writing and is delivered to the person acting as the Secretary of the meeting before the adjournment thereof or is sent by certified mail to the Secretary of the Association immediately after the adjournment of the meeting.

ARTICLE IV

Officers

Section 1. Officers. The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom must be members of the Association. One

person may hold two or more offices. In no case shall any officer execute, acknowledge or verify any instrument in more than one capacity.

Section 2. Election. The officers of the Association shall be chosen by the Board, and each shall hold his or her office until his or her resignation, removal or other disqualification or until his or her successor is elected and qualified.

Section 3. Removal and Resignation. Any officer or agent may be removed by the Board at any time.

Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 5. President. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the business and affairs of the Association. He or she shall preside at all meetings of members. He or she shall have the general powers and duties of management usually vested in the office of President of a corporation; shall see that all orders and resolutions of the Board are carried into effect; and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 6. Vice Presidents. In the event of the President's absence or disability, the Vice President shall perform all the duties of and shall be subject to all the restrictions upon the President. The Vice President shall have such other powers and authority and shall perform such other duties as from time to time may be prescribed by the board or these Bylaws.

Section 7. Secretary. The Secretary shall attend all meetings of members and all meetings of the board and shall keep or cause to be kept, in his or her custody at his or her residence or at such other place as the Board may order, a book recording the minutes of all meetings of the Board and meetings of members setting forth: The place, date, and hour of holding; whether regular or special, and , if special, how authorized; the notice thereof given; the names of those present at meetings of the Board; the number of members and votes present or represented at meetings of members; and the proceedings thereof. The Secretary shall give or cause to be given notice of all meetings of the Board or the members required by these Bylaws or by law. In the event of the Secretary's absence or disability, the Vice President shall act as Secretary in all respects.

Section 8. The Treasurer. The Treasurer shall, subject to the direction of the Board, have the custody of the corporate funds and securities, shall collect assessments and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the Board; shall disburse the funds of the Association as may be authorized by the Board; shall render to the President and

the Board, whenever either requests it, an account of all of his or her transactions as Treasurer and of the financial condition of the Association; and shall have such other powers and authority incident to the office of Treasurer and shall perform such other duties as may be prescribed by the Board or these Bylaws.

ARTICLE V

Execution of Instruments

Section 1. Bank Accounts. Each bank account of the Association shall be established and continued only by the order of the Board.

Section 2. Checks. Etc. All checks, drafts and orders for the payment of money shall be signed in the name of the Association in such manner and by such officers or agents as the Board shall from time to time designate for the purpose. No check or other instrument for the payment of money to the Association shall be endorsed otherwise than for deposit to the credit of the Association. All checks of the Association shall be drawn to the order of the payee.

Section 3. Contracts, Conveyances, Etc. When the execution of any contract, conveyance or other instrument has been authorized by the board without specification of executing officers, the President or the Vice President, or the Secretary and Treasurer may execute the same in the name and on behalf of this Association. The Board shall have power to designate the officers and agents who shall have authority to execute any instrument on behalf of the Association in more than one capacity.

Notwithstanding anything contained herein to the contrary, no officer, agent or employee of this Association shall have the authority to obligate the Association to do or perform any act, to make any payments of money or property, or to execute any of the instruments described herein on behalf of this Association other than in the ordinary course of business unless he has previously obtained the approval of the Board and unless such approval or ratification appears in the minutes of this Association.

ARTICLE VI

Rules and Regulations

The members may establish rules, regulations and policies for the betterment of the Association and may make and enforce regulations pertaining to the maintenance and use of any common areas of the Subdivision (including park areas).

ARTICLE VII

Indemnification

Section 1. Third Party Claims. The Association shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or

completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another association, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association or itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association or its members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

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

Section 3. Procedure. (a) Any indemnification under Sections 1 and 2 (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 1 and 2. Such determination shall be made in either of the following ways:

- (1) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or
- (2) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or
- (3) by the members.

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

- (c) Expenses incurred in defending a civil or criminal action, suit or proceeding described in Section 1 and 2 may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in this Section upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association.

ARTICLE VIII

Membership Dues; Enforcement

Section 1. Membership Dues. The annual membership dues shall consist of the annual assessments provided for the Declaration. The Board shall determine an annual budget and may levy an annual assessment against each member, provided that any annual assessment which exceeds \$150.00 for any Lot, or which exceeds the prior year's assessment by more than ten per cent (10%), must be approved by two thirds (2/3) of the members, and no assessment shall be levied against any Lot owned by the Developer or by any builder whom the Developer exempts from assessment. Assessments shall be payable of April 1 of each year in full, without proration or adjustment. The Treasurer shall give each member written notice or such assessment at least thirty (30) days before that due date.

Section 2. Enforcement. If a member does not pay his or her assessment when due:

- (1) such member's voting rights and all other rights and privileges as a member shall be suspended until the assessment and any interest thereon are paid in full; during the period of suspension the provisions of these Bylaws shall be applied as such person were not a member, including (but not limited to) any provision requiring action to be taken by a given proportion of the members;
- (2) if the assessment is not paid within two (2) months after the due date, the same shall bear interest at the rate of seven per cent (7%) per annum from the due date, until paid;
- (3) the assessment and the interest thereon and the cost of collection (including reasonable attorney's fees) shall constitute a lien against the Lot owned by such member; after the assessment is in arrears for at least six (6) months, the Treasurer shall give such member

and the fee simple owner of the Lot (if known by the Treasurer to be a different person than the member) written notice of intent to record a notice of the lien; if the assessment and the interest thereon is not paid full within thirty (30) days after the mailing of the notice, the Treasurer shall record a notice of the Lien with the Livingston County Register of Deeds; such notice shall contain a power of sale, and may be foreclosed in accordance with the laws regulating the foreclosure by advertisement of real estate mortgages; at least ten (10) days prior written notice shall be given the fee simple owner of the Lot before commencement of advertisement or foreclosure proceedings; the notices required to be sent to the member or fee simple Lot owner under this paragraph shall be sent by certified mail to such person's address within the Subdivision or if the Treasurer knows that such person does not live within the subdivision,

- (4) to another address of such person known to the Treasurer, or
- (5) if the Treasurer does not know of another address, to the address where tax bills for the Lot are sent; if the postal service is unable to effect delivery by certified mail, the notice shall thereafter be sent by regular mail and shall be effective two (2) days after mailing; and
- (6) If the assessment and the interest thereon are paid in full after the notice of lien is recorded, the Treasurer shall promptly record a notice of discharge of the lien.

When a Lot is sold, then upon inquiry by the listing real estate broker, the Treasurer shall advise such person of the existence of the Association and the amount of any unpaid assessments. The Treasurer may also notify the listing real estate broker of such facts on his or her own initiative. All unpaid assessments and the interest thereon must be paid on or before the closing of the sale of the residence, and if the same are not paid the new member shall be obligated to pay the same and shall be subject to provisions of this Article VIII as if the assessment had been made against the new member.

ARTICLE IX

Amendments

These Bylaws may be added to, altered, amended, or repealed by the written consent of not less than two-thirds (2/3) of the members, or by the vote of not less than two-thirds (2/3) of the members present at any annual or special meeting at which a quorum is present if notice of the proposed addition, alteration, amendment, or repeal shall have been included in the notice of such special meeting or waived in writing. Any notice given pursuant to this Article IX shall state that the purpose of the meeting is to consider a proposed addition, alteration, amendment or repeal of a by-law, as the case may be, and shall contain or be accompanied by a copy or summary of the addition, alteration or amendment or state the general nature of the same.

(Non-Profit)
ARTICLES OF INCORPORATION

These Articles of Incorporation are signed and acknowledged by the incorporator for the purpose of forming a non-profit corporation under the provisions of Act NO. 162 of the Public Acts of 1982 as amended, as follows:

ARTICLE I

The name of the corporation is RIDGE WOOD HOMEOWNERS ASSOCIATION.

ARTICLE II

The purpose of purposes for which the corporation is formed are as follows:

- A. To administer the affairs of Ridge Wood Subdivision No. 1, Ridge Wood Subdivision No. 2 and Ridge wood Subdivision Number 3, three contiguous subdivisions forming a single integrated residential single-family development located in Brighton Township, Livingston County, Michigan (collectively the "Subdivision"). Ridge Wood Subdivision No. 1 is described in the Ridge Wood Subdivision No. 1 Declaration of Covenants, Easements, Restrictions and Assessment Liens, dated May 25, 1993, which is recorded at Liber 1739 Page 377 of Livingston Country Records (the "Ridge Wood No. 1 Declaration"). Ridge Wood Subdivision No. 2 is described in the Ridge Wood Subdivision No. 2 Declaration of Covenants, Easements, Restrictions and Assessments Liens, dated August 29, 1994, which is recorded at Liber 1880 Page 297 of Livingston County Records (the "Ridge Wood No. 2 Declaration"). Ridge Wood Subdivision No. 3 will be described in the Ridge Wood Subdivision No. 3

Declaration of Covenants, Easements, Restrictions and Assessment Liens, which will be executed and recorded in Livingston County Records (the "Ridge Wood No. 3 Declaration"). The Ridge Wood No. 1 Declaration, The Ridge Wood No. 2 Declaration and the Ridge Wood No. 3 Declaration are collectively referred to as the "Declaration".

- B. To constitute the "Association" as defined in the Declaration and to exercise all the rights, powers and discretions, and to perform all the duties and obligations, granted to or imposed on the Association by the Declaration.
- C. To hold, own, maintain and improve any common areas within or benefitting the Subdivision, whether or not located within the confines thereof.
- D. To perform any other acts which may be incidental or convenient to the foregoing purposes or to the use and enjoyment of the Subdivision by the owners of lots therein.

ARTICLE III

- A. The corporation is organized on a non-stock basis.
- B. The description and value of its real property assets are:

None

The description and value of its personal property assets are:

None

- C. The corporation is to be financed under the following general plan:
Assessments upon members.
- D. The corporation is organized on a membership basis.

ARTICLE IV

- A. The street address and mailing address of the initial registered office is:
29516 Southfield Road, Suite 102, Southfield, Michigan 48076.
- B. The name of the corporation's initial resident agent at the registered office is:

James. P. McLennan

ARTICLE V

The name and address of the sole incorporator is as follows:

<u>Name</u>	<u>Address</u>
James P. McLennan	29516 Southfield Road Suite 102 Southfield, Michigan 48076

ARTICLE VI

A volunteer director of the corporation shall not be personally liable to the corporation or its members of monetary damages for breach of the director's fiduciary duty, except for any of the following:

- (1) A breach of the director's duty of loyalty to the corporation or its members;
- (2) Acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law.
- (3) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act;
- (4) A transaction from which the director derived an improper personal benefit;
- (5) An act or omission that is grossly negligent.

If the Michigan Nonprofit Corporation Act is hereafter amended to authorize the further limitation of the liability of directors of nonprofit corporations, then the liability of a director of the corporation shall be limited to the fullest extent permitted by said Act as so amended, in addition to being limited as set forth above.

No amendment or repeal of this Article shall increase the liability of a director of the corporation for acts or omissions occurring prior to such amendment or repeal.

ARTICLE VII

The corporation shall indemnify each current or former director, officer or employee of the corporation to the fullest extent permitted by Section 561 of the

Michigan Nonprofit Corporation Act, as amended from time to time, or corresponding provisions of subsequent law.

ARTICLE VIII

Any action required or permitted to be taken at an annual or special meeting of members of the corporation may be taken without a meeting without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by the members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote thereon were present and voted.

ARTICLE IX

When a compromise or arrangement or a plan of reorganization of this corporation is proposed between this corporation and its creditors or any class of them or between this corporation and its members or any class of them, a court of equity jurisdiction within the state, on application of this corporation or of a creditor or member of this corporation, or on application of a receiver appointed for this corporation, may order a meeting of the creditors or class of creditors or of the members or class of creditors or of the members or class of members to be affected by the proposed compromise or arrangement or reorganization, to be summoned in such a manner as the court directs. If a majority in number representing 3/4 in value of the creditors or class of creditors or of the members or class of members to be affected by the proposed compromise or arrangement or a reorganization, agree to a compromise or arrangement or a reorganization of this corporation as a consequence of the compromise or arrangement, the compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, or on all the members or class of members, and also on this corporation.

I, the incorporator, sign my name this ____ day of _____, 1995.

JAMES P. MCLENNAN