

**EXHIBIT A**  
**CONDOMINIUM BYLAWS**  
**LEXINGTON CONDO HOMES**  
**(as amended and restated)**

**ARTICLE I**

**ASSOCIATION OF CO-OWNERS**

Section 1. Lexington Condo Homes, a condominium project, located in the City of Northville, Oakland County, Michigan, shall be administered by an association of co-owners which shall be a non-profit corporation, hereinafter called the "Association," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the common elements, easements and affairs of the condominium project in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, Association Bylaws and duly adopted Rules and Regulations of the Association, and the laws of the State of Michigan. All co-owners in the condominium project and all persons using or entering upon or acquiring any interest in any condo-home therein or the common elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Document.

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

(a) Each co-owner of a condo-home in the condominium shall become a member of the association upon obtaining title to a condo-home in the condominium, and no other person or entity shall be entitled to membership. A land contract purchaser may be a co-owner for all purposes pursuant to these bylaws and the condominium documents; unless, however, a land contract purchaser submits a written statement to the association providing to the contrary. Notwithstanding the foregoing, both the land contract seller and the land contract purchaser shall be responsible for all obligations imposed by these condominium documents, including but not limited to these bylaws, the Master Deed, Association Bylaws and Rules and Regulations of the condominium, and the statutes of the State of Michigan.

(b) The share of a co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his condo-home in the Condominium. A co-owner selling a condo-home shall not be entitled to any refund whatsoever from the association with respect to any reserve, account or other asset of the association.

(c) Except as limited in these Bylaws, each co-owner shall be entitled to one vote for each condo-home owned when voting by number and one vote, the value of which shall equal the total of the percentages allocated to the condo-homes owned by such co-owner as set forth in Article V of the Master Deed, when voting by value. Voting shall be by value except in those instances when voting is specifically required to be both in value and in number.

(d) No co-owner shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a condo-home in the condominium project to the Association. The vote of each co-owner may only be cast by the individual representative designated by such co-owner in the notice required in subparagraph "e" below or by a proxy given by such individual representative.

(e) Each individual co-owner who is a natural person shall automatically be the designated voting representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such co-owner. Where two or more natural persons are co-owners of a unit, then notices from the Association shall be addressed to all such persons at the unit and any one of such co-owners shall be entitled to vote at meetings of the Association; provided, however, that no such co-owner shall be entitled to vote if such co-owners cannot agree as to who will cast the vote. In the event of ownership of a unit by an unnatural person, such as a corporation or trust, a written notice designating the person who may vote at Association meetings and receive notices shall be filed with the Association. Such notice shall state the name and address of the individual representative designated, the number or numbers of the unit or units owned by the co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other legal entity who is the co-owner. Such notice shall be signed and dated on behalf of the co-owner. If co-owner is a corporation, partnership or other similar entity, then only an authorized agent thereof shall be the designated voting representative. Such designee may be changed by the co-owner at any time by filing a new notice in the manner herein provided.

(f) There shall be an annual meeting of the members of the Association. Other meetings may be provided for in the Bylaws of the Association. Notice of time, place and subject matter of all meetings as provided in the corporate Bylaws of the Association, shall be given to each co-owner by mailing the same to each individual representative designated by the respective co-owners.

(g) The presence in person or by proxy of thirty-five (35%) percent in number and in value of the co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

(h) Votes may be cast in person or by proxy or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

(i) A majority, except where otherwise provided herein, shall consist of more than fifty (50%) percent in value of those qualified to vote and present in person or by proxy (or written vote if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth and may require such majority to be one of both number and value of designated voting representatives present in person or by proxy, or by written ballot, if applicable, at a given meeting of the members of the Association.

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

Section 3. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts shall be open for inspection by the Co-owners during reasonable working hours and income, expense and position statements shall be prepared at least annually by a certified public accountant and made available to each Co-owner upon request. The cost of such professional accounting assistance shall be an expense of administration.

Section 4. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be members of the Association. The number, terms of office, manner of election, removal and replacement meetings, quorum and voting requirements, and other duties or provisions of or relating to directors, not inconsistent with the following, shall be provided by the Association Bylaws.

(a) The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the co-owners. In addition to the foregoing general duties imposed by these Bylaws, or any further duties which may be imposed by resolution of the members of the Association or which may be set forth in the Association Bylaws, the Board of Directors shall be responsible specifically for the following:

(1) Management and administration of the affairs of and maintenance of the condominium project and the common elements thereof.

(2) To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.

(3) To carry insurance and collect and allocate the proceeds thereof.

(4) To rebuild improvements after casualty.

(5) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the condominium project.

(6) to approve or disapprove proposed purchasers or lessees of any condo-home in the manner specified in the Condominium Bylaws.

(7) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any condo-home in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association, including (but without limitation) the lease or purchase of any condo-home in the Condominium for use by a resident manager, or to purchase or acquire an interest in any condo-home upon foreclosure of the association's lien for assessments or to protect its lien position upon foreclosure of a prior mortgage; provided however, that the only funds that can be used for this purpose are the contingent reserve funds being maintained by the association.

(8) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien, on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than sixty (60%) percent of all of the members of the Association in number and in value.

(9) To make rules and regulations in accordance with Article VI, Section 11 of these Bylaws.

(10) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

(11) To enforce the provisions of the Condominium Documents.

(12) To collect from each co-owner the annual assessment levied against him by the Lexington Commons Association, Inc., and to pay over all such assessments to said Association.

(b) The Board of Directors shall at all times employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 4(a) of this Article I, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. Upon written request, the Board of Directors shall give the holder of any first mortgage covering any condo-home in the project at least 30 days written notice prior to the effective date of any change in professional management agent of the condominium project. The requirement that the Board of Directors shall at all times employ a professional management agent may be amended only with the prior written approval of all of the holders of first mortgages covering any unit in the project.

(c) All of the actions (including, without limitation, the adoption of these Bylaws and any Rules and Regulations for the corporation, and any undertakings or contracts entered into with others on behalf of the corporation) of the first Board of Directors of the Association named in its Articles of Incorporation or any successors thereto elected by the Developer before the First Annual Meeting of Members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the first or any subsequent annual meeting of members so long as such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium documents.

Section 5. The Association Bylaws shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association in furtherance of the provisions and purposes of the Condominium Documents and not inconsistent therewith. Officers may be compensated but only upon the affirmative vote of more than sixty (60%) percent of all co-owners in number and in value.

Section 6. An Annual Meeting shall be held each year on such date as is specified by the Association Bylaws.

## ARTICLE II

### ASSESSMENTS

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

Section 2. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the common elements or the administration of the Condominium shall be expenses of administration within the meaning of Section 54 of Public Act 59 of 1978, as amended; and all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests of the co-owners against liabilities or losses arising within, caused by or connected with the common elements or the administration of the Condominium shall be receipts of administration.

Section 3. Assessments shall be determined in accordance with the following provisions:

(a) The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium project, including reasonable allowance for contingencies and reserves. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be delivered to each co-owner and the assessment for said year shall be established, based upon said budget, although the delivery of a copy of the budget to each co-owner shall not affect the liability of any co-owner for any existing or future assessments. Should the Board of Directors, at any time determine, in the sole discretion of the Board of Directors, (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing common elements, (3) to provide additions to the common elements not exceeding \$10,000 annually, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. An adequate reserve fund for maintenance, repairs and replacement of those common elements that must be replaced on a periodic basis shall be included in the budget.

(b) Special assessments, in addition to those required in (a) above may be made by the Board of Directors from time to time and approved by the co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to (1) assessments for capital improvements for additions of a cost exceeding \$10,000 per year, (2) assessments for the purchase or lease of a condo-home in the Condominium project pursuant to Article VI, Section 13, (3) assessments to purchase a condo-home upon foreclosure of the lien for assessments described in Section 6 hereof, (but only in the event a special assessment is required to purchase said condo-home), (4) assessments to purchase a condo-home for use as a resident manager's condo-home or (5) assessments for any other appropriate purpose not elsewhere herein described special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 3(a) above which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than sixty (60%) percent of all co-owners in value and in number.

Section 4. All assessments levied against the co-owners to cover expenses of administration shall be apportioned among and paid by the co-owners in the following manner without increase or decrease for the existence of any rights to the use of limited common elements appurtenant to a condo-home:

(a) Expenses for water, sewer, gas, liability insurance and all reserve accounts shall be apportioned in accordance with the unit value allocated to each unit in the master deed.

(b) All other expenses of administration shall be shared equally by all units.

Assessments shall be due and payable at such times as the Association shall determine, commencing with acceptance of a deed to a condo-home or with acquisition of fee simple title to a condo-home by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Each regular monthly assessment which is not paid within 10 days after the due date shall automatically incur a late charge in an amount as determined by the Board of Directors of the Association pursuant to duly adopted rules and regulations, which amount shall be added to such assessment and be subject to collection by the Association by the same means as provided for collection of the assessment itself. The Board of Directors shall adopt reasonable rules to permit waiver of the late charge for good cause. Each co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments pertinent to his condo-home which may be levied while such co-owner is the owner thereof. All payments shall be applied first against late charges, court costs and attorney's fees, and thereafter against assessments in order of greatest delinquency.

Section 5. No co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the common elements or by the abandonment of his condo-home. A co-owner may not assert in an answer, or set off to a complaint brought by the association for non-payment of monthly and/or special assessments the fact that the association of co-owners, or its agent, have not provided the services or management to a co-owner.

Section 6.

(a) Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of a default by any co-owner in the payment of any installment of the annual assessment levied against his unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of services to a co-owner in default upon seven (7) days written notice to such co-owner of its intention to do so. A co-owner in default shall not be entitled to utilize any of the general common elements of the project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any co-owner of ingress or egress to and from his condo-home. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the condo-home from the co-owner thereof or any persons claiming under him. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XI, Section 1 of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) Foreclosure Proceedings. Each co-owner, and every other person who from time to time has any interest in the project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each co-owner and every other person who from time to time has any interest in the project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the condo-home with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law.

Each co-owner of a condo-home in the project acknowledges that at the time of acquiring title to such condo-home, he was notified of the provisions of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for non-payment of assessments and a hearing on the same prior to the sale of the subject condo-home.

(c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent co-owner(s) at this or their last known address, of a written notice that one (1) or more installments of the annual assessment levied against the pertinent condo-home is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject condo-home(s), and (v) the names of the co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the County in which the project is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent co-owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

(d) Expenses of Collection. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the co-owner in default and shall be secured by the lien on his condo-home.

(e) A construction lien or claim arising under Michigan law shall be subject to the following limitations:

(i) Except as otherwise provided in this section, a construction lien or claim arising for work performed upon a Condominium condo-home or upon a limited common element may attach only to the Condominium condo-home upon which the work was performed.

(ii) A construction lien or claim arising for work authorized by the Association may attach to each Condominium condo-home only to the proportionate extent that the co-owner of the condominium condo-home is required to contribute to the expenses of administration as provided by the Condominium Documents.

(iii) A construction lien or claim may not arise or attach to a Condominium condo-home for work performed on the common elements not contracted by the Association.

Section 7. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any condo-home in the project which comes into possession of the condo-home pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged unit which accrue prior to the time such holder comes into possession of the unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all units including the mortgaged unit).

Section 8. The Association shall collect from each co-owner, in addition to the assessments set forth above, the annual assessment levied by the Lexington Commons Association, Inc. against such co-owner. The default and enforcement provisions contained in Section 4 and 6 of this Article II shall apply with respect to the collection of such annual assessments levied by the Lexington Commons Association, Inc. All such assessments collected from co-owners shall be paid over by the Association to the Lexington Commons Association, Inc. on or before the date established for the payment of such assessments by the Board of Trustees of said Association.

## ARTICLE III

## ARBITRATION

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

Section 2. No co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances, unless all the parties elect arbitration in which event such parties shall be precluded from litigating such dispute, claim or grievance in the courts.

## ARTICLE IV

## INSURANCE

Section 1. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the common elements of the Condominium project, and such insurance other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) All such insurance shall be purchased by the Association for the benefit of the Association, and the co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of co-owners. Each co-owner may obtain insurance coverage at his own expense upon his condo-home. It shall be each co-owner's responsibility to obtain insurance coverage for his personal property located within his condo-home or elsewhere on the Condominium and for his personal liability for occurrences within his condo-home or upon limited common elements appurtenant to his condo-home, and also for alternative living expense in event of fire, and the Association shall have absolutely no responsibility for obtaining such coverages. The Association and all co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any co-owner shall contain appropriate provisions whereby the insurer waives its rights of subrogation as to any claims against any co-owner or the Association.

(b) All common elements of the Condominium project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall also include interior walls within any condo-home and the pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within a condo-home which were furnished with the unit as standard items in accord with the plans and specifications thereof as are on file with the Association (or such replacements thereof as do not exceed the cost of such standard items). Any improvements made by a co-owner within his condo-home shall be covered by insurance obtained by and at the expense of said co-owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said co-owner and collected as a part of the assessments against said co-owner under Article II hereof.

Further, in the event the association provides insurance for the improvements or betterments made by a co-owner to his condo-home, and if damage or injury to said improvements or betterments is caused as a result of the negligence or intentional conduct of the co-owner, their tenants, licensees, occupants, invitees, guests, agents, employees, or members of the co-owner's family, and that damage or loss results in expense to the association, said expense can be recovered from the co-owner of said condo-home in the same manner as provided under Article II hereof.

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

(d) Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the co-owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

Section 2. Each co-owner, by ownership of a condo-home in the Condominium project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium project, his condo-home and the common elements appurtenant thereto with such insurer as may, from time to time, provide such insurance for the Condominium project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefore, to

collect proceeds and to distribute the same to the Association, the co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

## ARTICLE V

### RECONSTRUCTION OR REPAIR

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

(a) If the damaged property is a common element or a condo-home, the property shall be rebuilt or repaired if any condo-home in the Condominium is tenantable, unless it is determined that the Condominium shall be terminated. The condominium may not be terminated, vacated, revoked or abandoned without the written consent of eighty five (85%) percent of all co-owners.

(b) If the condominium is so damaged that no condo-home is tenantable, the damaged property shall not be rebuilt unless seventy-five (75%) percent or more of the co-owners in value and in number agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

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

Section 3. If the damage is only to a part of a condo-home which is the responsibility of a co-owner to maintain and repair, it shall be the responsibility of the co-owner to repair such damage in accordance with Section 4 hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

Section 4. Each co-owner shall be responsible for the reconstruction, repair and maintenance of the interior of his condo-home including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls (but not any common elements therein), interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event damage to interior walls within a co-owner's unit or to pipes, wires, conduits, ducts or other common elements therein is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 5. If any other interior portion of a unit is covered by insurance held by the Association for the benefit of the co-owner, the co-owner shall be entitled to receive the proceeds of insurance relative thereto and if there is a mortgagee endorsement, the proceeds shall be payable to the co-owner and the mortgagee jointly.

Section 5. The Association shall be responsible for the reconstruction, repair and maintenance of the common elements and any incidental damage to an condo-home, excluding any improvements, decorations, (including wallpaper, carpeting, finish painting or anything other than that which was originally constructed and provided with a standard condo-home in the condominium) betterments, or personal property located therein caused by such common elements or the reconstruction, repair or maintenance thereof. In the event it is necessary to remove such improvements or betterments in order to perform the reconstruction, repair and maintenance of the common elements, the removal and replacement of said improvements or betterments shall be the responsibility of the co-owner. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual costs of repair.

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

(a) In the event of any taking of an entire condo-home by eminent domain, the co-owner of such condo-home shall be entitled to receive the award for such taking and after acceptance thereof, he and his mortgagee shall be divested of all interest in the Condominium project. In the event that any condemnation award shall become payable to any co-owner whose condo-home is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Association on behalf of such co-owner. If only a part of any condo-home is taken, the Association shall rebuild the same as is necessary to make it habitable and remit the balance of the condemnation proceeds pertinent to such condo-home to the owner thereof.

(b) If there is any taking of any portion of the Condominium other than any condo-home the condemnation proceeds relative to such taking shall be paid to the Association and the affirmative vote of more than fifty (50%) percent of the co-owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If no such affirmative vote is obtained, such condemnation proceeds shall be remitted to the co-owners in accordance with their respective percentages of value set forth in Article V of the Master Deed.

(c) In the event the Condominium project continues after taking by eminent domain, then the remaining portion of the Condominium project shall be re-surveyed and the Master Deed amended accordingly, and, if any condo-home shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining co-owners based upon the continuing value of the condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution of specific approval thereof by any co-owner.

## ARTICLE VI

### RESTRICTIONS

Section 1. No condo-home in the condominium shall be used for other than single-family residence purposes (except that persons not of the same immediate family residing together may occupy a condo-home with written consent of the Board of Directors which consent shall not be unreasonably withheld) and the common elements shall be used only for purposes consistent with the use of single-family residences. A family shall mean one person or a group of two or more persons related by bonds of consanguinity, marriage, or legal adoption.

Section 2. (a) A co-owner may lease his condo-home for the same purposes set forth in Section 1 of this Article VI, but only to tenant or lessee; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. In no event, however, shall more than thirty (30%) percent of the condo-homes in the Complex be occupied by non-co-owner occupants. No sub-leasing of a condo-home shall be allowed and no co-owner shall lease less than an entire condo-home in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least one (1) year unless specifically approved in writing by the Association. Transients are not allowed in or about the Condominium. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium documents. If a condo-home is leased, the co-owner(s) of the leased condo-home may assign their right to use the recreational facilities.

(b) The leasing of condo-homes in the project shall conform to the following provisions:

(1) A co-owner desiring to rent or lease a condo-home shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential lessee of the condo-home and shall, prior to occupancy by the tenant, supply the Association with a copy of the exact lease being used, along with the names of all occupants of the leased condo-home.

(2) Tenants or Non-co-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium project and all leases and rental agreements shall so state. It is the responsibility of the co-owner to provide to the lessee/tenant a copy of the Condominium and Association Bylaws, and the co-owner shall verify that fact to the Association. In addition, co-owner shall provide to Association such additional reasonable information as it may, from time to time, require, including but not limited to the names of all persons to occupy a condo-home, along with the phone number of the tenant.

(3) If the Association determines that the tenant or non-co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:

(i) The Association shall notify the co-owner by certified mail advising of the alleged violation by the tenant.

(ii) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.



(iii) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the co-owners on behalf of the Association, an action for eviction against the tenant or Non-co-owner occupant and simultaneously for money damages in the same action against the co-owner and tenant or Non-co-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the co-owner liable for any damages to the common elements caused by the co-owner or tenant in connection with the condo-home or Condominium project.

(4) When a co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a co-owner's condo-home under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant.

Section 3. No co-owner shall make alterations in exterior appearance or make structural modifications to his condo-home (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the common elements, limited or general, without the express written approval of the Board of Directors including (but not by way of limitation) exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters or other exterior attachments or modifications, nor shall any co-owner damage or make modifications or attachments to common element walls between units which in any way impairs sound conditioning provisions. The Board of Directors may approve only such modifications as do not impair the soundness, safety, utility or appearance of the Condominium. A co-owner who receives such written approval for any alterations or modifications shall be responsible for the maintenance, reconstruction, replacement, or repair of all such modifications or alterations and shall hold the Association harmless for any damage or injury to person or property caused as a result of said modification or alteration. In the event the co-owner fails to perform the obligations stated herein, the association may perform the same and shall assess to the co-owner the costs thereof, which costs shall be collectable in the same manner as the assessments provided for in Article II of these Bylaws.

Section 4. No immoral, improper, unlawful or offensive activity shall be carried on in any condo-home or upon the common elements, limited or general, nor shall anything be done which may be or become an annoyance or a nuisance to the co-owners of the Condominium, nor shall any unreasonably noisy activity be carried on in any unit or on the common elements. No co-owner shall do or permit anything to be done or keep or permit to be kept in his condo-home or on the common elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association and each co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

Section 5. No animal, including household pets, shall be kept without the prior written consent of the Board of Directors which consent, if given, shall be revocable at any time by the Board. Any pets permitted to be kept in the condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. No animal may be permitted to run loose upon the common elements. Any person who causes or permits an animal to be brought or kept on the condominium property shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result of the presence of such animal on the Condominium property.

Section 6. The common elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted Rules and Regulations of the Association. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the common elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. The common elements shall not be used in any way for the drying, shaking, or airing of clothing or other fabrics. Automobiles may only be washed in areas approved by the Association. In general, no activity shall be carried on nor condition maintained by a co-owner either in his condo-home or upon the common elements which spoils the appearance of the Condominium.

Section 7. Sidewalks, yards, landscaped areas, driveways, roads, parking areas, porches, hallways, stairs and lobbies shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the common elements. Use of any recreational facilities in the condominium may be limited to such times and in such manner as the Association shall determine by duly adopted regulations.

Section 8. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers or vehicles other than automobiles used for personal or family transportation may be parked or stored upon the premises of the Condominium, unless parked in a co-owner's garage with the garage door closed. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. In the event that there arises a shortage of parking spaces, the Association may allocate or assign parking spaces from time to time on an equitable basis. The Association may assign general common element parking spaces for the use of the Co-owners of a particular condo-home or condo-homes in an equitable manner in the event that there arises a shortage of parking spaces in the Condominium project.

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

Section 10. No signs or other advertising devices shall be displayed which are visible from the exterior of a condo-home or on the common elements, including "For Sale" signs, without written permission from the Association except as stated in Section 13 below.

Section 11. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use of the common elements may be made and amended from time to time by any Board of Directors of the Association. All copies of such regulations and amendments thereto shall be furnished to all co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all co-owners in number and in value.

Section 12. The Association or its duly authorized agents shall have access to each condo-home from time to time, during reasonable working hours, upon notice to the co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the common elements. The Association or its agents shall also have access to each condo-home at all times without notice as may be necessary to make emergency repairs to prevent damage to the common elements or to another condo-home. It shall be the responsibility of each co-owner to provide the association means of access to his condo-home during all periods of absence and in the event of the failure of such co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such co-owner for any necessary damage to his condo-home caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 13. No co-owner may dispose of or convey a condo-home or any interest therein by sale, land contract, mortgage, or otherwise, without written notice to the Association as follows:

(a) Ten (10) days prior to the closing date a co-owner shall give written notice of such sale to the Association, and shall furnish the name and address of the purchaser and such other information as the Board of Directors of the Association shall require. The selling Co-owner shall provide the purchaser with the Condominium Documents. The giving of such notice shall constitute a warranty and a representation by such co-owner to the Association and to any purchaser produced by the Association that the co-owner believes the proposed sale to be bona fide in all respects. The selling co-owner shall be responsible to the Association for any damages suffered by it in exercise of its rights hereunder. The Association may charge the co-owner a reasonable fee, as determined from time to time by the Board of Directors, to defray the administrative costs incurred in making the necessary changes to the Association records.

(b) When a co-owner is in arrears to the Association of co-owners for assessments, the Board of Directors or its duly authorized agent may give written notice of the arrearage to a land contract purchaser or other person or entity having an interest in the co-owner's condo-home under a land contract or other agreement granting or conveying an interest, and the purchaser, or other person or entity having such interest after receiving the notice, shall deduct from payments due the co-owner the arrearage and future assessments as they fall due and pay them to the Association of co-owners. The deduction shall not constitute a breach of the contract with the co-owner.

(c) This section shall not apply to a public or a private sale pursuant to foreclosure of a first mortgage on any condo-home, nor shall this section apply to a subsequent sale by the holder of a first mortgage who has acquired title to a condo-home by purchaser at a sale pursuant to foreclosure of the first mortgage held by it on such condo-home.

(d) Upon the closing of the sale, the purchasing co-owner shall forthwith furnish to the Board of Directors or their duly authorized agent a copy of the executed Document(s) conveying title or an interest, or be subject to the administrative charges which shall be enforced and collected as assessments pursuant to Article II herein.

(e) Upon the sale or conveyance of a condo-home, all unpaid assessments against that condo-home shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except the following:

(i) Amounts due the State, or any subdivision thereof, or any municipality for taxes and special assessments due and unpaid on the condo-home.

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

A purchaser or grantee is entitled to a written statement from the Association of co-owners setting forth the amount of unpaid assessments against the seller or grantor and the purchaser or grantee is not liable for, nor is the condo-home conveyed or granted, subject to a lien for any unpaid assessments against the seller or grantor in excess of the amount set forth in the written statement. Unless the purchaser or grantee request in writing a written statement from the Association of co-owners, at least five (5) days before the sale, the purchaser or grantee shall be liable for any unpaid assessments against the condo-home together with interest, costs and actual attorney's fees (not limited to statutory attorney's fees) incurred in the collection thereof.

(f) In all instances the co-owner shall indemnify and hold the Association and its Board of Directors harmless as to any warranties (express or implied) as to the condition of the condo-home or the common elements (both general or limited) or the performance of the Association with regard to same.

Section 14. No co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the common elements, unless approved by the Association in writing.

Section 15. No unsightly condition shall be maintained upon any balcony, patio and porch and only furniture and equipment consistent with ordinary balcony, patio and porch use shall be permitted to remain there during seasons when balconies, patios and porches are reasonably in use and no furniture or equipment of any kind shall be stored on balconies, patios and porches during seasons when balconies, patios and porches are not reasonable in use.

Section 16. Each co-owner shall maintain the co-owner's condo-home and any limited common elements appurtenant thereto for which the co-owner has maintenance responsibility in a safe, clean and sanitary condition. Each co-owner shall also use due care to avoid damaging any of the common elements including, but not limited to the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any condo-home which are appurtenant to or which may affect any other condo-home. Each co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the common elements by the co-owner, the co-owner's family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible co-owner in the manner provided in Article II hereof.

Section 17. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, any, of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Association and Bylaws as the same may be amended from time to time.

Section 18. The Agreement For Residential Unit Plan and Declaration of Restrictions (the "Agreement and Restrictions") relative to the Lexington Commons community as recorded in Liber 16883, Pages 47 through 57, Wayne County Records, are incorporated herein by reference and shall be binding upon all co-owners and the Association to the extent applicable to the condominium project. In accordance with such Agreement and Restrictions, each co-owner in Lexington Condo-Homes shall be a member of the Lexington Commons Association, Inc. and shall abide by the provisions relative to such membership as contained in said Agreement and Restrictions and in the Articles of Incorporation and Bylaws of Lexington Commons Association, Inc.

## ARTICLE VII

### MORTGAGES

Section 1. Any co-owner who mortgages his condo-home shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Condo-Homes." The Association may, at the written request of a mortgagee of any such condo-home, report any unpaid assessments due from the co-owner of such condo-home. The Association shall give to the holder of any first mortgage covering any unit in the project written notification of any default in the performance of the obligations of the co-owner of such condo-home that is not cured within 30 days, provided that the holder of the first mortgage makes such a request in writing.

Section 2. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

## ARTICLE VIII

## AMENDMENTS

Section 1. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or by one-third or more in number of the members or by instrument in writing signed by them.

Section 2. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of the Association Bylaws.

Section 3. These Bylaws may be amended by the Association at any regular annual meeting or a special meeting called for such purpose, by an affirmative vote of more than sixty (60%) percent of all co-owners in number and in value.

Section 4. Any amendment to these Bylaws (but not the Association Bylaws) shall become effective at least 30 days after giving written notice of the proposed amendment to the holder of any first mortgage covering any condo-home in the project and recording such amendment in the Office of the Register of Deeds in the county where the condominium is located.

Section 5. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption.

## ARTICLE IX

## COMPLIANCE

The Association of co-owners and all present or future co-owners, tenants, future tenants, or any other persons acquiring an interest in or using the facilities of the project in any manner are subject to and shall comply with the Act, as amended, and the mere acquisition, occupancy or rental of any unit or an interest therein or the utilization of or entry upon the condominium premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Statute, the Statute shall govern.

## ARTICLE X

## DEFINITIONS

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

## ARTICLE XI

## REMEDIES FOR DEFAULT

Section 1. Any default by a co-owner shall entitle the Association or another co-owner or co-owners to the following relief:

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

(b) In any proceeding arising because of an alleged default by any co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees, (not limited to statutory fees) as may be determined by the Court, but in no event shall any co-owner be entitled to recover such attorneys' fees.

(c) The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the common elements, limited or general, or into any condo-home, where reasonably necessary, and summarily remove and abate, at the expense of the co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.

(d) The violation of any of the provisions of the Condominium Documents by any co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. The amount of the fines shall be as determined from time to time by the Board of Directors in accordance with duly adopted Rules and Regulations. No fine may be assessed unless rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association.

Thereafter, fines may be assessed only upon reasonable notice to the offending co-owners and an opportunity for such co-owner to appear before the Board and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws. No fine shall be levied for the first violation.

Section 2. The failure of the Association or of any co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such co-owner to enforce such right, provisions, covenant or condition in the future.

Section 3. All rights, remedies and privileges granted to the Association or any co-owner or co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

## ARTICLE XII

### SEVERABILITY

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