

RECORDED

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SALLY REYNOLDS  
REGISTER OF DEEDS  
LIVINGSTON COUNTY, MI  
48343

40/4

FIRST AMENDMENT TO THE MASTER DEED (By-Laws)  
LIVINGSTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO.56  
LIBER 1752 PAGE 0868  
Changes to the Knollwood Hills Condominium Association By-Laws  
October 20, 2005

The following changes to the Knollwood Hills Condominium Association were approved by the Association members and are hereby submitted for filing. The changes are detailed in the attached Appendix.

\* Knollwood Hills Condominium Association Board

Procted by:

\* Secretary  
Dale Geise

DALE GEISE  
8056 NORTHRIDGE DR  
BRIGHTON MI 48116

Subscribed and sworn to me, in my presence

this 28<sup>TH</sup> day of OCT

2005 by \*

(county) (state) of Livingston, MI

*Leanna K. Loring*

(signature)

Notary Public

My comm. expires 8.29.2010

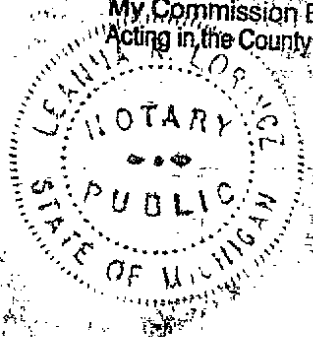
LEANNA K. LORING

Notary Public, State of Michigan

County of Oakland

My Commission Expires Aug. 29, 2010

Acting in the County of Livingston





## Appendix

- Article II—Assessments; Section 2 (a) Budget
- Article II---Assessments; Section 2 (b) Special Assessments
- Article II---Assessments; Section 3 Apportionment of Assessments and Penalty for Default
- Article II---Assessments; Section 5 Enforcement
- Article II---Assessments; Section 7 *Deleted*
- Article IX---Meetings ; Section 3 Annual Meetings
- Article XXIII---Architectural Control *Added to By-Laws*

## Article II – Assessments

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

- (a) Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by **regular monthly payments** as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a non-cumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular Project, the Association should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish 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 **\$8,000** annually for the entire Condominium Project, or (4) that an event of emergency exists, 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. The Board of Directors also shall have the authority, without co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

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### *change(s):*

- (a) Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by **one annual payment** as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular Project, the Association should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each co-owner and the assessment for said year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish 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 **\$3,000** annually for the entire

Condominium Project, or (4) that in the event an emergency exists, 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. The Board of Directors also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

## Article II – Assessments

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

- (b) Special Assessments. Special assessments, in addition to those required in subparagraph (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 additions to the Common Elements of cost exceeding \$8,000 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, (3) 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 (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 60% of all Co-owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

### *change(s):*

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

- (b) Special Assessments. Special assessments, in addition to those required in subparagraph (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 additions to the Common Elements of cost exceeding \$3,000 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in the subparagraph (b) [but not including those assessments referred to in subparagraph (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 60% of all Co-owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

## Article II – Assessments

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners **in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed**, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in **12 equal monthly installments**, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment.

**Each installment** in default for 10 or more days shall bear interest from the initial due date thereof at the rate of 7% per annum until **each installment** is paid in full. The Association may, pursuant to Article XIX, Section 4 hereof, levy fines for the late payment in addition to such interest. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so primarily personally liable and such land contract seller shall be secondarily personally liable for all such assessments levied up to and including the date upon which such land contract seller actually takes possession of the unit following extinguishment of all rights of the land contract purchaser in the Unit. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments pertinent to his Unit which may be levied while such Co-owner is the owner thereof. Payments on account of **installments of assessments** in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such **installments**; and third, to **installments in default in order of their due dates**.

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### *change(s):*

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of Administration shall be apportioned among and paid by the Co-owners **equally**, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners **in one annual installment**, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment.

**The annual payment** in default for 10 or more days shall bear interest from the initial due date thereof at the rate of 7% per annum until the **payment** is paid in full. The Association may, pursuant to Article XIX, Section 4 hereof, levy fines for the late payment in addition to such interest. Each Co-owner (whether one [1] or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so primarily personally liable and such land contract seller shall be secondarily personally liable for all such assessments levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Each Co-owner (whether [1] or more persons) shall be, and remain, personally liable for the payment of all assessments pertinent to his Unit which may be levied while such Co-owner is the owner thereof. Payments on account of **an annual payment** in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such **annual payments** in default in order of their due dates.

## Article II – Assessments

### Section 5. Enforcement.

- (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 judgement or by foreclosure of the statutory lien that secures payment of assessments. In the event of 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. 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 Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him. All of these remedies shall be cumulative and not alternative and shall not preclude the Association from exercising such other remedies as may be available at law or in equity.

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### *change(s):*

### Section 5. Enforcement

- (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 default by any Co-owner in the payment of any annual assessment levied against his Unit, the Association shall have the right to declare the **unpaid annual assessment** for the pertinent fiscal year immediately due and payable. 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 meetings of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him. All of these remedies shall be cumulative and not alternative and shall not preclude the Association from exercising such other remedies as may be available at law or in equity.

## Article II – Assessments

### Section 5. Enforcement.

- (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 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, a written notice that **one or more installments of the annual assessment** levied against the pertinent Unit is **or are** delinquent and that the Association may invoke any of its remedies hereunder. 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, attorneys' fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. If the delinquency is not cured within the 10-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law.

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### *change(s):*

### Section 5. Enforcement.

- (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 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, a written notice that the **annual assessment** levied against the pertinent Unit is delinquent and that the Association may invoke any of its remedies hereunder. 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, attorneys' fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. If the delinquency is not cured within the 10-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law.

## Article II – Assessments

Section 7. Developer's Responsibility for Assessments. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the monthly Association assessments. The Developer, however, shall at all times pay all expenses of maintaining the Units that it owns, including the dwelling and other improvements located thereon, together with a proportionate share of all current expenses of administration actually incurred by the Association from time to time, except expenses related to maintenance and use of the Units in the Project and of the dwellings and other improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, the Developer's proportionate share of such expenses shall be based upon the ratio of all Units owned by the Developer at the time the expense is incurred to the total number of Units then in the Project. In no event shall Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to Units owned by it on which a completed residential dwelling is located. A "completed residential dwelling" shall mean a dwelling with respect to which a certificate of occupancy has been issued.

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*change:*

Delete this section entirely.

## Article IX – Meetings

Section 3. Annual Meetings. Annual meetings of the Association shall be held **on the last Thursday of October** each succeeding year **after the year in which the first Annual Meeting is held** at such time and place as shall be determined by the Board of Directors; **provided, however, that the second annual meeting shall not be held sooner than 8 months after the date of the First Annual Meeting.** At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these By-laws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

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### ***change(s):***

Section 3. Annual Meetings. Annual meetings of the Association shall be held **in October** each succeeding year at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected by ballot of the co-owners a Board of Directors in accordance with the requirements of Article XI of these By-laws. The co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

*Amend the By-laws to include the following Article:*

### **Article XXIII – Architectural Control**

No structure shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made, until the plan and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.