

**AMENDED AND RESTATED CONDOMINIUM BYLAWS
BARDEN WOODS CONDOMINIUM**

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EXHIBIT A

AMENDED AND RESTATED CONDOMINIUM BYLAWS BARDEN WOODS CONDOMINIUM

ARTICLE I ASSOCIATION OF CO-OWNERS

Section 1. The Association. Barden Woods Condominium, a residential Condominium located in the City of Bloomfield Hills, Oakland County, Michigan, shall be administered by Barden Woods Condominium Association (the "Association"). The Association is a nonprofit corporation, which has been organized under the applicable laws of the State of Michigan and which is responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium, subject to and in accordance with the Amended and Restated Master Deed, these Amended and Restated Bylaws, the Articles of Incorporation, the Association's rules and regulations (sometimes collectively referred to as the "Condominium Documents"), and the laws of the State of Michigan. All Co-owners and all persons using or entering upon the Condominium or acquiring any interest in any Unit or the Common Elements are subject to the provisions and terms set forth in the Condominium Documents.

Section 2. Purpose of Bylaws. These Bylaws are designated as both the Condominium Bylaws, relating to the way the Condominium and the common affairs of the Co-owners of the Units shall be administered, as required by the Condominium Act, and the Association or Corporate Bylaws, governing the Association's operation as a corporate entity, as required by the Michigan Nonprofit Corporation Act.

ARTICLE II ASSESSMENTS

Section 1. Taxes and Assessments; Expenses of Administration. 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 on such tangible personal property are expenses of administration. Special assessments levied by the government and real property taxes shall be assessed against the individual Units and not on the Common Elements or any other part of the Condominium. Special assessments levied by the government and real property taxes in any year in which the property existed as an established Condominium on the tax day shall be assessed against the individual Unit, notwithstanding any subsequent vacation of the Condominium. The government's levying of all property taxes and special assessments shall comply with Section 131 of the Condominium Act.

Section 2. Expenses and Receipts of Administration. 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, 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, within the

meaning of Section 54(4) of the Condominium Act, except as modified by the specific assignment of responsibilities for costs contained in Article IV of the Amended and Restated Master Deed.

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

A. Annual Budgets. The Board of Directors of the Association shall establish three (3) annual budgets in advance for each fiscal year as follows: (1) a budget projecting all expenses for the forthcoming year that may be required for the proper operation and management of the Association, including insuring the Common Elements as required under Article IV of these Amended and Restated Bylaws, and for maintenance, repair and replacement of the General Common Elements that are to be shared in accordance with Article IV, Section 2B(2)(a) of the Amended and Restated Master Deed, including a reasonable allowance for contingencies and reserves for such items (the "Common Budget"), and these Common Budget expenses shall be shared by the Co-owners of the Phase 1 and Phase 2 Units, by group (and in each group apportioned to the Co-owners of Units within the particular Phase in accordance with their modified percentages of value), according to a 56% (Phase 1) and 44% (Phase 2) allocation; (2) a budget projecting all expenses for the forthcoming year that may be required for the proper maintenance, repair and replacement of the Phase 1 Common Expenses as set forth in Article IV, Section 2B(2)(b) of the Amended and Restated Master Deed, including a reasonable allowance for contingencies and reserves for such items (the "Phase 1 Budget"), and these Phase 1 Budget expenses shall be paid by the Co-owners of the Phase 1 Units; and (3) a budget projecting all expenses for the forthcoming year which may be required for the proper maintenance, repair and replacement of the Phase 2 Common Expenses as set forth in Article IV, Section 2B(2)(c) of the Amended and Restated Master Deed, including a reasonable allowance for contingencies and reserves for such items (the "Phase 2 Budget"), and these Phase 2 Budget expenses shall be paid by the Co-owners of the Phase 2 Units. Upon adoption of these annual budgets by the Board of Directors, copies of the Common Budget and either the Phase 1 Budget or the Phase 2 Budget (depending on the Phase in which the Unit is located) shall be delivered to each Co-owner and the combined assessment for each Phase for the year (i.e. a combination of the Common Budget and either the Phase 1 Budget or the Phase 2 Budget, depending on the Phase in which the Unit is located) shall be established based upon such budgets, although failure to deliver a copy of such budgets to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Failure or delay of the Board of Directors to prepare or adopt budgets for any fiscal year shall not constitute a waiver or release in any manner of a Co-owner's obligation to pay the allocable share of the common expenses whenever the same shall be determine. In the absence of any new budgets or adjusted budgets, each Co-owner shall continue to pay each installment at the rate established for the previous fiscal year until notified of any change in the installment payment, which shall not be due until at least ten (10) days after such new annual or adjusted budgets are adopted. All expenses incurred and assessments received by the Association shall be accounted for and allocated against the appropriate budget on a monthly basis, at a minimum.

B. Additional Assessments. The Board of Directors shall have the authority to increase the assessments under any of the Budgets or to levy such additional assessments as the Board shall deem necessary, with the allocation of any increased assessment or additional assessment being paid and apportioned in accordance with the particular Budget, provided that the same shall be required for only the following: (i) to meet deficits incurred or anticipated because current assessments are insufficient

to pay the costs of operation and maintenance provided for by any Budget; (ii) to provide repairs or replacements of existing Common Elements provided for by any Budget; or (iii) for any emergencies, the expenses of which fall within any Budget. The Board of Directors also has the authority, without the necessity of Co-owner consent, to levy assessments under Article V, Section 4 of these Amended and Restated Bylaws. The authority to levy assessments pursuant to this subsection is solely for the Association's benefit and the Co-owners and is not enforceable by any creditors of the Association or the Co-owners except that the Association may voluntarily and conditionally assign the right to levy assessments to any lender relating to any voluntary loan transaction entered into by the Association.

C. Special Assessments. Special assessments, in addition to those described in subsections A and B above, may be made by the Board of Directors from time to time if approved by the Co-owners as provided in this subsection, to meet other Association requirements, including, but not limited to: (i) assessments to purchase a Unit upon foreclosure of the lien for assessments described hereafter; (ii) assessments to provide additions to the Common Elements; or (iii) assessments for any other appropriate purpose not elsewhere described. Special Assessments for shared elements and expenses as provided for by this subsection shall not be levied without the prior approval of more than 60% of all Co-owners in good standing. In the event an assessment is contemplated for the purpose of making a capital addition to the Phase 1 Common Elements or the Phase 2 Common Elements, such assessment shall be subject to approval by a majority of either the Co-owners of Phase 1 Units or the Co-owners of Phase 2 Units, as the case may be, and such assessment shall be payable only by the Co-owners of Units to which it applies. The authority to levy assessments pursuant to this subsection is solely for the Association's benefit and the Co-owners and is not enforceable by any creditors of the Association or the Co-owners except that the Association may voluntarily and conditionally assign the right to levy assessments to any lender relating to any voluntary loan transaction entered into by the Association.

D. Reserve Funds. The Board of Directors shall maintain a reserve fund for major repairs and replacements of shared General Common Elements and emergency expenditures, which reserve fund shall be in the amount of not less than ten (10%) percent of the Association's annual Common Budget (excluding that portion of the budget allocated to the reserve fund itself) (the "Common Reserve"). The Board of Directors shall also maintain reserve funds for major repairs and replacements of applicable Common Elements and emergency expenditures in both the Phase 1 Budget and the Phase 2 Budget, which reserve funds shall be in the amount of not less than ten (10%) percent of the Association's annual Phase 1 Budget or Phase 2 Budget, as the case may be (excluding that portion of the budget allocated to the reserve fund itself). The Association may increase or decrease the reserve fund but may not reduce it below ten percent (10%) of the Association's annual budget (not including expenditures from, or payments to, the reserves). The reserve must be funded at least annually from the proceeds of the regular assessments set forth in subsection A above; however, the reserve may be supplemented by additional assessments if determined necessary by the Board of Directors. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium to determine if a greater amount should be set aside in reserve or if additional reserve funds should be established for any other purposes. The Board may adopt such rules and regulations as it deems desirable from time to time with respect to type and manner of investment, funding of the reserves, disposition of reserves or any other matter concerning the reserve account(s). A Co-owner selling a Unit shall not be entitled to any

refund whatsoever from the Association with respect to any reserve account or other asset of the Association.

Section 4. Payment of Assessments and Penalty for Default. All assessments levied against the Co-owners to cover expenses includable in the Common Budget shall be apportioned among and paid by the Co-owners of the Phase 1 and Phase 2 Units by group (and in each group apportioned to the Co-owners of Units within the particular Phase in accordance with their modified percentages of value), according to a 56% (Phase 1) and 44% (Phase 2) allocation. All assessments for items included in the Phase 1 Budget, shall be apportioned among and paid only by all Co-owners of the Phase 1 Units in accordance with their modified percentages of value. All assessments for items included in the Phase II Budget, shall be apportioned among and paid only by all Co-owners of the Phase 1 Units in accordance with their modified percentages of value. Annual assessments levied under the Common Budget, the Phase 1 Budget or the Phase 2 Budget, as the case may be, shall be payable by Co-owners in twelve (12) monthly installments or in such installments as may be provided by the Board in its sole discretion, 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. Additional and Special Assessments shall be payable as stated in the notice announcing their levy. The payment of an assessment shall be in default if such assessment, or any part of the assessment, is not paid to the Association in full on or before the due date for such payment, which shall be the first (1st) day of each calendar month or such other date that the Board may establish from time to time for any assessment. Assessments in default shall bear interest at the highest rate allowed by law (currently 7%) until paid in full. In addition, all assessments, or installments of assessments, that remain unpaid 10 days after the due date, shall incur a uniform late charge of \$50.00 to compensate the Association for administrative costs incurred because of the delinquency. The Board of Directors may revise the amount and frequency of uniform late charges from time to time, and may levy additional late fees for special and additional assessments, pursuant to Article VI, Section 11 of these Bylaws, without the necessity of amending these Bylaws. Once there is a delinquency in the payment of any installment of the annual assessments lasting for more than two months, the Board of Directors may accelerate the remaining unpaid installments of the annual assessment for that fiscal year so that such unpaid installments are immediately due and payable. Each Co-owner (whether one or more persons) shall be personally liable for the payment of all assessments (including late fees and costs of collection and enforcement of payment, including actual attorneys' fees) levied against their Unit while such Co-owner has an ownership interest in the Unit. Payments on installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including attorney's fees; second, to any interest charges, fines and late fees on such installments; and third, to installments in default in order of their due dates.

Section 5. Waiver of Use or Abandonment of Unit. Co-owners shall not be exempt from liability for their contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of their Unit.

Section 6. Enforcement.

A. Statutory Lien. Sums assessed to a Co-owner that are unpaid, together with interest on such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorneys' fees and fines (as allowed by the Condominium Documents or the

Condominium Act), constitute a lien upon the Unit or Units owned by the Co-owner at the time of the assessment before other liens except tax liens on the Unit in favor of any state or federal taxing authority and sums unpaid on the first mortgage of record, except that past due assessments which are evidenced by a recorded notice of lien have priority over a mortgage recorded subsequent to the recording of the notice and affidavit of lien. The lien upon each Unit owned by the Co-owner shall be in the amount assessed against the Unit, plus a proportionate share of the total of all other unpaid assessments attributable to Units no longer owned by the Co-owner but which became due while the Co-owner had title to the Units. The lien may be foreclosed by judicial action or by advertisement in the name of the Condominium on behalf of the other Co-owners as provided below.

B. Remedies. 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, or both. A Co-owner may not withhold or escrow assessments, and may not assert in an answer, or set-off to a complaint brought by the Association for nonpayment of assessments, the fact that the Association or its agents have not provided services or management to a Co-owner. Except as provided in Article X, Section 1, a Co-owner in default shall not be qualified to run for or function as an Association officer or Director, shall not be entitled to vote so long as such default continues, and shall not be entitled to utilize any of the General Common Elements; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from their Unit. The Association may also discontinue the furnishing of any utilities or services to a Co-owner in default. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner or any persons claiming under them, and if the Unit is not occupied by the Co-owner, to lease the Unit and collect and apply the rents received. The Association may also assess fines for late payment or nonpayment of assessments in accordance with the provisions of Article XVI of these Bylaws. All remedies shall be cumulative and not alternative.

C. Foreclosure of Lien. Each Co-owner, and every other person who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments, costs and expenses, either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, and the provisions of Section 108 of the Condominium Act, as the same may be amended from time to time, are incorporated by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligation of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Condominium, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit (and improvements) with respect to which assessments 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 acknowledges that at the time of acquiring title to such Unit they were notified of the provisions of this Section 6 and that they voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

D. 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 at their last known address, of a written notice that one or more installments of the annual, additional or special assessment, as the case may be, levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies under this Article II 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 Association representative 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, and (v) the name of the Co-owner of record. Such affidavit shall be recorded in the Oakland County Register of Deeds prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing to the delinquent Co-owner. 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 under the Condominium Documents or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall notify the Co-owner and shall inform the Co-owner that they may request a judicial hearing by bringing suit against the Association.

E. Expenses of Collection. All expenses incurred in collecting unpaid assessments, including interests, fines, costs, actual attorneys' fees (not limited to statutory fees and including attorneys' fees and costs incurred incidental to any bankruptcy proceedings filed by the delinquent Co-owner or probate or estate matters, including monitoring any payments made by the bankruptcy trustee or the probate court or estate to pay any delinquency, and/or attorneys' fees and costs incurred incidental to any State or Federal Court proceeding filed by the Co-owner) and advances for taxes or other liens or costs 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 their Unit.

Section 7. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering a Unit, or such first mortgage holder's successors and assigns, that obtains title to the Unit pursuant to the foreclosure remedies provided in the mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which become due prior to the acquisition of title to the Unit (the date of the foreclosure sale) by such person or entity, 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, and except for claims evidenced by a Notice of Lien recorded prior to the recording of the first mortgage.

Section 8. Assessment Status upon Sale of Unit. Upon the sale or conveyance of a Unit, any unpaid assessments, interest, late fees, fines, costs and attorneys' fees against the Unit shall be paid out of the net proceeds of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision of the State for taxes or special assessments due and unpaid and (b) payments due under first mortgages having priority to the unpaid assessments. A purchaser or grantee of a Unit is entitled to a written statement from the Association setting forth the amount of unpaid assessments, interest, late fees, fines, costs and attorneys' fees outstanding against the Unit and the purchaser is not liable for any unpaid assessments, interest, late fees, fines, costs and attorneys' fees in excess of the amount set forth in such written statement, nor shall the Unit be subject to any lien for any amounts in excess of the amount set forth in the written statement. Any purchaser or grantee who fails to request a written

statement from the Association at least five (5) days before the conveyance shall be liable for any unpaid assessments against the Unit together with interest, late fees, fines, costs and attorneys' fees incurred in connection with the collection of such assessments.

Section 9. Construction Liens. Construction liens attaching to any portion of the Condominium are subject to the following limitations and Section 132 of the Condominium Act:

A. Except as otherwise provided, a construction lien for work performed upon a Unit or upon a Limited Common Element may attach only to the Unit upon which the work was performed.

B. A construction lien for work authorized by the Association may attach to each Unit only to the proportionate extent that the Co-owner of the Unit is required to contribute to the expenses of administration as provided by the Condominium Documents.

C. A construction lien may not arise or attach to a Unit for work performed on the Common Elements not contracted for by the Association.

ARTICLE III ARBITRATION

Section 1. Arbitration. 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, or between a Co-owner or 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, if applicable, be submitted to arbitration under the procedures set forth in the Uniform Arbitration Act and parties to the arbitration 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 shall be applicable to any such arbitration.

Section 2. Right to Judicial Action. In the absence of the election and written consent of the parties pursuant to Section 1 above, neither a Co-owner nor the Association is precluded from petitioning the courts to resolve any disputes, claims or grievances.

Section 3. Effect of Election to Arbitrate. Election by the parties to submit any such dispute, claim or grievance to arbitration precludes such parties from litigating such dispute, claim or grievance in the courts.

Section 4. Mediation. Regardless of the other remedies available under these Bylaws or the Condominium Act, the parties to any dispute may agree to mediate any disputes. In instances involving a dispute between two or more Co-owners that has been presented to the Association by such Co-owners, the Association may compel the disputing Co-owners to first mediate the dispute before the Association considers any other action. All compelled mediation shall be conducted by qualified outside mediators at the expense of the disputing Co-owners. In all other instances, mediation is totally voluntary and upon agreement of the disputing parties.

ARTICLE IV INSURANCE

Section 1. Extent of Coverage; Responsibility for Coverage.

A. Association Responsibilities.

(1) Casualty. The Association shall insure all Common Elements that the Association has responsibility for repairing and replacing under Article IV, Section 2 of the Amended and Restated Master Deed against fire, vandalism, malicious mischief, and other perils covered by a standard extended coverage endorsement, in an amount equal to one hundred percent (100%) of the current replacement cost of the insurable improvements, excluding foundation and excavation costs, as determined annually by the Association's Board of Directors. The Association's policy shall include a "Guaranteed Replacement Cost Endorsement" or a "Replacement Cost Endorsement" and, if the policy includes a coinsurance clause, an "Agreed Amount Endorsement." The policy shall also include an "Inflation Guard Endorsement," if available, and a "Building Ordinance and Law Endorsement." The Association may also insure as secondary coverage those Common Elements that Co-owners are assigned repair and replacement responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, as well as Unit interior wall construction and any pipes, wires, conduits or ducts contained within the Unit interior walls.

(2) Liability, Worker's Compensation, Fidelity Bond, Directors and Officer, and Other Required Coverage. The Association shall also carry (1) liability insurance with coverage in the minimum amount of one million dollars (\$1,000,000.00) for a single occurrence pertinent to the ownership, use, and maintenance of the Common Elements that the Association has responsibility for repairing and replacing under Article IV, Section 2 of the Amended and Restated Master Deed, (2) worker's compensation insurance, if applicable, (3) fidelity bond or equivalent employee dishonesty/crime coverage in the minimum amount of a sum equal to three months aggregate assessments on all Units plus reserve funds on hand, with such fidelity bond or equivalent employee dishonesty/crime insurance covering all Association officers, directors, and employees and all other persons, including any management agent, handling or responsible for any monies received by or payable to the Association (it being understood that if the management agent or others cannot be added to the Association's coverage, they shall be responsible for obtaining the same type and amount of coverage on their own before handling any Association funds), (4) Directors and Officers Liability coverage, and (5) such other insurance as the Board of Directors deems advisable.

(3) Optional Umbrella Insurance. The Association may purchase as an expense of administration an umbrella insurance policy that covers any risk the Association is required to cover but was not covered due to lapse or failure to procure.

(4) Benefited Parties; Notice to Mortgagees. All such insurance shall be purchased by the Association for the Association's benefit, the Co-owners, and their mortgagees, as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners.

(5) Insurance Records. All non-sensitive and non-confidential information in the Association's records regarding Common Element insurance coverage shall be made available to all Co-owners and mortgagees upon written request and reasonable notice during normal business hours.

(6) Cost of Insurance. All premiums for insurance purchased by the Association shall be expenses of administration.

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

B. Co-owner Responsibilities. Co-owners are advised that the Association's coverage is not intended to be complete as to all matters, and the Co-owners have an obligation to provide certain coverage as outlined in this Article. Co-owners are advised to consult with their insurance advisors to determine what additional insurance they must obtain upon their Units and Common Elements at their own expense in addition to the coverage carried by the Association. Each Co-owner shall obtain insurance coverage for (i) those Common Elements that the Co-owner is assigned repair and replacement responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, (ii) the interior of their Unit, including all fixtures, equipment, and trim located within the Unit, (iii) personal property located within a Unit or elsewhere in the Condominium, (iv) all improvements and betterments to the Unit and Limited Common Elements, (v) personal liability and property damage for occurrences within a Unit or upon its Limited Common Elements and for General Common Elements that the Co-owner is assigned responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, and (vi) alternative living expense in event of fire or other casualty, and the Association has absolutely no responsibility for obtaining such coverage. All Common Elements that Co-owners are required to insure shall be insured against fire, vandalism, malicious mischief and other perils in an amount equal to 100% of the current replacement cost. Co-owners are also advised to obtain insurance covering any insurance deductible or uninsured amount that the Co-owner may be required to pay under Article V, Section 5 or Article VI, Section 14 of these Bylaws. Each Co-owner shall deliver certificates of insurance to the Association as the Board of Director's may require from time to time to evidence the continued existence of all insurance that Co-owners are required to maintain. In the event a Co-owner fails to obtain such insurance or to provide evidence of such insurance to the Association, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums paid shall constitute a lien against the Co-owner's Unit and may be collected from the Co-owner in the same manner that Association assessments may be collected under Article II of these Amended and Restated Bylaws. Co-owners are strongly advised to consult their insurance advisors to make sure they have all necessary and appropriate coverage required by this Section.

C. Waiver of Subrogation; Cross-Liability Endorsements. 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 right of subrogation as to any claims against any Co-owner or the Association. The Association's liability

insurance shall, where appropriate, contain cross-liability endorsements to cover liability of the Co-owners as a group to another Co-owner.

D. Determination of Primary Carrier. It is understood that there may be overlapping coverage between the Co-owners' and Association's policies. In situations where both the Association's coverage and a Co-owner's coverage apply to a given loss, the provisions of this subsection control in determining the primary carrier. In cases of (a) liability for personal injury or otherwise, which relate to occurrences in the Unit or upon a Common Element that the Co-owner is assigned repair and replacement responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, or (b) property damage to the Unit and its contents or to any Common Element or other element or property that the Co-owner is assigned repair and replacement responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, or (c) incidental or consequential damages to any other Unit resulting from an item, element, or occurrence for which the Co-owner is assigned repair and replacement responsibility under Article IV of the Amended and Restated Master Deed, the Co-owner's policy shall be deemed to be primary. In cases of (a) liability for personal injury or otherwise, which relate to occurrences on Common Elements for which the Association is assigned repair and replacement responsibility under Article IV of the Amended and Restated Master Deed, or (b) property damage to a Common Element for which the Association is assigned repair and replacement responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, the Association's policy shall be deemed to be primary. In all cases where the Association's policy is not deemed the primary coverage, if the Association's insurance provider contributes to payment of the loss, the Association's liability to the Co-owner is limited to the amount of the insurance proceeds. In cases where the Co-owner's policy is deemed primary for covering losses where the damage is incidental or caused by a Common Element or the repair or replacement of a Common Element, the Co-owner's insurance carrier has no right of subrogation against the Association or its carrier.

Section 2. Association as Attorney-in-Fact. Each Co-owner is deemed to appoint the Association as their true and lawful attorney-in-fact to act regarding all matters concerning any insurance carried by the Association. Without limiting the generality of the previous sentence, the Association has full power and authority to purchase and maintain such insurance, to collect and remit premiums, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear, but subject 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 necessary or convenient to the accomplishment of the foregoing.

Section 3. Indemnification. Each Co-owner shall indemnify and hold harmless the Association for all damages and costs, including attorneys' fees, which the Association may suffer as a result of defending any claim arising out of an occurrence for which the individual Co-owner is required to carry coverage pursuant to this Article, and shall carry insurance to secure this indemnity if so required by the Association. This Section shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

ARTICLE V RECONSTRUCTION OR REPAIR IN CASE OF CASUALTY

Section 1. Determination of Reconstruction or Repair. If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit is tenantable, unless it

is determined by the affirmative vote of eighty percent (80%) of the Co-owners that the Condominium shall be terminated, and two-thirds (2/3rds) of all mortgagees of record have consented to such termination, which mortgagee consent shall be solicited in accordance with Section 90a of the Condominium Act.

Section 2. Co-owner Responsibility for Reconstruction or Repair. Subject to the provisions of Article VI, Section 14, regardless of the cause or nature of any damage or deterioration, including, but not limited to, instances in which the damage is incidental to or caused by (i) a Common Element for which the Association is responsible under Article IV of the Amended and Restated Master Deed, (ii) the maintenance, repair, or replacement of any Common Element, (iii) the Co-owner's own actions or the Co-owner's failure to take appropriate preventive action, or (iv) the malfunction of any appliance, equipment, or fixture located within or serving the Unit, each Co-owner shall be responsible for the cost of repair, reconstruction and replacement of all items the Co-owner is assigned repair and replacement responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, and for those items that the Co-owner is primarily responsible to insure under Article IV of these Bylaws. If the damage is only to an item that is the Co-owner's responsibility to repair, replace and insure, it shall be the Co-owner's responsibility to promptly repair such damage in accordance with these provisions. If the damage involves items that are both the Co-owner's and the Association's responsibility to repair, replace and insure, then the Association is responsible for reconstruction or repair in accordance with Section 3 of this Article, although the responsibility for costs shall be allocated in accordance with the provisions of this Section and Section 3. If any interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, and the Association's carrier is responsible for paying a claim under Article IV of these Amended and Restated Bylaws, the Co-owner is entitled to receive those proceeds of insurance, but only in the absence of Co-owner coverage for those items, and those proceeds shall be used solely for necessary repairs.

Section 3. Association Responsibility for Reconstruction or Repair of Common Elements. Subject to the responsibility of the individual Co-owners as outlined in Section 2 above and other provisions of these Bylaws or the Amended and Restated Master Deed applicable to such situations, the Association is responsible for the reconstruction and repair of those items the Association is assigned repair and replacement responsibility under Article IV, Section 2 of the Amended and Restated Master Deed, and for those items that the Association is primarily responsible to insure under Article IV of these Bylaws. Under no circumstances will the Association be responsible for incidental or consequential damages to a Unit, Limited Common Element, or any other property that is the responsibility of a Co-owner, or to the contents of any Unit or the personal property of a Co-owner or Unit occupant. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair, or reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage.

Section 4. Timing. If damage to Common Elements or a Unit adversely affects the appearance of the Condominium or deprives others from utilizing the Common Elements, the party responsible for the repair and reconstruction shall promptly proceed with the repair or replacement of the damaged property.

Section 5. Responsibility for Amounts within Insurance Deductible or Otherwise Uninsured. Notwithstanding any other provision of the Condominium Documents, except to the extent that a lack of insurance results from a breach of the Association's or other Co-owner's duty to insure, the responsibility for damage to any portion of the Condominium that is within the limits of any applicable insurance deductible, unless waived, and for any other uninsured amount, shall be borne by the responsible Co-owner whenever the damage is the result of a failure to observe or perform any requirement of the Condominium Documents, or if the damage results from damage to or misuse of any of the Common Elements by the Co-owner, or their family, guests, agents, or invitees, or by casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or Common Elements which are the responsibility of the Co-owner to maintain, repair, and replace.

Section 6. Indemnification. Each Co-owner shall indemnify and hold the Association harmless for all damages and costs, including, without limitation, actual attorneys' fees (not limited to reasonable attorneys' fees), which the Association suffers as the result of defending any claim arising out of an occurrence on or within such Co-owner's Unit or a Common Element for which the Co-owner is assigned the responsibility to maintain, repair, and replace. Each Co-owner shall carry insurance to secure this indemnity. This Section shall not be construed to afford any insurer any subrogation right or other claim or right against a Co-owner.

Section 7. Eminent Domain. Section 133 of the Condominium Act (to the extent not inconsistent with the following) and the following provisions shall control upon any taking by eminent domain:

A. **Common Elements Taken by Eminent Domain.** If any portion of the Common Elements is taken by eminent domain, the award shall be allowed to the Co-owners in proportion to their respective undivided interests in the Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-owners for any taking of the Common Elements and any negotiated settlement approved by more than two-thirds (2/3) of the Co-owners shall be binding on all Co-owners.

B. **Unit Taken by Eminent Domain.** If a Unit is taken by eminent domain, the undivided interest in the Common Elements appertaining to the Unit shall appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The court shall enter a decree reflecting the reallocation of the undivided interest in the Common Elements as well as for the Unit.

C. **Partial Taking of a Unit.** If portions of a Unit are taken by eminent domain, the court shall determine the fair market value of the portions of the Unit not taken. The undivided interest of such Unit in the Common Elements shall be reduced in proportion to the diminution in the fair market value of such Unit resulting from the taking. The portions of undivided interest in the Common Elements thereby divested from the Co-owners of such Unit shall be reallocated among the other Units in proportion to their respective undivided interests in the Common Elements. A Unit partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court under this subsection. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Unit partially taken for that portion of the undivided interest in the Common Elements divested from the Co-owner and not

revested in the Co-owner pursuant to the following subsection, as well as for that portion of the Unit taken by eminent domain.

D. Impossibility of Use of Portion of Unit Not Taken by Eminent Domain. If the taking of a portion of a Unit makes it impractical to use the remaining portion of that Unit for a lawful purpose permitted by the condominium documents, then the entire undivided interest in the Common Elements appertaining to that Unit shall appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The remaining portion of that Unit shall be a Common Element. The court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Unit for the Co-owner's entire undivided interest in the Common Elements and for the entire Unit.

E. Future Expenses of Administration Appertaining to Units Taken by Eminent Domain. Votes in the Association of Co-owners and liability for future expenses of administration appertaining to a Unit taken or partially taken by eminent domain shall appertain to the remaining Units, being allocated to them in proportion to their relative voting strength in the Association. A Unit partially taken shall receive a reallocation as though the voting strength in the Association was reduced in proportion to the reduction in the undivided interests in the Common Elements.

F. Condominium Continuation after the taking by Eminent Domain. In the event the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be resurveyed and the Amended and Restated Master Deed amended accordingly. Such amendment may be effected by an Association officer duly authorized by the Board of Directors without the necessity of execution or specific approval by any Co-owner, but only with the prior written approval of holders of two-thirds (2/3rds) of all first mortgage liens on individual Units.

G. Condemnation or Eminent Domain Proceeding. In the event any Unit, or any portion of a Unit, or the Common Elements, or any portion of the Common Elements, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units.

Section 8. Rights of First Mortgagees. Nothing contained in the Condominium Documents shall be construed to give a Co-owner, or any other party, priority over any rights of first mortgagees of Units pursuant to their mortgages in the case of a distribution to Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Units or Common Elements.

Section 9. Notification to Mortgagees and Guarantors. The Association shall give the holder of any first mortgage and any guarantors of the mortgage covering any Unit timely written notice of any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the mortgage.

ARTICLE VI RESTRICTIONS

Section 1. Use of Unit.

A. Single Family Use. No Unit shall be used for other than single-family residential purposes as defined by City of Bloomfield Hills Zoning Ordinances, and the Common Elements shall be used only for purposes consistent with such use. No Co-owner shall carry on any business enterprise or commercial activities anywhere on the Common Elements or within the Units, including without limitation for profit or nonprofit day care, adult foster care, nursing facilities, transitional housing and similar enterprises; provided, however, that Co-owners shall be allowed to have home offices in their Units so long as the same (1) do not involve additional pedestrian or vehicular traffic by customers, users or beneficiaries of the services being performed and/or congestion within the Condominium, (2) do not utilize or involve the presence of any employees within the Unit other than the individual Co-owner(s) and their families, (3) do not disturb other Co-owners, (4) do not involve additional expense to the Association (such as utility charges and insurance), and (5) do not violate any other provision or restriction contained in the Condominium Documents, (6) do not involve the storage of bulk goods for resale, and (7) do not constitute a violation of any ordinances or regulations of the City of Bloomfield Hills.

B. Occupancy Restrictions. The number of persons allowed to occupy or reside in any Unit shall be governed by the restrictions and regulations of the Building Officials and Code Administrators National Property Maintenance Code or such other codes or ordinances that may be adopted by the City of Bloomfield Hills from time to time governing occupancy. Such restrictions shall automatically change, without the necessity of an amendment to these Bylaws, upon the adoption of alternative regulations by the City of Bloomfield Hills, such that the occupancy of all Units shall be in accordance with all City of Bloomfield Hills regulations at all times.

Section 2. Leasing and Rental of Units.

A. Right to Lease.

(1) A Co-owner may only lease a Unit for the same purposes as set forth in Article VI, Section 1, and only if the Co-owner (a) is in compliance with this Section 2, (b) has followed the disclosure procedures contained in subsection C below, and (c) obtained the Board of Director's prior written approval as more fully set forth in this Section 2.

(2) Except for those Units under an approved lease as of the effective date of the Amended and Restated Master Deed, the Board of Directors shall not grant approval if (1) the leasing of such Unit would result in any one person or entity (including affiliates or commonly owned entities) leasing more than 1 Unit at any given time, or (2) the leasing of such Unit would cause the total number of leased Units in (a) Phase 1 to exceed 3 Units or (b) Phase 2 to exceed 4 Units. Co-owners who were permitted to lease their Units as of the effective date of the Amended and Restated Master Deed shall be entitled to continue leasing their Units despite the foregoing limitations on the number of Units that may be rented, provided the provisions of the Condominium Documents are followed and an approved lease is on file with the Association prior to the effective date of the Amended and Restated Master Deed. In the event of a sale or transfer of ownership of a leased Unit, or in the event

such a Unit is no longer being leased, being prepared for lease, or being held out or otherwise marketed for lease, all automatic rights to lease that Unit shall terminate and no further leasing of the Unit shall take place without first obtaining the written approval of the Board of Directors in compliance with these provisions.

(3) Subject to the provisions of subsections (1) and (2), no Co-owner shall lease less than an entire Unit, and all leases shall (i) be for an initial term of no less than one (1) year, (ii) require the lessee to comply with the Condominium Documents, and (iii) provide that failure to comply with the Condominium Documents constitutes a default under the lease.

(4) No Co-owner shall accommodate transient tenants or occupants. For purposes of this Section, "transient tenant or occupant" refers to a non-Co-owner occupying a Unit for less than sixty (60) days and who has paid consideration for the occupancy.

(5) 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. The Association may also require the use of a standard lease addendum.

B. Exception to Leasing Limitation. Notwithstanding the provisions contained in subsection A above or anything to the contrary contained in the Condominium Documents, the Association recognizes that circumstances may arise beyond a Co-owner's control that may justify an exception to allow the temporary leasing of a single Unit, regardless of the Phase 1, 3 Unit maximum or Phase 2, 4 Units maximum rental limitations. Therefore, under the following circumstances, but only for so long as such circumstances exist and only so long as the Co-owner has occupied the Unit for the immediately preceding six (6) months and the leasing of the Unit will not result in that Co-owner or any related person or entity leasing more than one (1) Unit, the Board may allow a Co-owner to lease their Unit even though 3 or more Units may already be leased in Phase 1 or 4 or more Units may already be leased in Phase 2:

(1) A Co-owner must relocate to a nursing home or similar facility for a period likely to exceed six (6) months;

(2) A Co-owner must relocate for medical purposes (treatment, rehabilitation, or recuperation) for a period likely to exceed six (6) months;

(3) A Co-owner must relocate for employment purposes for a period likely to exceed six (6) months;

(4) A Co-owner or the estate of a Co-owner must rent a Unit due to an inability to sell the same without incurring a financial loss because of mortgage liens recorded against the Unit exceeding the fair market value of the Unit; or

(5) Any similar extenuating situation approved by the Board of Directors.

C. Procedures for Leasing. The leasing of Units shall conform to the following additional provisions:

(1) Disclosure. A Co-owner desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential tenant, and shall at the same time supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. Each Co-owner shall, promptly following the execution of any approved lease of a Unit, forward a true copy of the fully executed lease to the Association. If no lease form is to be used, then the Co-owner shall supply the Board with the name and address of the potential lessee or other occupants, along with the amount and due dates of any rental or compensation payable to the Co-owner, and the term of the proposed occupancy arrangement. Co-owners who do not live in the Unit they own must keep the Association informed of their current correct address and phone number(s), and must also provide the Association with the name and contact information of a non-Co-owner or non-Unit occupant that will, on behalf of the Co-owner in the event that the Co-owner cannot be reached and as circumstances otherwise dictate, coordinate and attend to any tenant or other non-Co-owner occupant issues that are the Co-owner's responsibility in the first instance and failure to provide such information shall entitle the Board to disapprove a proposed lease transaction.

(2) Administrative Fee. The Board of Directors may charge such reasonable administrative fees for reviewing, approving and monitoring lease transactions in accordance with this Section as the Board, in its discretion, may establish. Any such administrative fees shall be assessed to and collected from the leasing Co-owner in the same manner as the collection of assessments under Article II of these Amended and Restated Bylaws.

(3) Compliance with Condominium Documents. Tenants or non-Co-owner occupants shall comply with the Condominium Documents.

(4) Default by Tenant or Non-Co-owner Occupant. If the Board determines that a tenant or non-Co-owner occupant failed to comply with the Condominium Documents, the Association shall take the following action:

(a) Notification. The Association shall notify the Co-owner by certified mail advising of the alleged violation.

(b) Time to Cure. The Co-owner has fifteen (15) days after receipt of such notice to investigate and correct the alleged tenant or non-Co-owner occupant breach or advise the Association that a violation has not occurred.

(c) Remedies. 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 for breach of the Condominium Documents. The relief set forth in this Section may be by summary proceeding, although the Association may pursue relief in any Court having jurisdiction and whether by summary proceeding or otherwise. The Association may hold the tenant, the non-Co-owner occupant and the Co-owner liable for any damages caused by the Co-owner, tenant or non-Co-owner occupants. The Co-owner shall be responsible for reimbursing the Association for all costs incurred because of a tenant's or non-Co-owner occupant's failure to comply with the Condominium

Documents, including the pre-litigation costs and actual attorneys' fees incurred in obtaining their compliance with the Condominium Documents.

(5) Notice to Pay Rent Directly to Association. When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to the Co-owner's tenant or non-Co-owner occupant and the tenant or non-Co-owner occupant after receiving the notice shall deduct from their rental payments to the Co-owner the arrearage and future assessments as they fall due and shall pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant or non-Co-owner occupant. If the tenant or non-Co-owner occupant, after being so notified, fails or refuses to remit rent to the Association that is otherwise due the Co-owner, then the Association may (1) prohibit the tenant from utilizing any of the General Common Elements, (2) issue a statutory Notice to Quit for non-payment of rent, and enforce that notice by summary proceedings, and/or (3) initiate proceedings pursuant to Section 112(4)(b) of the Condominium Act.

D. Lender Exception. Notwithstanding anything to the contrary and except for the prohibition on transient tenancies, first mortgage lenders or first mortgagee guarantors in possession of a Unit following a default of a first mortgage, foreclosure, or deed or other arrangement in lieu of foreclosure shall not be subject to the restrictions contained in this Article VI, Section 2A and which relate to the term of any lease or rental agreement.

E. Department of Veterans Affairs Exception. To the extent that any provision set forth in the Condominium Documents regarding leasing is inconsistent with the requirements of guaranteed or direct loan programs of the United States Department of Veterans Affairs, as set forth in chapter 37 of title 38, United States Code, or part 36 of title 38, Code of Federal Regulations ("DVA Financing"), such provision shall not apply to any Unit that is:

- (1) Encumbered by DVA Financing; or
- (2) Owned by the Department of Veterans Affairs.

F. Rent Loss Insurance Coverage. Those Co-owners that rent their Unit are advised to obtain insurance coverage for reimbursement of rental income that may be lost while the Unit is being repaired, rebuilt or is otherwise not capable of being occupied. The Association shall have absolutely no responsibility for obtaining such coverage and Co-owners shall have absolutely no claim against the Association for lost rental income.

Section 3. Alterations and Modifications.

A. Approvals Required. No Co-owner may commence or make alterations in exterior appearance or make structural modifications to any Unit including interior walls through or in which there exist easements for support or utilities or make changes in the appearance or use of any of the Common Elements, Limited or General, including but not limited to, exterior painting, replacement of windows or doors, or the erection of lights, awnings, shutters, newspaper holders, pictures, mailboxes, spas, hot tubs, decks, patios, structures, fences, walls, landscaping or other exterior attachments or modifications, until plans and specifications acceptable to the Board showing the nature, kind, shape,

height, materials, color scheme, location and approximate cost has first been submitted to and approved in writing by the Board, and a copy of such plans and specifications, as finally approved, delivered to the Board. The Board has the right to refuse to approve any such plans or specifications that are not suitable or desirable in its opinion for aesthetic or any other reasons, and in passing upon such plans and specifications it has the right to take into consideration the suitability of the proposed structure, improvement or modification, the area upon which it is proposed to be constructed, and the degree of harmony with the entire Condominium. In the event the Board approves any modification or alteration application, such approval is subject to a recordable, written undertaking by the Co-owner acknowledging that installation, maintenance, repair, replacement and insuring of all the improvements are to be at the Co-owner's sole expense. The Board has the right to require a Co-owner to complete the installation of any approved improvements or modifications by a date certain. Any modifications or alterations that a Co-owner performs pursuant to this Section shall, if applicable, be performed by licensed and insured contractors and in accordance with all applicable governmental regulations and ordinances, including the requirement that proper permits be applied for and issued by appropriate governmental agencies.

B. Improvements or Modifications to Facilitate Access to or Movement within a Unit. The provisions contained in subsection A are subject to the applicable provisions of the Condominium Act governing improvements or modifications if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities under the circumstances provided for in the Condominium Act at MCL 559.147a, as may be amended from time to time.

C. Sound Conditioning. A Co-owner shall not damage, attach anything to, or alter walls, ceilings or floors between Units so as to compromise sound conditioning.

D. Installation of Antennas/Satellite Dishes. The installation of antennas, direct broadcast satellites and other technologies regulated by the Federal Communications Commission shall be in accordance with duly promulgated Association rules and regulations, which shall always be construed so as not to violate applicable FCC regulations.

Section 4. Conduct upon the Condominium. No harmful, improper or unlawful activity, including without limitation speeding or other vehicular infractions, shall be engaged in on or upon the Common Elements or any Unit, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners, nor shall any unreasonably noisy activity be carried upon the Common Elements or any Unit. There shall not be maintained any device or thing of any sort whose normal activities or existence is in any way harmful, noisy, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the reasonable enjoyment of other Units. No Co-owner shall do or permit anything to be done or keep or permit to be kept on their Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the Board's written approval 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. All municipal codes and ordinances pertaining to the use of the Common Elements must always be followed.

Section 5. Animals within the Condominium.

A. Number and Type. No animal, including household pets, shall be kept or allowed on the Condominium by any Co-owner without the written approval of the Board of Directors, which approval will only be given for such pets (type, size and disposition) as are consistent with the close, community living environment of Barden Woods Condominium. The Board shall in no event approve more than 1 pet per Unit. Any such approval shall be revocable at any time by the Association for failure of such pets or their owners to abide by the provisions of this Section and the Rules and Regulations of the Association pertaining to the keeping of pets. The term "animal" or "pet" as used in this section shall not include small animals, fish or birds that are constantly caged or in a tank. Exotic pets (i.e. rare or unusual animals or animals generally thought of as wild and not typically kept as a pet) are strictly prohibited.

B. Restrictions Applicable to Pets; Responsibilities of Co-owners.

(1) The Board of Directors may require that Co-owners register their pets with the Association before the pet may be maintained on or within the Condominium. The Board may require that any such registration include, among other things, a complete description of the pet, its name, the name and telephone number of the adult person responsible for the pet at all times, and the name, address and telephone number of the veterinarian or veterinary clinic which maintains the pet's health and immunization records, and a current picture.

(2) No animals may be kept or bred for any commercial purpose. 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.

(3) No animal may be permitted to be housed outside of a Unit, in a pen or otherwise, nor shall pets be tied or restrained outside or be allowed to be loose upon the Common Elements. All pets shall be leashed when outdoors with the leash being held and controlled at all times by a responsible person and otherwise in accordance with any ordinances of the City of Bloomfield Hills that may apply.

(4) Each Co-owner shall be responsible for the immediate collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner, anywhere in the Condominium.

(5) No savage or dangerous animal of any type shall be kept and any Co-owner who causes any animal to be brought, maintained or kept on the Condominium for any length of time shall indemnify and hold harmless the Association for any loss, damage or liability, including attorneys' fees and costs, which the Association may sustain because of the presence of such animal on the Condominium, whether such animal is permitted or not. The Association may assess and collect from the responsible Co-owner such losses and damages in the manner provided in Article II of these Amended and Restated Bylaws. No animal that creates noise and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements.