

BYLAWS

OF

RIDGEWOOD HILLS SUBDIVISION ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of this corporation is Ridgewood Hills Subdivision Association, hereinafter referred to as the "Association". The principal office of the Association shall be located at P.O. Box 5492, Plymouth, Michigan 48170, but meetings of members and directors may be held at such places within the State of Michigan as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Ridgewood Hills Subdivision Association, a Michigan Non-Profit Corporation, its successors and assigns.

Section 2. The "Subdivision" shall mean and refer to that certain real property described as:

Lots 1 through 185 inclusive, of Ridgewood Hills Subdivision No. 1, according to the plat thereof as recorded in Liber 98, pages 35 through 40 of Plats, Wayne County Records; and

Lots 186 through 366 inclusive, of Ridgewood Hills Subdivision No. 2, of part of the W. 1/2 of Sec. 32, T. 1 S., R. 8 E., Plymouth Township, Wayne County, Michigan.

Section 3. "Common Area" shall mean those areas of land shown on the recorded plat of The Subdivision (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot within the Subdivision is described as follows:

"Ridgewood Park North, Ridgewood Center Park and Ridgewood Park South", which together contain 12.945 acres of land, more or less, and located within and being part of the recorded plat of Ridgewood Hills Subdivision No. 1, according to the plat thereof as

recorded in Liber 98, pages 35 through 40 of Plats,
Wayne County Records.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of The Subdivision, including land contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

Section 5 "Lot" shall mean and refer to any numbered lot shown upon the recorded plat of The Subdivision.

Section 6. "Declaration" shall mean and refer to the Declaration of Restrictions applicable to the plat of The Subdivision recorded in the Office of the Wayne County Register of Deeds, State of Michigan.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 8. "Declarant" shall mean and refer to the Developer, who has executed and caused to be recorded the Declaration, said developer being Plymouth Investment Co. a Michigan Limited Co-Partnership.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment.

Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

a. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

b. The right of the Association to suspend the voting rights and right to use the recreational facilities by an Owner for any period during which any general or special assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

c. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds of each class of members has been recorded and provided further, that no such dedication or transfer or determination as to the conditions

thereof shall be effective unless the prior consent thereto of the Township of Plymouth by and through its Township Board of Trustees shall have first been obtained.

d. Easements shown on the recorded plat of The Subdivision.

Section 2. Delegation of Use.

Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or purchasers who reside on the property.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a lot shall be a mandatory member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

Section 2. Owners shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast for any one lot.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.

Each Owner of a lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual general assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual general and special assessments, together with interest thereon, collection costs, including reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest thereon, costs of collection thereof, including reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. For the purpose of assessment, the term "Owner" shall exclude Declarant and any builder or developer who purchases a lot for the purpose of constructing improvements thereon for resale to an Owner.

Section 2. Purpose of Assessments.

The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in The Subdivision and in particular for the maintenance of the subdivision storm water drainage lines, storm water retention areas, all storm drainage outlets and facilities serving The Subdivision and for the improvement and maintenance of the Common Area and facilities as well as all entrance gates located on lots in The Subdivision abutting roads leading into The Subdivision.

Section 3. Maximum Annual Assessment.

Until January 1 of the year immediately following the conveyance of the first lot in The Subdivision to an Owner, the maximum annual assessment shall be Twenty-Five (\$25.00) Dollars per lot.

a. From and after January 1 of the year immediately following the conveyance of the first lot in The Subdivision to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first lot in The Subdivision to an Owner, the maximum annual assessment may be increased above five (5%) percent by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for that purpose.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any improvement upon the Common Area, the storm water drainage and retention facilities, and any fixtures and personal property in connection with any of the above, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for that purpose. However, anything hereinabove or elsewhere herein to the contrary notwithstanding, in any instance where the Township of Plymouth expends funds in the course of a maintenance service for the benefit of The Subdivision, the Association shall prorate and access the cost thereof equally against all Owners without the necessity of obtaining the vote or any other prior approval of the membership, and make full reimbursement to the Township within the year following the billing of the Association for such expense.

Section 5. Notice and Quorum for Actions Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 15 days nor more than 30 days in advance of the meeting. At the first

such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment.

Both annual and special assessments must be fixed at a uniform rate for all lots and may be collected on a monthly or an annual basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates.

The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the first lot in The Subdivision to an Owner who is not the Declarant, a builder or a developer under the provisions of Section 1, of this Article. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year and shall be collected at the time of permanent loan closing. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of six (6%) percent per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

Section 9. Exempt Property.

All Common Area and all other property exempt from taxation by state or local governments and dedicated for public use shall be exempt from the assessments, charge and lien created herein.

Section 10. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to

mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI

MEETINGS OF MEMBERS

Section 1. Annual Meetings.

Meetings of the members shall be held at least annually. Such meetings shall be scheduled by the Board of Directors at such convenient date, time and place as they determine.

Section 2. Special Meetings.

Special meetings of the members may be called at any time by the president or by vote of the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings.

Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Each member shall register his address with the secretary, and notices of meetings shall be mailed to him at such address. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. If the business of any meeting shall involve any change in the basis or maximum amount of the annual assessment set forth in Article IV of the Declaration, or any special assessments therein authorized, notice of such meeting shall be given or sent as therein provided.

Section 4. Quorum.

The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies.

At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE VII

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number.

The affairs of this Association shall be managed by a Board of nine (9) Directors who must be members of the Association. Members of the Board of Directors shall be elected by the Owners.

Section 2. Term of Office.

At the first annual meeting the members shall elect three directors for a term of one year, three directors for a term of two years and three directors for a term of three years; and at each annual meeting thereafter the owners shall elect three directors for a term of three years.

Section 3. Removal.

Any director may be removed from the Board, with or without cause, by a majority vote of the owners of the Association.

Section 4. Vacancies.

Vacancies in the Board of Directors caused by death, resignation or removal of a director shall be filled by appointment by and upon the vote of a majority of the remaining directors, and such director or directors, so appointed, shall serve for the unexpired term of his/her predecessor.

Section 5. Compensation.

No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

Section 6. Action Taken Without a Meeting.

The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 7. Indemnification.

The Association shall indemnify each member of the Board of Directors and each officer of the Association at any time in office, whether prior or subsequent to the adoption of this By-Law, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he/she is or was a Director or officer of the Association, against expenses (including legal fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The terminations of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Association; and, with respect to any criminal action or proceeding, shall not have had reasonable cause to believe that his/her conduct was unlawful.

The foregoing right of indemnification shall not preclude any indemnification of any such Director or officer, which such Director or officer may be entitled by law or by virtue of any document or agreement, or which may be legally provided or afforded by or under any action by the owners and/or Directors of this Association. All rights of indemnification shall inure to the benefits of the heirs, executors and administrators of the person involved.

ARTICLE VIII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination.

Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election.

Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to cast under the provisions of Article IV. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE IX

MEETINGS OF DIRECTORS

Section 1. Regular Meetings.

Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings.

Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days' notice to each director.

Section 3. Quorum.

A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE X

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers.

The Board of Directors shall have power to:

a. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

b. Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for

a period not to exceed 30 days for infraction of the published rules and regulations;

c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other Provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

d. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

e. Employ a manager, an independent contractor, professional maintenance contractors or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties.

It shall be the duty of the Board of Directors to:

a. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote:

b. Supervise all officers, agents and employees of this Association, to see that their duties are properly performed;

c. As more fully provided in the Declaration, to:

1. Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period; and

2. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

3. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

d. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

e. Procure and maintain adequate liability and hazard insurance on property owned by the Association;

f. Cause the storm water drainage lines, storm water retention areas, storm drainage outlets and facilities serving The Subdivision, the Common Area and subdivision entrance gates to be improved, maintained, and preserved, as is more fully defined in the Declaration;

g. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

h. Comply with the requirements of the recorded Subdivision Open Space Agreement entered into by the Declarant and the Township of Plymouth;

i. To exercise for the Association all powers, duties and authority vested in or delegated to the Association.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers.

The officers of this Association shall be a president, any number of vice-presidents, who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers.

The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members and shall be by majority vote of the directors.

Section 3. Term.

The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments.

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal.

Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless

otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies.

A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices.

The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties.

The duties of the officers are as follows:

President

a. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

b. The Vice-President shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

c. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

d. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a certified public

accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures for presentation to the members at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XII

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE XIII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV

PROXIES

Section 1. At all meetings of members, each member may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his lot.

ARTICLE XV

CORPORATE SEAL

No seal shall be required to be adopted as the corporate seal of this Association for the regular conduct of its business. In the event a seal should be required for any transaction, then any blank corporate seal may be utilized as the seal for this Association.

ARTICLE XVI

AMENDMENTS

Section 1. These By-laws may be amended, at a regular or special meeting of the members, by a vote of two thirds of the members present either in person or by proxy, provided that any matter stated herein to be or which is in fact governed by the Declaration of Restrictions applicable to the Subdivision, and recorded, may not be amended except as provided in such Declaration of Restrictions.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration of Restrictions applicable to the Subdivision and these By-Laws, the Declaration of Restrictions shall control.

ARTICLE XVII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we being all of the directors of the Ridgewood Hills Subdivision Association have hereunto set our hands this 23rd day of May, 1995.

R. P. ...
...
...
J. ...
Linda ...

Susan M. Smith
Lawrence J. Soare
...
Jan ...

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Hills Subdivision Association; and that the above is a true By-Laws of this Association adopted by the Association or

Susan
Secretary