

BY-LAWS
OF
THE WILLOW HOMES ASSOCIATION

ARTICLE I

Name and Location

The name of the corporation is THE WILLOW HOMES ASSOCIATION, the same being a non-profit corporation pursuant to the laws of the State of Michigan. The principal office of the corporation shall be located at 21790 Coolidge Highway, Oak Park, Michigan, 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.

"DEVELOPER" shall mean and include PRACTICAL HOME BUILDERS, INC., or its assigns.

Section 2.

"ASSOCIATION" shall mean and refer to the WILLOW HOMES ASSOCIATION, and any successor thereto.

Section 3.

"THE PROPERTIES" shall mean and include WILLOW CREEK SUBDIVISION #1 AND PRIVATE PARK "BEE" OF WILLOW CREEK SUBDIVISION #2, described above, which may, in addition, herein be referred to as the "Existing Properties" and such part(s) of certain planned additions thereto, hereinafter sometimes referred to as the "Additions" to the Existing Properties, as may hereafter be brought within the jurisdiction of the Association, by the Developer, pursuant to this Declaration or any Supplemental Declaration hereto and in connection with such Additions to the Existing Properties.

✓ Section 4.

✓ "COMMON AREA(S)" shall mean and refer to those areas of land denoted as "PRIVATE PARK(S)" on any recorded Plat of The Properties, and intended to be owned by the Association and to be devoted to the common use and enjoyment of the owners of The Properties, and any improvements thereon.

✓ Section 5.

"LOT" shall mean and refer to any parcel of land shown as such upon any recorded Plat of The Properties, with the exception of the Common Area(s) hereinabove defined, and otherwise restricted herein for residential purposes and for the construction and occupancy thereon of a single-family dwelling in accordance herewith and shall include such dwelling.

✓ Section 6.

"OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot, part of The Properties, including land contract vendors and land contract vendees, but not including any mortgagee unless and until such mortgagee shall have acquired such fee simple title pursuant to foreclosure or any proceeding or conveyance in lieu of foreclosure. Where more than one person or entity has an interest in the fee simple title to any lot, the interests of all such persons collectively shall be that of a single owner.

✓ Section 7.

"MEMBER" shall mean and refer to all those owners who are members of the Association, as hereinafter set forth.

✓ Section 8.

"FHA" shall mean and refer to the Federal Housing Administration, United States Department of Housing and Urban Development!

✓ Section 9.

"GENERAL DEVELOPMENT PLAN" shall mean and refer to the plan submitted by the Developer to the FHA showing, in general, the Existing Properties and proposed Additions to the Existing Properties, and indicating the size and location of each such addition, and the proposed land uses and additional common area, if any, to be contained within each addition.

Section 10.

"DWELLING UNIT" OR "DWELLING" other than in connection with a dwelling on a single family lot, shall mean a place of habitation such as each unit of a two family or duplex structure; each unit of a four family or fourplex structure; or each apartment, town-house, or flat in any other type of multiple housing structure.

Section 11.

"DECLARATION" shall mean the Declaration Of Covenants And Restrictions for WILLOW CREEK SUBDIVISION #1, recorded in Liber 17841 of Deeds, Pages 908 through 919, both inclusive, Wayne County Records.

ARTICLE III

Membership and Voting Rights in the Association :

Section 1.

MEMBERSHIP. Every person or entity who is the owner of a Lot or Dwelling which is subject, by this Declaration, to assessment by the Association, shall be a Member of the Association. Membership in the Association is and shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling which is subject to assessment by the Association.

Section 2.

VOTING RIGHTS. The Association shall have two (2) classes of voting membership: Class A Stock and Class B Stock.

(a) Class A stock shall be issued only to the Developer and the Developer shall be entitled to one (1) share of Class A stock for each Lot or Dwelling, or proposed Lot or Dwelling, within the Properties, as shown on the General Development Plan, of which it is an Owner. Upon the transfer in fee simple by the Developer of any Lot or Dwelling to a new Owner, the share of Class A stock issued to the Developer with respect to such Lot or Dwelling shall be cancelled. Each share of Class A stock shall be entitled to one (1) vote.

(b) One (1) share of Class B stock shall be issued to each Owner of a Lot or Dwelling other than the Developer. Class B stock shall have no voting rights.

(c) At such time as the number of shares of Class A stock issued and outstanding is less than one-third (1/3) of the number of shares of Class B stock validly issued and outstanding, all Class A and Class B stock then outstanding, and all stock subsequently issued by the Association, shall be and be deemed to be Class A stock and entitled to one (1) vote per share.

ARTICLE IV

Meetings of Members

Section 1.

ANNUAL MEETINGS: The first Annual Meeting of the Members shall be held on the first Monday of May, and each subsequent regular Annual Meeting of Members shall be held on the same day of the same month of each year thereafter at the hour of 8:00 o'clock P.M. If the day for the Annual Meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first business day following which is not a legal holiday.

Section 2.

SPECIAL MEETINGS: Special meetings of the members may be called at any time by the President or by two member officers, upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes.

Section 3.

NOTICE OF MEETINGS: Except as otherwise provided in the Declaration, 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 days before such meeting to each member. 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. Where a single address is given in the membership records for more than one member, a notice shall be proper if mailed to such address in an envelope addressed to all such members at such address.

Section 4.

QUORUM: A quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws, shall consist of members entitled to cast 1/10th of the votes. If no quorum shall be present, the members then present shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a required quorum shall be present. The quorum requirement shall diminish by 25% at each successive adjournment.

Section 5.

PROXIES: At all meetings of members voting may be in person or by proxy. All proxies shall be in writing and shall be filed with the Secretary. The directors may make reasonable regulations controlling proxies. Every proxy shall be revocable and shall automatically cease when the giver of the proxy shall cease to be an owner or when his membership privileges shall have been suspended.

ARTICLE V

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 need not be members of the Association.

Section 2.

TERM OF OFFICE: Beginning with the first Annual Meeting, the members shall elect three (3) Directors for a term of three (3) years, and at each Annual Meeting thereafter the members shall elect three (3) Directors for a term of three (3) years.

Section 3.

REMOVAL: Any Director may be removed from the Board, with or without cause, by a majority of the votes cast at a meeting called for such purpose. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.

COMPENSATION: No Director shall receive compensation for any service he may render to the Association as Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5.

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 all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors and such action shall be entered in the minutes of the next meeting of the Directors.

Section 6.

CORPORATE ACTION: The action of the Association shall be determined, unless otherwise provided in the Declaration, by a majority of the votes cast at a duly constituted meeting.

ARTICLE VI

Nomination and Election of Directors

Section 1.

NOMINATION: Nomination for election to the Board of Directors shall be made by a Nominating Committee. 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. Nominations may also be made from the floor at the Annual Meeting.

Section 2.

ELECTION: Election to the Board of Directors shall be by secret written ballot at the annual meeting or at a special meeting called for that purpose. At such election the members of their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes for a vacancy shall be elected.

ARTICLE VII

Meetings of Directors

Section 1.

REGULAR MEETINGS: Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2.

SPECIAL MEETINGS, NOTICES: Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any four (4) Directors, by mailing notice to each Director not less than three (3) days before such meeting.

Section 3.

QUORUM: Five (5) Directors shall constitute a quorum for the transaction of business. Every act done or decision 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 VIII

Powers and Duties of the Board of Directors

Section 1.

POWERS: The Board of Directors shall have 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, the Declaration, or the laws of the State of Michigan. Without limiting the generality of the foregoing, the Board of Directors shall have the 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 opportunity for hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations, except that for a continuing infraction such rights may be suspended during the continuation of such infraction.
- (c) 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.
- (d) Employ a manager, an independent contractor, and such other employees as they deem necessary, and to prescribe their duties.
- (e) Close the books of the corporation against transfer of membership for a stated period not to exceed forty (40) days prior to any meeting.

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 members who are entitled to vote;
- (b) Supervise all officers, agents and employees of this Association, and 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;
 - (2) Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;
 - (3) Take such steps as may be proper to collect delinquent assessments, penalties and interest or other sums due to the Association.
- (d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid, making a reasonable charge therefor.
 - (e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
 - (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
 - (g) Cause the Common Area to be maintained in accordance with the stated purposes of the Declaration.

ARTICLE IX

Officers and Their Duties

Section 1.

ENUMERATION OF OFFICES: The officers of this Association shall be a President and Vice-President, 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 provide for by resolution pursuant to Section 4. below.

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.

Section 3.

TERM: The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, or until his successor shall be elected and shall qualify, unless he shall resign or shall be removed, or otherwise be 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 office 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 shall be as follows and as otherwise provided by the Board of Directors:

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, unless otherwise ordered by the Board.

VICE-PRESIDENT

(h) 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 by 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; keep the corporate seal of the Association and affix it on all papers requiring said seal; 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; 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 public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE X

Committees

The Board of Directors shall appoint an Architectural Control Committee, as provided by the Declaration, a Nominating Committee as provided by these By-Laws, and such other committees as it may deem appropriate in carrying out its purpose.

ARTICLE XI

Books and Records

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

ARTICLE XII

Assessments

As more fully provided in the Declaration, each member shall pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six (6%) per cent per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or may foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may escape liability for the assessments provided for herein by non-use of the common area or abandonment of his property.

ARTICLE XIII

Corporate Seal

The seal embossed at this point shall be the corporate seal of the Association:

ARTICLE IV

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.

Addendum to Article V, Section 3

Basis and Maximum Annual Assessments

Beginning January 1, 2021, the Annual Association Dues (Annual Assessment) shall be increased to Seventy-Five Dollars (\$75.00) per dwelling or vacant lot. Beginning on January 1, 2023, the Board of Directors of the Association, after careful consideration taking into account the then current and expected future maintenance costs and expenses (including snow removal), may increase the Annual Assessment an additional amount not to exceed Twenty-Five Dollars (\$25.00). At such time the Annual Assessment reaches One Hundred Dollars (\$100.00), the Board of Directors may not make any additional increases in the Annual Assessment without the expressed approval of two-thirds (2/3) of the vote of the Members eligible to vote personally or by proxy at a meeting duly and properly called for such purposes as more specifically set forth in Section 5 below.

Addendum to Article V, Section 5

Notice and Quorum for Action Authorized Under Section 3

Written notice of any meeting called for the purpose of taking any action authorized under Section 3 (Annual Assessments), shall be sent via regular mail (or email if the member prefers) to all members at least thirty (30) days in advance of such meeting. The written notice shall set forth the purpose of the meeting, as well as the date, time and location. A quorum for purposes of taking any action under Section 3 shall be sixty (60%) percent of all of the outstanding members of the Association. A quorum shall be determined by counting all persons in attendance at the meeting, proxy votes and mailed in ballots, provided such ballots are received prior to the start of the meeting. If the required quorum is not present at such meeting, another meeting may be called, subject to the notice requirement set forth above. The required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting provided that the subsequent meeting shall be held not less than sixty (60) days following the preceding meeting at which a quorum was not present.