

**AMENDED AND RESTATED BYLAWS
OF
GREEN VALLEY ESTATES HOMEOWNER'S ASSOCIATION**

**ARTICLE I
NAME**

Section 1. Name. The name of this "Association" is Green Valley Estates Homeowner's Association, a Michigan non-profit corporation.

**ARTICLE II
OFFICE**

Section 1. Office. The principal office of the Association shall be maintained in Oakland County, Michigan, at such place as the Board of Directors shall determine from time to time.

**ARTICLE III
PURPOSES AND OBJECTIVES**

Section 1. Purposes and Objectives. The purposes and objectives of the Association shall be:

(a) To manage and administer the affairs of, and to maintain:

(I) Green Valley Estates No.1, according to the subdivision plat thereof recorded in Liber 194 of Plats, Pages 10 and 11;

(II) Green Valley Estates No.2, according to the subdivision plat thereof recorded in Liber 198 of Plats, Pages 3, 4 and 5;

(III) Green Valley Estates No.3, according to the subdivision plat thereof recorded in Liber 207 of Plats, Pages 4 and 5;

(IV) Green Valley Estates No.4, according to the subdivision plat thereof recorded in Liber 218 of Plats, Pages 25, 26 and 27;

(V) Green Valley Estates No.5, according to the subdivision plat thereof recorded in Liber 223 of Plats, Pages 12, 13 and 14.

(hereinafter each, and collectively, referred to as the "Development"), together with the park/open space/retention areas located therein;

(b) To levy and collect assessments against and from the Members of the Association and to use the proceeds thereof for the purposes of the Association;

(c) To carry insurance upon the Development parks/open space/retention areas and to collect and to allocate the proceeds thereof;

(d) To rebuild Development park/open space/retention area improvements after casualty;

(e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Development;

(f) To acquire, maintain and improve, and to buy, operate and manage, sell, convey, assign, mortgage, or lease any real or personal property (including any park/open space or retention area in the Development, and easements, rights-of-way and licenses over, under, across and through the same) on behalf of the Association in furtherance of any of the purposes of the Association;

(g) To grant easements, rights-of-entry, rights-of-way and licenses to, through, over, and with respect to the park/open space/retention areas of any Development on behalf of the Association's Members in furtherance of any of the purposes of the Association;

(h) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the Association and to secure the same by mortgage, pledge, or other lien on property owned by the Association, provided the board has the agreement of fifty one percent (51%) of a quorum consisting of no less than twenty percent (20%) of the Green Valley Estate Association Members;

(i) To make and enforce reasonable rules, regulations, resolutions, and/or policies concerning the use and enjoyment of the parks/open space/retention areas of the Development and any or all improvements located therein;

(j) To enforce the provisions of the Declaration of Restrictions of the Development, the Association Bylaws, as amended, and the Articles of Incorporation and such rules and regulations of this Association as may hereinafter be adopted;

(k) To perform the responsibilities assigned and exercise the prerogatives granted by the Agreement for Storm Water Retention and Discharge Restriction System, which is recorded in Liber 9841, Pages 374-380, Oakland County Records, and the Agreement for Open Space Plat, Green Valley Estates Subdivision No.1, which is recorded in Liber 9928, Pages 498-506, Oakland County Records;

(l) To do anything required of or permitted to it as administrator of the Development by Act No. 162 of the Public Acts of 1982, as amended, and other applicable laws;

(m) In general, to enter into any kind of activity; to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Development and their respective parks/open space/retention areas, and to the accomplishment of any of the purposes thereof.

ARTICLE IV **MEMBERSHIP**

Section 1. The Initial Member. The initial member of this Association shall be Green Valley Associations, a Michigan co-partnership ("Developer"), who is the party who has established the Development.

Section 2. Lot Owners as Members on Transfer. At the time Developer transfers ownership of lots to owner-occupants, such owner-occupants shall become Members of the Association. Upon becoming a member of the Association, each lot owner shall be entitled to vote in accordance with provision of these Bylaws.

Section 3. Subsequent Lot Ownership Transactions. Following the transfer by Developer, and as ownership in lots changes from time to time, membership by new lot owners shall be on the following basis:

- A. Subject to limitations stated below relative to land contract vendors, each person upon acquiring an ownership interest in a lot within the Development or any Future Development, shall be a member of the Association and shall be bound by these Bylaws and all rules and regulations adopted by the Association from time to time.
- B. At the time an owner acquires a lot in the Development or any Future Development, the owner shall notify the Secretary of the Association of his or her interest in the lot in writing within thirty (30) days after acquiring the lot, such writing to include a mailing address and telephone number of the owner, and identification of the interest owned, whether fee simple title or a land contract vendee's interest.
- C. When a lot is sold on land contract, the land contract vendee(s) shall become the member(s) of the Association and the membership interest of the vendor (s) shall automatically terminate, subject to reinstatement if the interest of the vendee(s) is terminated.

Section 4. Termination and Limitation of Membership. Membership rights shall automatically terminate when a member owns no legal or equitable interest in a lot. A person who lives within the Development or Future Development, but who does not have an ownership interest in a lot is not entitled to be a member of the Association nor hold any office in or serve as a director of the Association.

Section 5. Suspension of Membership. Membership rights and privileges shall be suspended during times of a member's being in violation of these Bylaws, including, but not limited to, failure to pay assessments when due. Obligations of membership shall not be suspended.

ARTICLE V VOTING RIGHTS

Section 1. Voting Rights. Members shall be entitled to vote, on the following basis: For each lot, there shall be one (1) vote. If the lot is owned by two (2) or more persons, such persons shall determine among themselves who shall cast the one (1) vote on any given issue that comes to vote of the Members and shall identify such voting owner to the Board of Directors.

Section 2. Suspension of Voting Rights. Voting rights shall be automatically suspended as to any member who has not paid assessments for the period during which such assessment is unpaid. A member's voting rights may also be suspended, by action of the Board of Directors, for any member who is in violation of any provisions of the Declaration of Restrictions or Future Restrictions applicable to the member or any rule or regulation promulgated by the Association from time to time.

Such suspension shall be for a duration and upon terms and conditions as determined by the Board of Directors. Suspension of membership rights, for whatever reason, shall not be deemed to relieve the member of the member's obligations to the Association.

ARTICLE VI PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTY

Section 1. Rights of Enjoyment. Each member shall be entitled to the use and enjoyment of property and facilities owned by the Association subject to limitations in the

Declaration of Restrictions and Future Restrictions and subject to rules and regulations promulgated by the Board of Directors from time to time.

Section 2. Delegation of Rights. Any member may delegate his or her rights of enjoyment in the properties and facilities to Members of his or her family who reside with the member and to any tenant who resides on premises owned by a member under a leasehold interest. Such member shall notify the Secretary in writing of the name of any tenant. Guests of Members may use and enjoy the properties and facilities of the Association under rules and regulations established from time to time by the Board of Directors.

Section 3. Suspension of Rights. The rights of family Members, tenants and guests to use and enjoy the properties and facilities of the Association are subject to suspension on such terms and conditions and for such duration as the Board of Directors may determine, in the event that any family member, tenant or guest violates any of the rules and regulations of the Association or any provision of any Declaration of Restrictions or any Future Restrictions applicable to the member. The rights of Members themselves to the use and enjoyment of the properties and facilities of the Association may likewise be suspended by the Board of Directors on account of any violation by the member's family, tenants or guests.

ARTICLE VII BOARD OF DIRECTORS

Section 1. Powers of the Board. Subject to the limitations contained in the Declaration of Restrictions and Future Restrictions, the Articles of Incorporation, these Bylaws, or in any statute as to the action to be authorized or approved by the Members, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be controlled by, the Board of Directors.

Section 2. Qualification. Directors must be Members of the Association or officers or partners of corporations or partnerships which are Members of the Association.

Section 3. Number. The number of Directors shall be no less than three (3) nor more than five (5) Members. Directors shall be elected to serve two (2) year terms at the annual meeting of the Association or at a special meeting called for such purpose, such number to be consistent with requirements of Michigan law.

Section 4. Nominations. The Members, at any annual or special meeting of the Members, may appoint or authorize the President to appoint a nominating committee, to consist of such number of Members as the Members or appointing officer may deem advisable, to consider and make nominations of persons to the Board of Directors, and to determine the number of Directors.

Section 5. Resignation, Removal and Vacancies. Any Director may resign at any time by giving written notice to the President, to the Secretary, or to the Board of Directors. The resignation shall take effect at the time specified in the notice. Unless otherwise specified, the acceptance of the resignation shall not be necessary to make it effective. If any Director tenders his or her resignation, to take effect at a future time, the Members shall have power to elect a successor to that office at such time as the resignation becomes effective.

Any Director may be removed for cause by a vote of a majority of all Members at a meeting of the Members called for that purpose.

A vacancy or vacancies shall be deemed to exist in case of death, resignation, or removal of any Director, or if the Members increase the authorized number of Directors but

fail to elect the additional Directors, or in the event the Members fail at any time to elect a full number of authorized Directors.

Vacancies due to resignation, removal or death shall be filled by the Board of Directors at its next meeting following the resignation, removal or death of the Director. No reduction of the numbers of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office.

Section 6. Compensation. No Director shall be entitled to compensation for services as a Director.

ARTICLE VIII MEETINGS

Section 1. Place of Meeting. Meetings of the Members and Directors shall be held at the principal office of the Association, or at any place within or without the State designated from time to time by resolution of the Board of Directors. Any meeting shall be valid wherever held, if held by the written consent of all Members or Directors, respectively, given either before or after the meeting and filed with the Secretary of the Association.

Section 2. Meeting of the Members and Directors. The annual meeting of Members of the Association shall be held on such date in April as the Board of Directors deems most convenient for the majority of Members to attend. The annual organization meeting of the Board of Directors shall be held immediately following the annual meeting of Members. Regular meetings of the Board of Directors shall be held at such times and places as the Board shall designate from time to time.

Section 3. Special Meetings. Special meetings of the Members or of the Board of Directors may be called at any time by the President or by not less than one-third of the Members or Directors, respectively. If the President is absent or unable to act, special meetings may be called by any Vice President in place of the President.

Section 4. Notice of Meetings; Waiver. Notice of the annual meeting shall be given a least ten (10) days prior to the date of the meeting and notices of a special meeting shall be given at least five (5) days prior to the date of the meeting. Notice of a regular meeting of the Board of Directors shall be given at least five (5) days prior to the date of the meeting. Each notice shall specify the place, the day, and the hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted. Notice shall be given as provided in these Bylaws. Notices of adjourned meetings need not be given except when the adjournment is thirty (30) days or more. Notices shall be given by the Secretary, or, if the Secretary is absent or is unable or refuses to act, by any other officer of the Association. Notice may be waived either before, at or after the meeting.

Section 5. Quorum - Adjournment. The presence of a majority of the Directors, or twenty percent (20%) of the Members entitled to vote, respectively, shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting may be adjourned from time to time by the vote of a majority of the Members entitled to vote or Directors, respectively, present at the meeting, but no other business may be transacted. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members or Directors, respectively, present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough Members entitled to vote or Directors, respectively, leaving less than a quorum.

Section 6. Consent to Meetings. The transactions of any meeting, if a quorum is present, however called and noticed and wherever held, shall be valid as though at a

meeting duly held after regular call and notice if, either before or after the meeting, each of the Members or Directors not present in person gives a waiver of notice as provided in these Bylaws. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting. Any action which under law may be taken at any meeting of the Board of Directors may be taken without a meeting if authorized by a writing signed by a majority of the Directors and filed with the Secretary.

Section 7. Organization. At every meeting, the President or, in his or her absence, the Vice President shall act as Chairperson. The Secretary shall act as secretary of all meetings. In the absence of the Secretary at any meeting, the Chairperson of the meeting may appoint another person to act as secretary of the meeting.

ARTICLE IX **COMMITTEES**

Section 1. General. The Board of Directors may appoint such committees as the business of the Association may require.

ARTICLE X **OFFICERS**

Section 1. Number. The officers of the Association shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as may be appointed in accordance with these Bylaws.

Section 2. Election, Term of Office and Qualifications. Each officer, except such officers as may be appointed in accordance with the provisions of Section 3 of this Article X of these Bylaws, shall be chosen annually by the Board of Directors and shall hold office until a successor has been duly chosen and qualified, or until death, resignation or removal. All officers must be Members of the Association. The same person may occupy at the same time, any two or more offices, as the Board of Directors shall deem expedient, except that the same person shall not at the same time be both President and Vice President.

Section 3. Subordinate Officers. The Board of Directors may appoint such other officers or agents as the business of the Association may require, including one or more Assistant Treasurers, and one or more Assistant Secretaries, each of whom shall hold office for such period, and have such authority and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine. The Board of Directors may delegate any officer or committee the power to appoint any such subordinate officers, committees or agents.

Section 4. Removal. Any officer may be removed, either with or without cause, by vote of a majority of the whole Board of Directors at any meeting of the Board, or except in the case of any officer elected by the Board of Directors, by any committee or superior officers upon whom such power or removal may be conferred by the Board of Directors.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, or the President, or to the Secretary. The resignation shall take effect at the time specified in the notice; and, unless otherwise specified, acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office because of death, resignation, removal, or disqualification or any other cause may be filled for the unexpired portion of the term by the Board of Directors.

Section 7. Compensation. No officer shall be entitled to compensation for services as an officer.

Section 8. President. The President shall be the chief executive officer of the Association and shall have general supervision over the business of the Association and over its several officers, subject however to the control of the Board of Directors. The President may sign and execute, in the name of the Association, any instruments authorized by the Board of Directors, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association; and, in general, shall perform all duties incident to the office of the chief executive officer of the Association, and such other duties as from time to time may be assigned by the Board of Directors. The President shall, whenever it may be necessary, prescribe the duties for officers and employees of the Association whose duties are not otherwise defined.

Section 9. Vice Presidents. At the request of the President, or in the absence or disability of the President, the Vice Presidents, in the order designated by the Board of Directors, shall perform all of the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents may also sign and execute, in the name of the Association, instruments authorized by the Board of Directors, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association; and shall perform such other duties as from time to time may be assigned by the Board of Directors or the President.

Section 10. Secretary. The Secretary shall:

- A. Certify and keep at the principal office of the Association, the original or a copy of its Bylaws and Articles of Incorporation, as amended or otherwise altered to date.
- B. Keep at the principal office of the Association, or such other place as the Board of Directors may order, a book of minutes of all Members and Directors' meetings with the time and place of holding the regular or special meetings and, if special, how authorized, the notices thereof given, and the names of those present at the meetings.
- C. See that all notices are duly given in accordance with the provisions of these Bylaws as required by law, and in accordance with the Declaration of Restrictions and Future Restrictions.
- D. Be custodian of the records of the Association.
- E. See that the books, reports, statements, and all other documents and records, required by law, are properly kept and filed.
- F. Exhibit at all reasonable times to any member or any Director, upon application, the Bylaws and minutes of proceedings of the Members and of the Directors of the Association.
- G. In general, perform all duties incident to the office of the Secretary, and such other duties as from time to time may be assigned by the Board of Directors.

Section 11. Treasurer. The Treasurer, if required so to do, by the Board of Directors, shall give a bond for the faithful discharge of duties in such sum, and with such sureties as the Board of Directors shall require. The Treasurer shall:

- A. Have charge and custody of, and be responsible for, all funds and securities to the Association, and deposit all such funds in the name of the Association in such banks, trust companies or other depositories as shall be selected by the Board of Directors.
- B. Keep and maintain adequate correct accounts of the Association's properties and business transactions, including an account of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus.
- C. Exhibit at all reasonable times the books of account and records to any member or to any Director during business hours at the office of the Association where such books and records are kept.
- D. Render a statement of the condition of the finances of the Association at all meetings of the Board of Directors, and a full financial report at the annual meeting of the Board.
- E. Receive, and give receipt for, monies due and payable to the Association from any source whatsoever.
- F. In general, perform all the duties incident to the office of the Treasurer, and such other duties as from time to time may be assigned by the Board of Directors.

**ARTICLE XI
FISCAL YEAR**

Section 1. Fiscal Year. The fiscal year of the Association shall be January 1st - December 31st.

**ARTICLE XII
PROXIES**

Section 1. Proxies. At all meetings of Members, each member may be entitled and may vote in person or by proxy.

Section 2. Form. All proxies shall be in writing and filed with the Secretary. Every proxy shall automatically cease upon suspension or termination of the member's membership rights in the Association.

**ARTICLE XIII
NOTICES**

Section 1. Notice, Waiver of Notice. Whenever any notice is required to be given to any member or to any Director by statute or by these Bylaws, whether at a meeting or for some other purpose, notice may be delivered personally or sent to such member or Director by mail, facsimile, telegram or other form of written communication, charges prepaid, addressed to the address shown on the records of the Association, or if it is not so shown on such records or is not readily ascertainable, at the place of the principal office of the Association. In case such notice is mailed, transmitted by facsimile or telegraphed, it shall be deemed given at the time when it is deposited in the United States mail, transmitted by facsimile or delivered to the telegraph company.

Whenever any notice is required to be given to any member or Director by statute or by these Bylaws, whether of a meeting or for some other purpose, any member and any

Director may waive the notice in any manner. All waivers (or written records of the waivers) shall be filed with the records of the Association.

ARTICLE XIV **INDEMNIFICATION**

Section 1. Indemnification in Actions Other than Those by or in the Right of the Association. This Association hereby indemnifies any person 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 and whether formal or informal, other than an action by or in the right of the Association, by reason of the fact that the person is or was a director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as a Director, officer, partner, trustee, employee, or agent of another foreign or domestic Association, business corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit, against expenses including attorneys' fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person acted in good faith and in a matter the person reasonably believed to be in or not opposed to the best interests of the Association or its Members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe that conduct was unlawful. The termination 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 the person reasonably believed to be in or not opposed to the best interests of the Association or its Members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

Section 2. Indemnification in Actions by or in the Right of the Association. This Association hereby indemnifies any person who was or is a party to or is threatened to be made a party to a threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as a Director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise whether for profit or not against expenses, including actual and reasonable attorneys' fees, and amounts paid in settlement incurred by the person in connection with the action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Association or its Members. However, indemnifications shall not be made for a claim, issue, or matter in which the person has been found liable to the Association unless and only to the extent that the court in which the action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for expenses which the court considers proper.

Section 3. Expenses and Determination. To the extent that a Director, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of an action, suit, or proceeding referred to in Section 1 or 2 above, or in defense of a claim, issue, or matter in the action, suit, or proceeding, the party shall be indemnified against expenses, including actual and reasonable attorneys' fees, incurred in connection with the action, suit, or proceeding and in any action, suit, or proceeding brought to enforce the mandatory indemnification provided in this section. An indemnification under Section 1 or 2 above, unless order by a court, shall be made by the Association only upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 1 and 2. This determination shall be made in any of the following ways:

- A. By a majority vote of a quorum of the board consisting of Directors who were not parties to the action, suit or proceeding.
- B. If the quorum described above is not obtainable, then by a majority vote of a committee of Directors who are not parties to the action.
- C. By independent legal counsel in a written opinion.
- D. By the Members.

If a person is entitled to indemnification under Section 1 or 2 above for a portion of expenses including attorneys' fees, judgment, penalties, fines, and amounts paid in settlement but not for the total amount thereof, the Association shall indemnify the person for the portion of the expenses, judgment, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

Section 4. Limitation on Liability. Each Director of this Association, who qualifies as a "volunteer director" as that term is defined in the Michigan Non-Profit Association Act ("Act"), specifically section 110(2), being MCL 450.2110(2), shall not be personally liable to the Association or its Members for monetary damages for breach of the Director's fiduciary duty, except for the following:

- A. A breach of the director's duty of loyalty to the Association or its Members.
- B. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
- C. A violation of section 551(1) of the Act.
- D. A transaction from which the Director derived an improper personal benefit.
- E. An act or omission that is grossly negligent.

ARTICLE XV **ASSESSMENTS**

Section 1. Prior to Lot Owners Becoming Members. The Association shall be funded by assessments to the various owners of lots within the Development and Future Developments. As provided in the Declaration of Restrictions, these assessments shall be made by the Developer prior to turnover of administration of the Declaration of Restrictions or Future Restrictions to the Association. Despite the fact that lots owners are not Members of the Association during this period, they shall, nonetheless, be obligated to pay the assessments as provided in the Declaration of Restrictions and Future Restrictions.

Section 2. After Lot Owners Have Become Members. After lot owners have become Members of the Association, assessments shall be made by the Association, and paid by the lot owners as provided in the Declaration of Restrictions and Future Restrictions. Failure of a Lot Owner to pay an assessment when due shall be cause for the Association to bring an action for money damages and/or exercise its right to lien pursuant to Section 3.

Section 3. Sums assessed to a Member by the Association that are unpaid together with interest on such sums, collection and late charges, advances made by the Association of Lot Owners for taxes or other liens to protect its lien, attorney fees, and fines in accordance with these Bylaws and the Declaration of Restrictions and future Restrictions constitute a lien upon the lot or lots in the development owned by the Member at the time of

the assessment before other liens except tax liens in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record, except that past due assessments that are evidenced by a notice of lien recorded as set forth in Section 2 have priority over a first mortgage recorded subsequent to the recording of the notice of lien. The lien may be foreclosed by an action by the Association and on behalf of the other Members.

- A. A foreclosure shall be in the same manner as a foreclosure under the laws relating to foreclosure of real estate mortgages by judicial action. The Association is entitled to reasonable interest, expenses, costs and attorney fees for foreclosure. The redemption period for a foreclosure shall be six (6) months from the date of sale unless the property is abandoned, in which event the redemption period is one (1) month from the date of sale.
- B. A foreclosure proceeding may not be commenced without recordation and service of notice of lien in accordance with the following:
 - i. Notice of lien shall set forth all of the following:
 - (a) The legal description of the property to which the lien attaches.
 - (b) The name of the Lot Owner of record.
 - (c) The amounts due to the Association at the date of the notice, exclusive of interest, costs, attorney fees, and future assessments.
 - ii. The notice of lien shall be in recordable form, executed by an authorized representative of the Association and may contain other information that the Association considers appropriate.
 - iii. The notice of lien shall be recorded in the office of register of deeds and shall be served upon the delinquent Lot Owner by first-class mail, postage prepaid, addressed to the last known address of the Lot Owner at least ten (10) days in advance of commencement of the foreclosure proceeding.
 - iv. The Association of Members, acting on behalf of the Members may bid in at the foreclosure sale, and acquire, hold, lease, mortgage, or convey the property.
 - v. An action to recover money judgments for unpaid assessments may be maintained without foreclosing or waiving the lien.
 - vi. An action for money damages and foreclosure may be combined in one (1) action.

ARTICLE XVI **AMENDMENTS**

Section 1. Amendments. Any of these Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted at any annual or special meeting of the Members, by the affirmative vote of a majority of Members entitled to vote, provided they are not in contravention of the Articles of Incorporation, or the Declaration of Restrictions or Future Restrictions.

Section 2. Conflicting Provisions. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in case of any conflict between the Declaration of Restrictions or Future Restrictions and these Bylaws, the Declaration of Restrictions or Future Restrictions shall control.

ARTICLE XVII
EMERGENCY EXPENDITURES FUND

Section 1. Establishment. An Emergency Expenditures Fund shall be established for the express purpose of funding future liable but unforeseen Association expenditures.

Section 2. Amount. The amount of the Emergency Expenditures Fund shall not be less than \$5,000.00 and shall not exceed 50% of cumulative annual assessments.

Section 3. Use. Distributions from the Emergency Expenditures Fund for liable but unforeseen Association expenditures is hereby expressly, although not exclusively, delegated to the Board of Directors. Any distribution from the Emergency Expenditures Fund shall require majority approval by the Members of the Board of Directors. Should the Board of Directors approve any distribution from the Emergency Expenditures Fund that causes the fund to fall below \$5,000.00, the Board of Directors shall be required to redeposit the amount necessary to rebuild the fund to a minimum of \$5,000.00 through either the annual budgeting process or by way of a special assessment to the Association Members.

Section 4. Dissolution. Upon dissolution of the Association, the balance of the Emergency Expenditures Fund shall be distributed in equal amounts to all existing Members.

ARTICLE XVIII
RESTRICTIONS

Section 1. No lot or the residence constructed thereon (the "Home") shall be used for other than residential purposes.

Section 2. No immoral, improper, unlawful or offensive activity shall be carried on in any home or upon the Development park/open space/retention areas, nor shall anything be done which may be or become an annoyance or a nuisance to the Members of the Association.

Section 3. No animals shall be maintained except in accordance with regulations established by the Board of Directors, but in no event may any animal be permitted at any time upon the Common Areas. Any member who causes any animal to be brought or kept upon the premises of Green Valley Estates shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal. The Board of Directors may, without liability, remove or cause to be removed any animal from the Common Areas as being violative of the restrictions imposed by this Section.

Section 4. The Common Areas shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. In general, no activity shall be carried on nor condition maintained by a member either in his Home or upon the Common Areas, which spoils the appearance of the Development.

Section 5. Sidewalks, yards, landscaped areas, driveways, roads, parking areas, and porches shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the Common Areas.

Section 6. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers or vehicles other than

automobiles may be parked or stored upon the premises of the Development unless inside garages. Commercial vehicles and trucks shall not be parked in or about the Development (except as herein provided) unless while making deliveries or pickups in the normal course of business. This shall not be meant to exclude vans and pickup trucks used as passenger vehicles.

Section 7. No Member shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, BB guns, paint guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the Development.

Section 8. No signs or other advertising devices except a single standard sized "For Sale" sign advertising a home for sale shall be displayed which are visible from the exterior of a Home or the Common Areas without the written permission of the Association.

Section 9. Reasonable regulations consistent with these ByLaws, concerning the esthetics, maintenance and use of a Member's home or the Common Areas may be made and amended from time to time by the Board of Directors of the Association. Copies of all such regulations and amendments thereto shall be furnished to all Members and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Coowner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Members in number and in value.

Section 10. No Member shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Areas unless approved by the Association in writing. Certain areas in the Development may be left in a natural state because of terrain characteristics and in order to enhance the natural beauty of the Development. The Association shall not be required to landscape such areas nor to alter the natural characteristics thereof.

Section 11. Each Member shall maintain his Home in a safe, clean and sanitary condition. Each Member shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Areas by him, or his family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Member shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Member in the manner provided in Article XV hereof.

Section 12. No unsightly condition shall be maintained upon any patio, porch, balcony or front yard and only furniture and equipment consistent with ordinary patio, porch or balcony use shall be permitted to remain there.

Section 13. Dissolution. Upon dissolution of the Association, the balance of the Emergency Expenditures Fund shall be distributed in equal amounts to all existing Members.

Section 14. Penalty for Violation of Restrictions. Any violation of these restrictions or rules promulgated hereunder will result in the offending household being assessed a fine according to the Fine Schedule as then appertaining established by the Board of Directors together with the costs of repair or removal incurred by the Association to cure the violation assessed against it.

Section 15. The Board of Directors may establish its Fine Schedule which shall be binding upon all Members thirty (30) days following its ratification by the Board and its publication and distribution to the Members.

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ARTICLE XIX
REGULATIONS¹

Section 1. Fences of any kind are strictly prohibited upon any Member's property, unless they are erected as required by law pursuant to the installation of an in-ground pool or hot tub. Any legally mandated fences must be approved by the Board of Director's prior to construction.

Section 2. Above-ground pools are prohibited upon any Member's property.

Section 3. Asphalt driveways are prohibited upon any Member's property.

Section 4. No Member shall have an automobile parked and/or stored on their yard or landscaped areas of their property.

Section 5. Storage sheds and any type of other out buildings and/or storage units of any kind are prohibited upon any Member's property.

¹ These regulations are promulgated pursuant to Article XVIII, Section 9 of the Amended and Restated By-Laws of the Green Valley Estates Homeowner's Association.