



Northville Colony Estates

The Homeowner's Association of Northville Colony

Estates Subdivision III-IV-V

By-Laws

Article I -- Name

The name of the corporation is the Homeowner's Association of Northville Colony Estates Subdivision Number 3, 4, and 5, herein called the "Association." The address is P.O. Box 211, Northville, Michigan, 48167.

Article II -- Purpose

The purposes for which the Association is formed are as follows:

1. To exercise all of the powers of the Lot Owners' Association as described and set forth in all certain Building and Use Restrictions dated July 2, 1977, and September 10, 1986, and recorded in Liber 98, Pages 17-19 of Plats, Wayne County, Michigan.
2. To promote the welfare of its members by maintaining and beautifying the several subdivisions in which its members are located, by enforcing building and use restrictions, by representing its members before governmental boards or bodies, by promoting social and recreational activities, and by engaging in such other activities as are incidental thereto and not forbidden by the laws of the State of Michigan.

Article III -- Membership

Section 1. Definition of Membership.

The owners of lots in Northville Colony Estates Number 3, 4, and 5 and lots in additional subdivisions to which the scope of the restrictions described in Article II, Paragraph 1 above, shall be extended as provided in said restrictions are eligible to be members.

Membership in the Association shall be mandatory for each lot owner in Northville Colony Estates Subdivision Number 3, 4, and 5 and for each lot owner in such additional subdivisions to which the restrictions may be extended in accordance with said restrictions. A member shall be defined as every person or entity who or which is a record owner of a fee or undivided fee interest in any lot included within the purview of this Association, but not including owners who have sold their interest under executory land contract. During such time as such a land contract is in force, the land contract vendee shall be considered to be the member of the Association. A renter or tenant shall be excluded from membership. A member in good standing shall be a member who is current on annual dues.

Section 2. Number of Votes.

Each member is entitled to one (1) vote per lot.

Article IV -- Board of Directors

Section 1. Number and Terms of Directors.

The business, property and affairs of the Association shall be managed by a Board of Directors composed of five (5) persons all of whom shall be members in good standing. The Directors shall be those five (5) persons receiving the largest absolute number of votes cast. The person receiving the largest absolute number of votes cast shall be the President unless they shall decline to serve, as such in which event the person receiving the second largest absolute number of votes cast shall be President and so on until the office of President is filled. Each Director shall be from a separate lot. In the event two or more persons from the same lot receive sufficient votes to otherwise be elected to the Board of Directors only that person receiving the largest absolute number of votes shall be elected. The five (5) Directors shall be elected each year at the second semi-annual membership meeting and shall serve until the next election. In the event of a tie, the

candidate serving with the longest uninterrupted membership shall be deemed the winner.

Section 2. Vacancies.

Vacancies on the Board of Directors shall be filled by appointment by the remaining Directors within 30 days of the vacancy. Each person so appointed to fill a vacancy shall serve for the remainder of the term of the Director replaced.

Section 3. Action by Unanimous Written Consent.

If and when the Directors shall unanimously consent in writing to any action to be taken by the Association, such action shall be as valid corporate action as though it had been authorized at a meeting of the Board of Directors.

Section 4. Power to Elect Officers.

The Board of Directors shall elect a Vice President, a Secretary and a Treasurer from the elected Board of Directors. Officers shall hold office for the term of one (1) year or until their successors are elected and qualify.

Section 5. Power to Appoint Agents.

The Board shall have the power to appoint such other officers and agents as the Board may deem necessary for the transaction of business of the Association.

Section 6. Meetings of the Board of Directors.

There shall be at least one annual meeting of the Board of Directors to be held within a reasonable time following their election. Special meetings of the Board of Directors may be called at any time by the President or by a majority of the Board of Directors. Directors shall be notified in writing of the time, place, and purpose of special meetings of the Board at least three (3) days prior thereto. Any Director shall, however, be deemed to have waived such notice by his/her¹ attendance at any meeting.

Section 7. Quorum.

A majority of the Board of Directors shall constitute a quorum for the transaction of business.

Section 8. Compensation.

No Director shall receive any direct salary or compensation for their services.

Section 9. Budget.

The Board of Directors shall prepare and present an annual budget to be presented at the second semi-annual meeting.

Section 10. Voting.

A simple majority of those present and voting shall constitute the action of the Board of Directors.

Section 11. Removals.

Any member of the Board of Directors whether or not succeeding thereto by appointment or otherwise may be removed from office at any regular or special meeting of the general membership. A fourteen (14) day written notice of the intention to remove must be given to all members and upon an affirmative vote, by secret ballot, of the majority of eligible voters who are present, as herein provided, said Directors shall be removed.

Section 12. Enforcement.

The Board of Directors shall be responsible also for the rigid enforcement of Building and Use Restrictions, as noted in Article II, Section 1, of these By-laws; and further, call to the attention of the proper authorities any violations or infractions of the zoning ordinances of building codes of the Township of Northville.

Article V -- Officers

Section 1. President.

The President shall be the chief executive officer of the Association. He/she shall preside over all Board and General Membership meetings. He/she shall have general and active supervision of the business of the Association, subject, however, to the right of the Board of Directors to delegate any specific power except such as may be by statute exclusively conferred upon the President, to any other officer or Director of the Association. He/she shall serve as ex-officio member of all standing committees. Within 90 days before the expiration of the Board's term, the President shall reach out to the Board members in order to determine if they will be seeking re-election. In the event a Board member chooses not to seek re-election, the President shall inform the membership of the number of vacancies that need to be filled at the upcoming election.

Section 2. Vice President.

In case the office of President shall become vacant by death, resignation, or otherwise, or in case of the absence of the President or they disability to discharge the duties of office, such duties shall, for the time being, devolve upon the Vice President, who shall do and perform such other acts as the Board of Directors may, from time to time, authorize their to perform. The Vice President shall be the acting Secretary and/or Treasurer in the absence of the Secretary and/or Treasurer. The Vice President shall have the responsibility to remain current on local affairs and shall publish items of interest in the Newsletter or on the web-site as appropriate.

Section 3. Communicationss Director.

The Communications Director shall attend all meetings of the members and the Board of Directors and shall preserve in books of the Association, true minutes of the proceedings of all such meetings. He/she shall give all notices required by statute, by-law or resolution. He/she shall perform such other duties as may be delegated by the Board of Directors. He/she shall also be responsible for verifying the membership rolls for purposes of determining those eligible to vote at any regular or special membership meeting, will tally all votes cast, and insure compliance with all provisions of Article VIII. At least twice a year, he/she shall publish a subdivision newsletter, noting items of local interest, and other matters which it or the Board of Directors feels are pertinent to the residents.

Section 4. Treasurer.

The Treasurer shall have custody of all corporate funds and shall keep in books belonging to the Association, full and accurate accounts of all receipts and disbursements. They shall deposit all monies in the name of the Association in such depositories as may be designated for that purpose by the Board of Directors.

They shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements and shall render to the Board of Directors at the regular meetings of the Board and at the regularly scheduled semi-annual meetings of the members an account of all their transactions as Treasurer, and of the financial condition of the Association. The Board of Directors may require the Treasurer to secure liability insurance for the Board of Directors in the amount of \$1,000,000.00 to protect the Board from any and all

liability for decisions made while carrying out their duties for the Association. The Treasurer shall prepare and sign an annual financial report within 30 days of the close of the fiscal year, which is December 31, and such report shall be submitted to the then governing Board of Directors and the Audit Committee. They shall also file such reports with the appropriate governmental authorities as may be required by law or regulation.

Section 5. Property and Assets Director.

The Property and Assets Director shall be responsible for maintenance of the property, including but not limited to lawn maintenance and snow removal, and the assets of the Association. In addition, he/she shall be responsible for negotiating all contracts with vendors doing business with the Association. He/she has the authority to appoint volunteers to assist in the timely and effective performance of his/her tasks, to the extent necessary, including, but are not limited to, snow removal oversight, lawn maintenance oversight, road repairs, grounds up-keep and improvements. The Property and Assets Director shall oversee the Parks, Recreation and Grounds Committee.

Section 6. Compensation.

No officer shall receive any direct salary or compensation for their services to the Association.

Article VI -- Committees

Committees as required to conduct the business of the Association shall be appointed by, and report to, the Board of Directors. Subject to the approval of the Board of Directors, the President shall have the authority to appoint the Committee chairpersons.

A resident may be a member of no more than two (2) standing committees at one time, except for the Association President, who is an ex-officio member of all standing committees per Article V, Section 1. Residents must be Association members in good standing. (Ref.: Article III, Section 1) in order to be on a committee. A committee chairperson of a standing committee may not chair any other committee during the period of chairpersonship.

In addition to standing committees, other committees and/or sub-committees may be appointed as required. The following is a list of Standing Committees:

1. Audit Committee

Section 1.

The books and records of the Treasurer shall be audited annually by the Audit Committee. Such audit shall be made and completed within 30 days of receipt of the Treasurer's report, but not later than 60 days after the end of the fiscal year. The committee shall make its report to the Board of Directors.

Section 2.

The Audit Committee of the Association shall be formed by the President and consist of a Chairperson and two (2) other members. In case of a member's inability or unwillingness to complete such term, an appointee of such committee shall succeed to the vacated office.

Section 3.

Subject to Section 2 above, the Audit Committee shall be independent, with no officer or director being allowed during such term of office to serve on the Audit Committee. No person who has been Treasurer, at any time, during the previous twelve (12) months shall serve on the Audit Committee. Any person serving on the Audit committee shall not be eligible for election or appointment to the office of Treasurer during the period of such audit service nor for twelve (12) months after the completion of the audit.

Section 4.

The Audit Committee shall examine the annual financial report submitted for the fiscal year ending during its term of office and shall conduct such interim examinations as it deems advisable. Records shall be submitted to the Audit Committee as required for its purposes.

Section 5.

Annual financial reports shall be deemed ratified by the membership of the Association unless objection is made to the incumbent Board of Directors prior to adjournment of the meeting at which the report is given in which event, an affirmative ratification vote is required pursuant to Article VIII.

2. Parks, Recreation and Grounds Committee

Section 1.

The committee shall be formed by the Property and Assets Director and shall establish the rules and regulations governing park usage; it shall establish the need for new equipment or improvements and it shall review and evaluate requests for new equipment or improvements; and it shall be responsible for planning and directing park activities.

Section 2.

At the direction of the Property and Assets Director the committee shall be responsible for improving and maintaining the park, its facilities, and subdivision entranceways. It shall assist in the administration of snow-plowing services.

Section 3.

With the assistance of the Property and Assets Director the committee shall be responsible for the rigid enforcement of Building and Use Restrictions, as noted in Article II, Section 1, of these By-Laws. If violations of the Building and Use Restrictions are observed, the committee shall bring this to the attention of the Board for appropriate action.

3. Social Committee

The Social Committee shall be responsible for the organization and presentation of all social events conducted throughout the year for the enjoyment and benefit of the members of the Association. When the Social Committee is planning social activities in the park, it shall work **with the Property and Assets Director**.

Article VII -- Members' Meetings

Section 1. Semi-Annual Meetings.

Semi-annual meetings of the Association shall be held in the spring and fall in each year. The time and place of such meetings shall be determined by the Board of Directors and specified in the notice thereof.

Section 2. Order of Business at Semi-Annual Meetings.

The order of business at the semi-annual meetings of the members shall be as follows:

- a. Roll call
- b. Reading of notice
- c. Reading of minutes of last preceding meeting
- d. Officers' reports
- e. Reports from Committee Chairpersons
- f. Election of Directors (when applicable)
- g. Transaction of old business
- h. Transaction of new business (includes approval of the annual budget, when applicable)
- i. Adjournment

Provided that, in the absence of any objection, the presiding officer may vary the order of business at his/her discretion.

Section 3. Special Members' Meetings.

A special meeting of the members may be called at any time by the President, or by a majority of the Board of Directors or upon the request of 20% of all members, all of whom must be members in good standing, when submitted in writing to the Secretary.

Section 4. Notice of Meetings of Members.

At least fourteen (14) days prior to the date of any meeting, written notice of the time and place of such meeting shall be provided to each lot owner. The notice of a special meeting shall state the matters to be considered and no action may be taken on any matter not set forth in the notice of special meeting. Proxies shall be provided with any required notices.

Section 5. Quorum.

A minimum of seven (7) members in good standing shall constitute a quorum for the transaction of general business at any membership meeting, excluding:

- Article XII - Finances, Section 2, Expenditures in excess of \$750
- Article XIII - Special Assessment
- Article XIV - Amendments

Fifteen percent (15%) of the members in good standing shall constitute a quorum for the transaction of business relative to Article XII, Section 2., XIII and XIV (as listed above) at any membership meeting. Proxies do not

contribute to the constitution of a quorum, but a Power of Attorney does.

Section 6. Minutes.

Minutes of all regular and special membership meetings shall be typed and distributed within 30 days of the subject meeting to all members with the notice of the next meeting, be it regular or special.

Section 7. Rules of Order.

Roberts' Rules of Order will prevail at all meetings.

Article VIII -- Voting

Section 1. Eligibility to Vote.

Only those members in good standing shall be able to vote. One vote per lot (see Article III, Section 2). A member in good standing shall be defined in Article III and who is also current on annual membership dues and assessments as reflected in the Treasurer's records.

Section 2. Proxy.

Members in good standing shall be eligible to vote by proxy provided such member executes and signs a proxy form. Such form will be provided with, and made a part of, the required notice of any meeting.

Section 3. Votes Required for Passage.

Unless otherwise specified herein, a simple majority vote of votes cast including proxies rules.

Section 4. Method of Voting.

After eligibility to vote has been determined, a voting control card will be issued to such eligible voter -- one card per lot. A voting control card will also be issued to the holder of a valid proxy. Voting shall be by secret ballot or a show of voting control cards as determined by the presiding officer except election of Directors which shall be by secret ballot.

Article IX -- Political Activity

The Association shall be non-partisan. No member shall in any way commit the Association to support any candidate, or political party for elective office.

Article X - Duesⁱⁱ

The dues for membership in the Association shall be assessed against Northville Colony Estates Subdivision Number 3, 4, and 5 owners at the rate of One Hundred Fifty (\$150.00)ⁱ Dollars per year per lot. Dues shall be billed by January 15, and payable annually prior to February 15. Such dues shall constitute active membership for that year and shall be deemed the annual assessment as referred to in the Building and Use Restrictions.

Dues and assessment payments received after the due date are considered late and a tiered late penalty will be assessed. Such assessment will be part of the annual assessment as referred to in the Building and Use Restrictions.

The tiered late penalty will be as follows:

- Payment received 1-14 days after due date: No Penalty
- Payment received 15-29 days after due date: 50% of billed amount
- Payment received 30-59 days after due date: 100% of billed amount
- Payment received 60-89 days after due date: 200% of billed amount
- Payment received 90-119 days after due date: 300% of billed amount
- Payment received 120 days after due date: 400% of billed amount and a lien placed on real estate property and all associated costs (i.e. Legal, recording fees, other) added to Total Amount Due.

In cases of hardship or extenuating circumstances, the homeowner is responsible for contacting the Treasurer and/or President to work out a payment plan for the amount due including the penalty on the date of contact. The penalty will not increase during the term of the payment plan providing on time payments are made.

The following table is not part of the By-Laws, but rather an illustration of the tiered penalty for calendar year 2020. As dues and Section 16 Special Assessment changes occur, the specific amounts in the table would correspondingly be adjusted.

The Schedule for 2020 dues (\$150) plus Section 16 Assessment (\$20) = \$170 due February 15, 2020.

Payment Received	Received By Date	Billed Amount	Tiered Late Penalty	Total Amount Due	Tiered Late Penalty Calculation
By Due Date	2/15/2020	\$170	\$-	\$170	On Time
1-14 days after due date	2/29/2020	\$170	\$-	\$170	Grace Period
15-29 days after due date	3/15/2020	\$170	\$85	\$255	50% of \$170
30-59 days after due date	4/14/2020	\$170	\$170	\$340	100% of \$170
60-89 days after due date	5/14/2020	\$170	\$340	\$510	200% of \$170
90-119 days after due date	6/13/2020	\$170	\$510	\$680	300% of \$170
120 days after due date*	6/14/2020	\$170	\$680	\$850	400% of \$170
*Lien placed on real estate property and all associated costs (i.e. Legal, recording fees, other) added to Total Amount Due					

Article XI - Insurance and Indemnity

Property and casualty insurance in the amount of \$1,000,000.00 will be secured by the Board of Directors.

Except as otherwise provided by law, a volunteer Board Member or officer of the Association shall not be personally liable to the Association or its Members for monetary damages for a breach of the Board Member's or officer's fiduciary duty. Further, the Association hereby assumes all liability and agrees to defend, indemnify and hold harmless the Board member or officer for any and all claims arising from the Board member or officer's performance of their duties to the Association herein.

Article XII -- Finances

Section 1.

The Association shall incur no debt.

Section 2.

Expenditures for new equipment, improvements, or other nonoperating expenditures less than Seven Hundred-Fifty dollars (\$750) per expenditure shall be approved by a majority of the Board of Directors. Expenditures for new equipment, improvements or other nonoperating expenditures in excess of Seven Hundred-Fifty dollars (\$750) shall be approved by a two-thirds majority of votes cast including proxies and/or absentee ballots at either a regular or special meeting. Written notice of the proposed expenditures in excess of Seven Hundred-Fifty dollars (\$750) must be given to the members at least fourteen days (14) prior to the date of the meeting. Regular and necessary maintenance is not subject to the above limitations.

Section 3.

All budgeted expenditures shall be disbursed as follows:

- a) Incurred expenditures by approval of the responsible committee chairperson.
- b) Discretionary expenditures by authority of the President.

Section 4.

All expenditures of \$1,000 or more require at least three quotes from separate sources.

Article XIII -- Special Assessment

Section 1.

Except for certain assessments required by the Building & Use Restrictions, special assessments may be levied by the Board of Directors for the purpose of activities within the general powers of the Association. No special assessments shall be levied against the members of the Association without having the approval of at least two-thirds (2/3) of the votes cast, including proxies and/or absentee ballots, at a regular meeting or at a special meeting of the Association called for that purpose. In no case shall

special assessments exceed one hundred fifty dollars (\$150.00) in any one fiscal year.

Section 2.

Any Special Assessment must specify the total amount of the project, the yearly cost of the assessment and the duration of the project assessed with the Special Assessment.

Section 3.

Notice of the requested Special Assessment shall be given to the Association at the semi-annual meeting prior to the meeting on the Special Assessment.

Article XIV -- Amendments

These By-Laws may be amended, altered, changed, added to or repealed by the affirmative vote of two-thirds (2/3) majority of the votes cast including proxies and/or absentee ballots at any regular or special meeting, if notice of the proposed amendment, alteration, change, addition, or repeal be contained in the notice of the meeting; provided, however, that no amendments may be made to these By-Laws which would contradict, restrict, or otherwise conflict with any of the matters contained in restrictions recorded for the subdivisions included within the jurisdiction of this Association.

ⁱ Amended September 27, 2017

ⁱⁱ Amended November 5, 2019