

BY-LAWS, FINAL DRAFT 3/15/79

REVISION ADOPTED: 3/20/96

SECOND REVISION ADOPTED: 2/4/2019

FOREST BROOK COMMUNITY HOMES ASSOCIATION, INC.

ARTICLE I

DESCRIPTION

The name of this non-profit corporation is Forest Brook Community Homes Association, Incorporated, herein after called the "Association".

ARTICLE II

PURPOSE

Section 1. The purposes for which the Association is formed are as follows:

- A. To administer and enforce covenants, charges, and liens set forth in the Declaration of Covenants and Restrictions dated March 7, 1973 described as follows: Lots 1 through 192, both inclusive, and Forest Brook Park (private park), Forest Brook Subdivision No. 1, part of the Northeast one-quarter of Section 27, Town 2 South, Range 8 East, Canton Township, Wayne County, Michigan according to the plat thereof recorded in Liber 94, pages 57, 58, and 59 of Plats, Wayne County Records. Lots 193 through 308, both inclusive, Forest Brook Subdivision No. 2, part of the Northeast one-quarter of Section 27, Town 2 South, Range 8 East, Canton Township, Wayne County, Michigan according to the plat thereof recorded in Liber 95, pages 18 and 19 of Plats, Wayne County Records, dated November 5, 1973.
- B. To maintain and administer the parks and common facilities, hereinafter referred to as the "Common Areas", as they are set forth in the Declaration of Covenants and Restrictions and By-laws of the Corporation.

Section 2. The purpose or purposes of the By-laws, as written, are:

- A. To set forth the operating procedures of the Association and its Board of Directors.

ARTICLE III

MEMBERSHIP

Section 1. Definition of Membership: Every person or entity who is an owner of a lot in the Forest Brook Subdivisions shall be a member of the Association. Membership in said Association shall be mandatory for each owner in the Forest Brook Subdivisions. 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 within Forest Brook Subdivisions numbers one and two, but not including owners who have sold their interest under executory land contract. During such time as such land contract is in force, the land contract vendee shall be considered to be the member of the Association.

Section 2. Non-Separation of Membership: Membership in the Association is and shall be appurtenant to and may not be separated from the ownership of any lot.

ARTICLE IV

VOTING RIGHTS OF MEMBERS (GENERAL)

Section 1. Number of Votes per Lot: Each lot in the Subdivisions shall be entitled to one vote, subject to the following restrictions:

- A. The Association has the right to suspend the voting rights of the any member for any period during which any assessment against his or her lot remains unpaid and for a period not to exceed thirty (30) days, for any violation by such member of its published rules and regulations.

Section 2. Quantity of Lots: For voting purposes only, each lot, as platted shall own one share of stock and be deemed to be one membership in the Association. Each share of stock shall be entitled to one vote at the meetings of the Association.

Section 3. Restriction on Voting:

- A. Except where otherwise herein specifically permitted, each vote at a meeting has to be represented by one person (owner as noted on the title to the Lot). A representative of the owner cannot cast a vote. Where multiple individuals are listed as the owner of the Lot, the owner, one or several, is entitled to only one vote, to be cast by only one of the listed owners.
- B. It is the Members' responsibility to ensure they are able to uniquely identify themselves in order to vote on any Association business if called to do so by the Secretary of the Board.
 - a. Any identification deemed legal within the State of Michigan showing their likeness and address; and/or means of identification set forth by the Board of Directors prior to any meeting and made known within the notification of said meeting is acceptable.

Section 4. Restriction of Proxies: The use of proxies shall be prohibited in all voting except for assessments as directed by the Declarations of Covenants and Restrictions. Votes by those participating by approved means other than personal presence, for which the Member has provided suitable, uniquely identifying documentation, does not constitute a proxy vote

Section 5. Absentee Ballots: The use of absentee ballots shall be prohibited, except for assessments, the election of the Board of Directors, and items specifically set forth on the agenda for the annual member meetings or in the official notice of special members' meetings as provided in Article VI, sections one and three. Votes by those participating by approved means other than personal presence, for which the Member has provided suitable, uniquely identifying documentation, does not constitute an absentee vote

Section 6. Right to Petition: The general membership has the right to petition the Board of Directors for any action. Each lot, as platted, in the Subdivisions shall be entitled to one signature per petition. The petition shall be valid only if it contains the signatures of at least thirty (30) members.

Section 7. Registration of Eligible Voters: The Secretary shall be responsible for keeping an accurate record of all eligible voters. The secretary shall also be responsible for updating the record, in case of changes of ownership or suspension of voting rights by the Board of Directors of the Association. This record is subject to audit.

Section 8. Election Results: The Secretary and at least one Board Member are in charge of counting the ballots. All absentee ballots must be opened in the presence of the Board of Directors. The individuals

shall count, tally, and certify the election and its results. The ballots shall be preserved for thirty (30) days from the date of the election.

Section 9. Election Records: Each vote cast in person or by other means set forth by the Board of the meeting, or by absentee ballot, must be verified and marked on the Record of Eligible Voters by the Secretary. The results of all elections held by the Association, along with the true minutes of the meeting during which said election is held.

Section 10. Quorum Requirements: A quorum for all voting other than changing assessments and amending the bylaws shall consist of at least ten (10) members in attendance, in person or by other means set forth by the Board for the meeting, except where herein otherwise specifically permitted.

Section 11. Absentee Ballots: Absentee ballots (when allowed) do not contribute to the constitution of a quorum.

Section 12. A petition presented to the Board containing the signatures of a simple majority of the members of the Association, shall be acted upon as so stated immediately, unless the petition calls for a violation of any applicable laws.

ARTICLE V

FINANCES

Section 1. Annual Assessments:

- A. Each member shall pay annual maintenance assessments as required by the Declaration of Covenants and Restrictions.
- B. In no case will a resident be required to pay dues for years prior to the year of closing on the property.

Section 2. Purposes of Assessments: The maintenance fund shall be used for the following purposes as the Association shall determine necessary and advisable:

- A. For improving, maintaining, and purchasing new equipment for the Common Areas of the Forest Brook Subdivisions numbers one (1) and two (2), as platted; for planting trees and shrubbery and their care thereof; removal of rubbish in the park, for removing grass or weeds in the park; for providing the necessary liability insurances thereon, and for doing any other things necessary or advisable in the opinion of the Association for keeping the property neat or in good order; for expenses incidental to the examination of plans and to the enforcement of deed restrictions, conditions, obligations, reservations, rights, powers, and charges as applicable to said Forest Brook Subdivisions; and to carry out any other purpose of the Association.
- B. The fund shall also be used for the expenses of operating the Association, including postage, rental of meeting quarters, legal fees, filing and franchise fees, funding of standing and specially appointed committees; and other expenses necessary or incidental to the operation of a corporation.

Section 3. Base and Maximum Assessments: By reference of the Declaration of Covenants and Restrictions per Wayne County Liber number 18363, Page 311, Article V, Section III.

Section 4. Notice and Quorum Requirements for Setting Assessments: By reference of the Declaration of Covenants and Restrictions per Wayne County Liber number 18363, Page 311, Article V, Section V.

Section 5. Uniform Rate of Assessment: The annual assessment shall be the same for all lots within the properties.

Section 6. Collection of Assessments: The assessment year shall run from January 1 through December 31 of each year.

- A. The annual assessment for any year becomes due and payable on the first day of January of each year.
- B. The annual maintenance assessment shall be a lien and encumbrance on the land with respect to which the charges are made. A certificate in writing issued by the Treasurer of the Association shall be given on demand to any member liable for said assessment setting forth the status of the assessment. The Association shall have the power and right in its own name to take and prosecute all suits, legal equitable, or otherwise, which may, in the opinion of the Association, be necessary or advisable for collection of such charges and to take such other steps as it deems expedient to record a lien upon said land, with the County of Wayne.

Section 7. Failure to Pay Fees or Assessments: If any assessment is not paid by the default date as set forth by the Board of Directors, then such assessment shall become delinquent and shall, together with

such interest thereon and costs of collection thereof, as provided in the Declaration of Covenants and Restrictions, thereupon become a continuing lien on such lot. The Association shall use the power and rights set forth in said Declaration to collect such charges.

- A. Any member who shall be in default in the payment of the annual maintenance charge or in the payment of any special assessments shall not be in good standing and shall not be entitled to vote at any meeting of the Association, nor to hold office in the Association, nor be a member of any Committee, until such delinquencies have been paid.

Section 8. Membership Transfer: Membership in the Association shall automatically be transferred to the new owners upon sale of the property within the Subdivisions.

- B. The person or entity holding title to any lot within the properties as of January 1 for any calendar year shall be liable for all dues levied by the Board of Directors for that calendar year.
- C. In the event of a special assessment, the person or entity holding title to any lot or land contract vendee at the time said special assessment is authorized, shall be liable for said assessment.

Section 9. Limitation on Expenditures:

- A. Expenditures in excess of fifty (\$50.00) dollars, but less than five hundred (\$500.00) dollars, shall be approved by a majority of the Board of Directors.
- B. Expenditures in excess of five hundred (\$500.00) dollars shall be approved by a majority of eligible voters attending either a regular or special meeting. Written notice of the proposed expenditure in excess of five hundred (\$500.00) dollars must be given to the members at least fourteen (14) days prior to the date of the meeting. The notice shall contain an absentee ballot form, so that an eligible voter who is unable to attend the meeting may express his or her vote on this matter. Regular and necessary maintenance is not subject to the above limitations.
- C. The expenditures of any type may in no way jeopardize the good financial standing or liability of the Association.

Section 10. Special Assessments: Special assessments may be levied by the Board of Directors for the purposes of activities within the general powers of the Association.

- A. A special assessment shall be approved by a simple majority of eligible voters attending either a regular or special meeting. Written notice of the proposed special assessment must be given to the members at least fourteen (14) days prior the date of the meeting. Absentee ballots shall be available from the Secretary for eligible voters who are unable to attend the meeting.
- B. In no case shall special assessments exceed twenty-five (\$25.00) dollars in any one fiscal year.
- C. A Special Assessment of \$10.00 to be used for the sole purpose of street snow removal in Forest Brook Subdivisions 1 & 2 shall be assessed annually. This Special Assessment shall remain in effect and be enforceable until such time that \$10.00 per Member no longer covers the cost of snow removal, at which time a renewal vote shall be required as set forth in these Bylaws. Should there be an excess fund balance, this balance shall be carried forth to the next fiscal year for the stated purpose unless the Membership directs otherwise in accordance with Article V, Section 4.

Section 11. Fiscal Year: The fiscal year of the Association shall begin April 1 and end March 31 of the following year.

Section 12. Financial Reports: The Treasurer of the Association shall be responsible for preparing the following Financial reports for presentation at the regular annual member's meetings

- A. Profit and loss statement
- B. Balance sheet
- C. Source and application of funds statement

Section 13. Non-Payment of Assessments and Partial Payments on Past Due Accounts:

- A. Assessments which become thirty days past due will be issued a certified letter indicating non-payment and that additional processing costs will be incurred should it be necessary to file a lien.
- B. Assessments which become sixty days past due will be issued a letter indicating that a lien is being filed against the property for non-payment.
- C. Assessments which become one year overdue or a lien amount over \$100 may be taken to Court for Judgement and collection authority.
- D. Partial payments received by the Association on past due accounts will be credited on the past due account in the following order:
 - 1. Credited against collection charges.
 - 2. Credited against interest charges.
 - 3. Credited against past due assessments - oldest first, current year's assessment last.
- E. Payments made to cause a Release of Interest by the Association must be made by Certified Check or Money Order in order that the Release may be prepared, recorded within Association records and provided to the Member in order that the Member may file the release with the appropriate County agency. (This can cause a delay as much as thirty days or more and should be considered if a mortgage closing is scheduled.)
- F. Payments on current assessments must be received no later than February 1st to preclude legal charges being assessed as a result of additional lien action by this Association.

ARTICLE VI

MEMBERS MEETINGS

Section 1. General Meetings: Annual meetings of the Association shall be held during the month of October in each year. The mode, time and place of such meetings shall be determined by the Board of Directors and specified in the notice thereof.

- A. Items to be placed on the agenda of the General Membership meetings must be submitted in writing, to the Secretary of the Board of Directors at least five (5) days in advance of the meetings. All items submitted must be placed on the agenda under either new or old business, as applicable.
- B. The order of business at the annual meetings of the members shall be as follows:
 - 1. Roll Call of Board of Directors
 - 2. Reading of Notice
 - 3. Reading of Minutes of last preceding General Members Meeting
 - 4. Report of the President
 - 5. Report of the Secretary
 - 6. Report of the Treasurer
 - a. Proposed Annual Operating Budget.
 - 7. Reports from the Committee Chairmen
 - 8. Election of Directors (when applicable)
 - 9. Old Business
 - 10. New Business
 - 11. Adjournment

Provided that, in the absence of any objection, the presiding officer may vary the order, or delete points of business at his or her discretion.
- C. All meetings shall be conducted by Roberts Rules of Order, revised.
- D. The Association Operating Budget for the next fiscal year shall be proposed, modified and adopted at this meeting.

Section 2. 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 request of thirty (30) eligible voters, when submitted in writing to the Secretary. When a special meeting is called by a member petition, the meeting shall be called within thirty (30) days of submission of the petition.

Section 3. 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 delivered to each member. 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 meetings.

Section 4. Minutes: Minutes of all regular and special members' meetings shall be available within thirty (30) days following such meeting.

ARTICLE VII

BOARD OF DIRECTORS

Section 1. Eligibility: All persons elected to the Board of Directors must be residents of the Forest Brook Subdivisions I or II. No more than one member per household may serve concurrently.

Section 2. Number of Terms of Directors: The business, property, and affairs of the Association shall be managed by a Board of Directors composed of nine (9) persons.

- A. At the annual meetings of the members held in October, Directors shall be elected to fill the expiring positions on the Board of Directors for full terms of two (2) years. Newly elected Directors shall begin their term in office upon the adjournment of the meeting during which they are elected.
- B. The Board of Directors may at a later date, by unanimous vote, elect to reduce the number of seats on the Board to seven (7) or five (5).
- C. Should the number of Directors drop below the designated number, the Board of Directors will continue to operate with the remaining Directors until such time that the vacancy/vacancies are filled.

Section 3. Election Procedure: The election of the Board of Directors will take place at the annual meeting of members to be held during October each year. The nominees receiving the highest vote total shall be elected to the vacant positions. Absentee ballots will be permitted for the election of Board members, but proxy votes are excluded.

Section 4. Vacancies: Vacancies on the Board of Directors shall be filled by appointment made by the remaining Directors. Each person so appointed shall serve for the remainder of the term of the Director replaced.

Section 5. Recall: The general membership may institute a request for the recall and dismissal of a member or members of the Board of Directors with petitions containing at least one hundred (100) signatures of the voting members. Upon presentation of the signed petition for recall, for Misfeasance, Malfeasance, or Nonfeasance of office, the Board of Directors shall appoint a special committee to investigate the charges in the petition and make a recommendation to the general membership. The Board of Directors must publish notice for a special meeting within fourteen (14) days and hold a general meeting within thirty (30) days from the date of presentation of a recall petition to the Board of Directors. A two-thirds (2/3) majority of the general membership present at the meeting will recall a Board member, provided that a quorum is in attendance.

Section 6. Meeting Attendance: The Board of Directors may declare the office of a member of the Board of Directors to be vacant by a majority vote in the event such a member shall be absent from three (3) consecutive, regular meetings of the Board of Directors.

ARTICLE VIII

BOARD OF DIRECTORS MEETINGS

Section 1. Regular Meetings: The Board of Directors shall conduct regular meetings.

Section 2. Special Board Meetings: Special meetings of the Board of Directors may be called the President, or majority of the Board members. Directors shall be notified in writing or via email, by the Secretary, of the time, place, and purpose of the special meeting at least three (3) days prior to the meeting. Said notice shall contain an agenda for the special meeting. Unless all Board members are present, no business, other than agenda items may be transacted.

Section 3. Quorum Requirements: A simple majority of the Board of Directors shall constitute a quorum for transaction of business. Any action and/or business taken by the Board of Directors on behalf of the Association must have the affirmative vote of the majority of the Board members present personally, or via other approved means at regular or special meetings.

- A. If and when all active Directors (the number of which is outlined in Article VII, Section 2) unanimously consent, in writing or via email, to any action and/or business taken by the Association, such action and/or business shall be valid as though it had been authorized at a meeting of the Board of Directors

Section 4. Appointments: The Board of Directors shall have the power to appoint such officers and agents as the Board may deem necessary for the transaction of the business of the Association. Such appointees if challenged, are subject to approval by the general membership at the next general meeting or special meeting called for this purpose.

Section 5. Attendance: The general membership may attend all regular or special meetings of the Board of Directors.

ARTICLE IX

OFFICERS. THEIR DUTIES AND RESPONSIBILITIES

Section 1. Term of Office: The Board of Directors shall elect among themselves officers each year following the October General Meeting. Alternatively, at the current President's discretion, the Board's officers may be elected by the membership in attendance at the Annual Member Meeting.

Section 2. President: The President shall be the chief executive officer of the Association. The President shall preside over all general and Board meetings. The President 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.

Section 3. Vice President: In case the office of the President shall become vacant by resignation or otherwise, or in case of the absence of the President or his or her inability to discharge the duties of the President's office, such duties shall, for the time being, be assigned to the Vice President, who shall do and perform such other acts as the Board of Directors may, from time to time, authorize the Vice President to do.

Section 4. Secretary: The Secretary shall preserve in Books of the Association true minutes of the proceedings of all such meetings. The Secretary shall give all notices required by statute, by law, or resolution. The Secretary shall perform such duties as may be delegated by the Board of Directors. The Secretary shall assume the duties of the President, for the time being, in the absence of the President and Vice President.

Section 5. 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. The Treasurer 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. The Treasurer 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 each periodic meeting of the members an account of all his or her transactions as Treasurer and of the financial condition of the Association. All checks paying Association funds shall be signed by the Treasurer. At the close of fiscal year then ending, and shall, within thirty (30) days after close of such fiscal year, submit such report to the Board of Directors. The Treasurer, at the expense of the Association, shall be bonded in the minimum amount of twenty-five thousand (\$25,000.00) dollars.

ARTICLE X

COMMITTEES

Section 1. General Organization: The following rules and guidelines shall prevail for the organization and operation of all standing committees, unless herein otherwise excepted:

- A. The Board of Directors shall determine the purpose, type of committee and number of members required to fill each committee and as defined in this article
- B. Each committee shall have a chairperson from its ranks and shall meet as required to properly perform its function.
- C. The members of a committee shall be appointed by the Board of Directors.
- D. Term of office shall be at the direction of the Board of Directors unless stated otherwise in this Article.
- E. Such committees and appointees, if challenged, are subject to approval by the next general meeting or special meeting called for this purpose.
- F. A committee appointment, unless selected from within the Board, does not constitute Board of Director membership, even where attendance at board meetings is required to fulfill the duties of said committee.

Section 2. Park Development Committee: This committee shall administer the Park recommending actions to the Board of Directors. This committee shall, at the direction of the Board, seek bids covering such development and make recommendations to the Board for awarding contracts.

Section 3. Website Committee: This committee shall consist minimally of a volunteer Webmaster who will serve as chair. This committee shall be responsible for the creation and/or maintenance of a website through which information pertinent to the Association and its activities may be disseminated:

- A. Meeting notices/schedules
- B. Meeting minutes/Books of the Association
- C. Association documents
- D. Event notices
- E. Board contact information
- F. Other information or facilities deemed pertinent or beneficial to the Association, its mission, and its Members

The hosting of the website shall be funded as normal Association business per Section 5 Paragraph 2B.

Section 4. Audit Committee: The Audit Committee shall consist of three (3) members, who shall not be concurrently members of the Board of Directors, and shall operate independently of the Board of Directors. An audit may be called for by petition by the Membership as indicated in Article IV, Section 6 or at the direction of the Board of Directors.

- A. The qualifications of the members of the Audit Committee shall be prescribed by the Board of Directors. The Audit Committee of the Association shall 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. Appointees shall serve for one audit or one year, whichever occurs first.

- B. The Audit Committee shall be independent, with no-one concurrently serving as a Board officer or director; or on any other Board-appointed committee 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) month 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 twelve (12) months after its completion.
- C. Records shall be submitted to the Audit Committee as required for its purposes.
- D. The Audit Committee has the right to request cut-off bank statement.
- E. The Audit Committee shall attach its report to the annual financial report, which it has examined, and shall make available a copy of such combined reports to any of the members of the Association upon request.
- F. The Audit Committee has the authority to inspect the operation of any or all facets of the Association's operation in an effort to determine compliance with Association By-Laws, Articles of Incorporation, Covenants of Deeds and Restrictions; and the statutes of the State of Michigan.

ARTICLE XI

AMENDMENTS

Section 1. Origin of Change: All proposed changes to these By-Laws must originate from a majority of the Board membership, or by petition of the general membership, as described in Article IV, Section 6.

Section 2. Notification of Meeting Requirements: A special meeting of the members must be called by the Board upon receipt of a proposed amendment of the By-Laws, per Article XI, Section 1, within 60 days, unless a regular meeting of the members is scheduled within ninety (90) days. Written notice of any meeting called for the purpose authorized in Article XI shall be delivered to all members at least thirty (30) days in advance and shall contain the proposed changes. In event that said By-Laws amendment shall be a point of business at a regular annual meeting of the members, notification of said amendment shall be contained in the notice thereof as outlined in Article Vi, Section 3.

Section 3. Quorum Requirements: A simple majority of those present when the quorum requirements have been met, will pass any proposed By-Laws amendment.

- A. At the first meeting called for this purpose, the presence of sixty percent (60%) of the shares represented, in person, shall constitute a quorum.
- B. If a quorum is not present at such a meeting, another meeting may be called. The determination of whether or not a second meeting is called shall rest with the Board of Directors. The required quorum then shall be thirty percent (30%) of the total shares, which must be represented in person.
- C. If a quorum is not present at the second such meeting, a third meeting shall be called by the Board of Directors. This meeting must be held no sooner than fifteen (15) days and no more than thirty (30) days following the second meeting. At the third meeting, those present will constitute a quorum.

Section 4. Conflict of Amendments: No amendments may be made to these By-Laws which would contradict or be in conflict with any of those restrictions set forth in the Declaration of Covenants and Restrictions, the Articles of Incorporation, or the Statutes of the State of Michigan.

ADOPTED: 4 February 2019