

BYLAWS
OF
WABEEK SOUTH ASSOCIATION

ARTICLE I
Definitions

Section 1. "Association: shall mean and refer to the Wabeek South Association, a non-profit corporation organized and existing under the laws of the State of Michigan.

Section 2. "Protective Covenants" shall mean and refer to the Declaration of Protective Covenants recorded December 29, 1971, at Liber 5791 , Pages 189-208, Oakland County Records.

Section 3. "Wabeek South" shall mean and refer to the properties shown on the map appended hereto.

ARTICLE II
Purposes

The purposes of the Association are set forth in the Articles of Incorporation of the Association. In consonance with these purposes, the Association shall (i) maintain and promote the desired character of Wabeek South as a residential subdivision of the highest quality and character in accordance with the Protective Covenants, (ii) promote and insure high standards of maintenance and operation of all property in Wabeek South, which is reserved or dedicated for the common use of all residents and owners therein, and (iii) insure the provision of services and facilities of common benefit.

ARTICLE III
Principal Office

The Association shall have and continuously maintain in the State of Michigan a registered office and a Registered Agent, whose office is identical with such registered office, and may have other offices within the State of Michigan as the Board of Trustees may from time to time determine.

ARTICLE IV
Members

Section 1: Number of Members

Chrysler Realty Corporation, a Delaware corporation, and Del E. Webb Wabeek, Inc., an Arizona corporation, doing business as Chrysler Wabeek Development Company, herein called "Chrysler Wabeek Development Company", its successors and assigns, and every record owner of a fee simple interest in a residential lot in Wabeek South shall become a member of the Association. There shall be no classification of membership in the Association, and each membership shall be appurtenant to a residential lot in Wabeek South.

Section 2: Voting Rights

Each member, including Chrysler Wabeek Development Company, its successors or assigns, shall be entitled to one vote on each matter submitted to a vote of members for each lot in Wabeek South owned by him or it. Where title to a lot is in more than one person, such co-owners acting jointly shall be entitled to but one vote. Unless otherwise provided by law, all elections and matters submitted to a vote shall be decided by a plurality vote.

Section 3: Membership Privileges

All members of the immediate family of members of the Association residing in Wabeek South in the residence occupied by such members of the Association shall be entitled to the privileges of membership, including the use and enjoyment of any common properties and facilities, except that they shall not be entitled to vote. The privileges of such family members are subject to suspension under Article IV, Section 5 hereof, to the same extent as those of the members.

Section 4: Assessments

The rights of membership are subject to the payment of annual assessments levied by the Board of Trustees, the obligation of which assessments is imposed against each owner of and becomes a lien upon the property against which such assessments are made as provided in Paragraph 4 of Article V of the Protective Covenants to which Wabeek South is subject and which provides as follows:

"Method of Providing General Funds

a. For the purpose of providing a general fund to enable the Association to exercise the powers, and make and maintain the improvements and render the services herein provided for, the Board of Trustees of the Association shall determine for each year the total amount required of such fund for such year and may levy an annual assessment uniformly against each lot in Wabeek South.

b. In the event of failure of any owner to pay any assessment on or before 30 days following notice to such owner of such assessment or the scheduled due date thereof, if later, then such assessment shall become delinquent and shall bear interest at the rate of 7 percent (7%) per annum from the due date thereof to the date of payment, and the Association shall have a lien on each lot against which such assessment is levied to secure payment thereof, plus interest. When delinquent, payment of both principal and interest may thereafter be enforced against the owner personally, or as a lien on said real estate. It shall be the duty of the Association to bring suits to enforce such liens before the expiration thereof. The Association may, at its discretion, file certificates of non-payment of assessments in the office of the Registrar of Deeds whenever any such assessments are delinquent. For each certificate so filed, the Association shall be

entitled to collect from the owner or owners of the real property described therein a fee of \$10.00 which fee is hereby declared to be a lien upon the real estate so described in said certificate. Such fee shall be collectable in the same manner as the original assessments provided for herein and in addition to the interest and principal due thereon.

c. The liens herein provided shall be subject and subordinate to the lien of any valid mortgage or deed of trust now existing or which may hereafter be placed on said real property prior to the effective dates of such liens. In the event of the issuance of a deed, pursuant to foreclosure of such mortgage or deed of trust or in lieu of such foreclosure, the grantee of such deed shall take title free and clear from any liens herein provided which accrue prior to the recording of such deed.

d. Such liens shall continue for a period of five years from the date of delinquency and no longer, unless within such time suit shall have been filed for the collection of the assessment, in which case the lien shall continue until the termination of the suit and until the sale of the property under execution of the judgement in such suit."

Section 5: Suspension of Membership

The membership rights of any person whose interest in Wabeek South is subject to assessment under Article IV, Section 4 above, whether or not to be personally obligated to pay such assessments, may be suspended by action of the Trustees during the period when the assessments remain unpaid; but upon payment of such assessments, his rights and privileges shall be automatically restored. If the Trustees have adopted rules and regulations governing the use of the common properties and facilities, and the personal conduct of any person thereon, as provided in Article VI, Section 1(b) hereof, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

Section 6: Termination of Membership

Membership shall be terminated whenever a member ceases to be a record owner in fee simple of a lot in Wabeek South. Upon termination of membership, all membership privileges shall cease, but such termination shall not in any manner release the right or lien of the Association for assessments against the property of the person whose membership is terminated or any other claims or rights whatsoever which the Association may have against such person at the time membership is terminated.

Section 7: Transfer of Membership

Except for the successors and assigns of Chrysler Wabeek Development Company, membership in this Association is not transferable or assignable.

ARTICLE V Meetings of Members

Section 1: Place of Meeting

All annual meetings of members shall be held at the principal office of the Association, or at such other place within the County of Oakland, State of Michigan, subject to the limitations herein, as may be fixed from time to time by resolution of the Board of Trustees, and all other meetings of members shall be held either at the principal office or at any other place within the County of Oakland, State of Michigan, which may be designated either by the Board of Trustees pursuant to authority hereinafter granted to said Board, or by the written consent of all members entitled to vote thereat, given either before or after the meeting and filed with the Secretary of the Association.

Section 2: Annual Meeting

Annual meetings of members shall be held on date and time selected by the Board of Trustees.

Written notice of each annual meeting shall be given to each member entitled to vote, either personally or by sending a copy of the notice through the mail or by telegraph, charges prepaid, to his address appearing on the books of the Association or supplied by him to the Association for the purpose of notice. If a member supplies no address, notice shall be deemed to have been given him if mailed to the address of the lot affected. All such notices shall be sent to each member entitled thereto not less than ten (10) nor more than sixty (60) days before each annual meeting, and shall specify the place, the day, and the hour of such meeting.

Section 3: Special Meetings

Special meetings of members for any purpose or purposes whatsoever may be called at any time by the President or by the Board of Trustees, or by any two or more members thereof, or by one or more members holding not less than twenty percent (20%) of the voting power of the Association. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members. Notices of any special meeting shall specify in addition to the place, the day, the hour of such meeting, the general nature of the business to be transacted.

Section 4: Adjourned Meetings

Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of members present or represented at such meeting and entitled to cast a majority of votes represented at such meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called. In the absence of a quorum, no other business may be transacted at any such meeting. It shall not be necessary to give any notice of such adjournment or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

Section 5: Entry of Notice

Whenever any member who is entitled to vote has been absent from any meeting of members, whether annual or special, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to each member, as required by law and the By-Laws of the Association.

Section 6: Quorum

The presence in person or by proxy of members entitled to cast in excess of one-half ($\frac{1}{2}$) of votes represented by all members of the Association shall constitute a quorum for the transaction of business. The members 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 to leave less than a quorum, provided, however, that at any meeting which has been adjourned for lack of a quorum, there shall be deemed a quorum if there are present at the meeting when reconvened pursuant to Section 4 of this Article V at least one-quarter ($\frac{1}{4}$) of votes represented by all members of the Association.

Section 7: Consent of Absentees

The transaction of any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, sign a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 8: Proxies

Every member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such member

or his duly authorized agent and filed with the Secretary of the Association; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, and every proxy shall automatically cease upon sale by the member of his ownership interest in Wabeek South.

Section 9: Balloting

On all questions where a majority of the members deem it necessary, and in any event in the election of members of the Board of Trustees ballots shall be cast secretly and in writing, folded in such a manner that the way in which the ballot is marked cannot be seen and deposited into a receptacle. The ballots shall be counted immediately upon collection thereof by two (2) members selected by the Chairman of the meeting. The Chairman shall announce the results of the balloting immediately, and the ballots may be inspected by any member.

ARTICLE VI Trustees

Section 1: Powers

Subject to limitations of the Articles of Incorporation or the By-Laws, or the General Corporation Act of the State of Michigan as to action to be authorized or approved by the members, and subject to the duties of the Trustees as prescribed by the By-Laws, all corporate powers shall be exercised by or under authority of, and the business and affairs of the Association shall be controlled by the Board of Trustees; without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Trustees shall have the following powers:

a) To select and remove all the other officers, agents and employees of the Association, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the By-Laws, fix their compensation and require from them security for faithful service;

b) To conduct, manage and control the affairs and business of the Association, to maintain the common areas and facilities, if any, of Wabeek South and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation, or the By-Laws, as they may deem best.

c) To adopt, make and use a corporate seal, and to prescribe the forms of certificates of membership; and to alter the form of such seal and of such certificates from time to time, as in their judgement they may deem best, provided such seal and such certificates shall at all times comply with the provisions of law.

d) To authorize the issue of memberships to such persons as shall be eligible for membership as in Article IV of these By-Laws provided.

e) To appoint committees and to delegate to such committees, subject to the control of the Board of Trustees, any of the powers and authority of said Board except the power to adopt, amend, or repeal the By-Laws.

f) To enforce the provisions of the Protective Covenants.

g) To exercise all powers and authorities set forth in the Protective Covenants including, without limitation, the assessment powers therein.

h) To contract for the services set forth in Article V, Section 3 of the Protective Covenants.

i) To pay taxes and special assessments which are or would become a lien on the property of the Association, if any.

j) To contract and pay premiums for fire, casualty, liability and other insurance, including indemnity and other bonds, on said facilities, if any.

k) To delegate its powers.

Notwithstanding any or all of the foregoing powers, the Board of Trustees shall not expend more money in any one year than the total amount of the assessment for that particular year, plus any surplus which it may have on hand from previous assessments; nor shall the Trustees enter into any contract whatever binding the assessment of any future year, except for contracts for utilities, and no such contract shall be valid or enforceable against the Association.

Section 2: Election, Term of Office and Removal

The Board of Trustees shall consist of no less than three (3) trustees and no more than seven (7) trustees, until changed by appropriate amendment of the By-Laws. Each person elected as a trustee shall hold office for a term of three (3) years. In the event any such annual meeting is not held or such trustees are not elected thereat, the trustees to be elected may be elected at any special meeting of the members held for that purpose. All trustees shall hold office until their respective successors are elected. Election of the trustees shall be by written ballot as herein provided. At such election, each member may cast, in respect to each vacancy, one vote for each lot owned by him in Wabeek South. Members may not cumulate their votes.

Section 3: Vacancies

A vacancy or vacancies shall be deemed to exist in case of the death or resignation of any trustee, or if the members shall increase the authorized number of trustees, but shall fail at the meeting at which such increase is authorized, or at an adjournment thereof, to elect the additional trustees so provided for, or in case the members fail at any time to elect the full number of authorized trustees.

Vacancies in the Board of Trustees may be filled by a majority of the remaining trustees, through less than a quorum, and each trustee so elected shall hold office for the unexpired portion of the term of his predecessor in office and until his successor is elected at an annual meeting of members or at a special meeting called for that purpose.

The members may at any time elect trustees to fill any vacancy not filled by the trustees, and may elect the additional trustees at the meeting at which an amendment of the By-Laws is voted authorizing an increase in the number of trustees.

If any trustee tenders his resignation to the Board of Trustees, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective. No reduction of the number of trustees shall have the effect of removing any trustee prior to the expiration of his term of office.

Section 4: Place of Meeting

All meetings of the Board of Trustees shall be held at the principal office of the Association, or any other place or places within Oakland County, Michigan, designated at any time by resolution of the Board or by written consent of all members of the Board.

Section 5: Organization Meeting

Immediately following each annual meeting of members, the Board of Trustees shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meetings is hereby dispensed with.

Section 6: Other Regular Meetings

Other regular meetings of the Board of Trustees may be held without call at such place and day and hour as may be fixed from time to time.

Section 7: Special Meetings

Special meetings of the Board for any purpose or purposes whatsoever may be called at any time by the Chairman of the Board or by any two (2) trustees, and upon notice duly given in the manner provided in Section 2 of Article V of these By-Laws, and specifying, in addition to the place, the day and the hour of such meeting, the general nature of the business to be transacted thereat.

Section 8: Majority Rule

Except as expressly provided elsewhere in these By-Laws or required by statute, a simple majority of the voting power of the trustees shall prevail on all questions.

Section 9: Election of Officers

All officers shall be chosen by vote of the Board of Trustees. Balloting of officers shall be in the manner provided in Section 9 or Article V regarding the election of trustees.

Section 10: Compensation

Trustees as such shall not receive any stated salary for their services, but by resolution of the Board of Trustees, any trustee may be reimbursed for his actual expenses in carrying out his duties, provided that nothing herein contained shall be construed to preclude any trustee from serving the Association in any other capacity and receiving compensation therefor.

ARTICLE VII Officers

Section 1: Officers

The officers of the Association shall be a president, one or more vice presidents (the number thereof to be determined by the Board of Trustees), a treasurer, a secretary, and such other officers as may be elected in accordance with the provisions of this article. The Board of Trustees may elect or appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and to perform the duties prescribed, from time to time, by the Board of Trustees. Any two or more offices may be held by the same person.

Section 2: Election

The officers of the Association, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen annually by the Board of Trustees, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

Section 3: Subordinate Officers, Etc.

The Board of Trustees may appoint such other officers as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided by the By-Laws or as the Board of Trustees, from time to time, may determine.

Section 4: Removal and Resignation

Any officer may be removed, either with or without cause, by a majority of the trustees at the time in office, at any regular or special meeting of the Board, or by any officer upon whom such power of removal may be conferred by the Board of Trustees. Any officer may resign at any time by giving written notice to the Board of Trustees or to the President or

to the Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5: Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled in the manner prescribed in the By-Laws for regular appointments to such office.

Section 6: President

Subject to such supervisory powers, if any, as may be given by the Board of Trustees to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the Association and shall, subject to the control of the Board of Trustees, have general supervision, direction, and control of the business and officers of the Association. He shall preside at all meetings of the members and in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Trustees. He shall be ex-officio a member of all the standing committees including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of an association, and shall have such other powers and duties as may be prescribed by the Board of Trustees or by the By-Laws.

Section 7: Vice President

In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Trustees, or if not ranked, the Vice President designated by the Board of Trustees, shall perform all 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 shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Trustees or the By-Laws.

Section 8: Secretary

The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Trustees may order, of all meetings of trustees and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at trustees' meetings, the number of memberships present or represented at members' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal office or at the office of the Association's transfer agent, a membership register or a duplicate membership register, showing the names of the members and their addresses, and the property to which each membership shall relate, the number of membership, the number and date of certificates

issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Trustees required by the By-Laws or by law to be given, and he shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees or the By-Laws.

Section 9: Treasurer

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association. The books of account shall at all times be open to inspection by any trustee. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board of Trustees. He shall disburse the funds of the Association as may be ordered by the Board of Trustees, shall render to the President and trustees, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees or the By-Laws.

If required by the Board of Trustees, the Treasurer shall give a bond in such amounts and with such surety or sureties as the Board may determine.

ARTICLE VIII Committees

Section 1: Standing Committees

The Board of Trustees may create a Finance Committee, a Grounds Committee, an Executive Committee, or other committees, all of which shall consist of two or more trustees.

Section 2: Finance Committee

The Finance Committee shall determine and prepare a tentative annual budget and make recommendations to the Board of Trustees as to the amount of annual assessment to be levied each year as provided in Article V of the Protective Covenants and shall have such other duties as may be assigned to it by the Board of Trustees.

Section 3: Grounds Committee

The Grounds Committee shall concern itself with the planning, development, maintenance, operation of any community grounds within Wabeek South and shall have such other duties as may be assigned to it by the Board of Trustees.

Section 4: Other Committees

The duties of all other committees shall be designated from time to time by the Board of Trustees.

Section 5: Term of Office

Each member of a committee shall serve until the next annual meeting following his appointment or until his successor shall have been appointed and qualified and shall be eligible for successive reappointments.

Section 6: Vacancies

Vacancies in the membership of any committee shall be filled by appointments made in the same manner as provided in the case of original appointments.

Section 7: Quorum

Unless otherwise provided in the resolution of the Board of Trustees establishing a committee, a majority of the whole committee shall constitute a quorum, and the act of a majority of the committee members at a meeting at which a quorum is present shall be the act of the committee.

Section 8: Rules

Each committee may adopt rules for its own government not inconsistent with the Protective Covenants, these By-Laws, or with rules adopted by the Board of Trustees.

ARTICLE IX Property, Contracts, Checks, Deposits and Gifts

Section 1: Property

Title to all property shall be had in the name of the Association, and membership in the Association shall not give any member any interest in the property of the Association. Any conveyance of property shall be made in the name of the Association by the president and attested by the secretary, or in the absence of these officers by those delegated to perform their duties as elsewhere provided in these By-Laws.

Section 2: Contracts

The Board of Trustees may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

Section 3: Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Trustees. In the absence of such determination by the Board of Trustees, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the Association.

Section 4: Deposits

All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Trustees may select.

Section 5: Gifts

The Board of Trustees may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

ARTICLE X Certificates of Membership

Membership certificates shall be issued to members in such form as shall be determined by the Board of Trustees. Such certificates shall be signed by the president and secretary and shall be sealed with the seal of the Association. All certificates of the same class shall be numbered consecutively in the order issued and the name and address of the member and the date of issuance shall be entered on the records of the Association. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Trustees may determine. Upon the termination of the membership of any member, the certificate issued to him shall be endorsed by such member and surrendered to the Association. Any certificate not so surrendered shall automatically become null and void on the 30th day following such termination of membership.

ARTICLE XI Books and Records

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Trustees, and committees having any of the authority of the Board of Trustees, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE XII
Seal

The Board of Trustees shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate Seal, Michigan."

ARTICLE XIII
Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XIV
Waiver of Notice

Whenever any notice whatever is required by law or under the provisions of the Articles of Incorporation or the By-Laws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XV
Amendments to By-Laws

These By-Laws may be altered, amended or repealed, or new By-Laws may be adopted, by the Board of Trustees at any meeting, the notice of which shall have stated the amendment of the By-Laws as one of the purposes of the meeting. Any By-Laws adopted by the Board of Trustees may be altered, amended or repealed by the members at any annual meeting or special meeting by the vote of members entitled to exercise a seventy-five percent (75%) of the voting power, provided that notice of such proposed alteration, amendment or repeal shall have been given in the notice of the meeting.

Effective date: September 1, 2005