

MICHIGAN DEPARTMENT OF COMMERCE — CORPORATION AND SECURITIES BUREAU

(FOR BUREAU USE ONLY)

**FILED**

Date Received

OCT 12 1994

OCT 12 1994

Administrator  
MICHIGAN DEPARTMENT OF COMMERCE  
Corporation & Securities Bureau

CORPORATION IDENTIFICATION NUMBER

728-858

**ARTICLES OF INCORPORATION**

For use by Domestic Nonprofit Corporations

(Please read information and instructions on last page)

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:

**ARTICLE I**

The name of the corporation is: NOWLAND ESTATES SUBDIVISION HOMEOWNERS ASSOCIATION, INC.

**ARTICLE II**

The purpose or purposes for which the corporation is organized are:

See Rider attached hereto.

**ARTICLE III**

The corporation is organized upon a nonstock basis.  
(stock or nonstock)

1. If organized on a stock basis, the total number of shares which the corporation has authority to issue is \_\_\_\_\_ . If the shares are, or are to be, divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences and limitations of the shares of each class are as follows:

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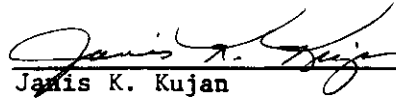


Use space below for additional Articles or for continuation of previous Articles. Please identify any Article being continued or added. Attach additional pages if needed.

See Attached Rider.

I (We), the incorporator(s) sign my (our) name(s) this 11<sup>th</sup> day of October, 1994.

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Janis K. Kujan

**DOCUMENT WILL BE RETURNED TO NAME AND MAILING ADDRESS INDICATED IN THE BOX BELOW.** Include name, street and number (or P.O. box), city, state and ZIP code.

Name of person or organization  
remitting fees:

HONIGMAN MILLER SCHWARTZ

AND COHN

Preparer's name and business  
telephone number:

Janis K. Kujan, Legal Assistant

( 313 ) 256-7833

JANIS K. KUJAN, LEGAL ASSISTANT  
HONIGMAN MILLER SCHWARTZ AND COHN  
2290 FIRST NATIONAL BUILDING  
DETROIT, MI 48226

### INFORMATION AND INSTRUCTIONS

1. The articles of incorporation cannot be filed until this form, or a comparable document, is submitted.
2. Submit one original copy of this document. Upon filing, a microfilm copy will be prepared for the records of the Corporation and Securities Bureau. The original copy will be returned to the address appearing in the box above as evidence of filing.  
Since this document must be microfilmed, it is important that the filing be legible. Documents with poor black and white contrast, or otherwise illegible, will be rejected.
3. This document is to be used pursuant to the provisions of the Act by one or more persons for the purpose of forming a domestic nonprofit corporation.
4. ARTICLE II — The purpose for which the corporation is organized must be included. It is not sufficient to state that the corporation may engage in any activity within the purposes for which corporations may be organized under the Act.
5. ARTICLE III — The corporation must be organized on a stock or nonstock basis. Complete Article III(1) or III(2) as appropriate, but not both. Real property assets are items such as land and buildings. Personal property assets are items such as cash, equipment, fixtures, etc.
6. ARTICLE IV — A post office box may not be designated as the street address of the registered office.
7. ARTICLE V — The Act requires one or more incorporators. The addresses should include a street number and name (or other designation), city and state.
8. This document is effective on the date approved and filed by the Bureau. A later effective date, no more than 90 days after the date of delivery, may be stated as an additional article.
9. This document must be signed in ink by each incorporator listed in Article V. However, if there are 3 or more incorporators, they may, by resolution adopted at the organizational meeting by a written instrument, designate one of them to sign the articles of incorporation on behalf of all of them. In such event, these articles of incorporation must be accompanied by a copy of the resolution duly certified by the acting secretary at the organizational meeting and a statement must be placed in the articles incorporating that resolution into them.
10. FEES: Filing fee & Franchise fee (Make remittance payable to State of Michigan) ... \$20.00
11. Mail form and fee to:  
MICHIGAN DEPARTMENT OF COMMERCE  
Corporation and Securities Bureau  
Corporation Division  
P.O. Box 30054  
6546 Mercantile Way  
Lansing, MI 48909  
Telephone: (517) 334-6302

**RIDER**  
**to Articles of Incorporation**  
**of Nowland Estates Subdivision Homeowners Association**

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**ARTICLE II**

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The purposes for which the corporation is organized are:

- (a) To manage and administer the affairs of and to maintain certain portions of Nowland Estates Subdivision, a subdivision (hereinafter called "Subdivision");
- (b) To levy and collect assessments against and from the owner members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) To rebuild certain improvements after casualty;
- (e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance, and administration of the Subdivision;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of the Subdivision;
- (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, for the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;
- (h) To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;
- (i) To enforce the provisions of the Bylaws of the Subdivision and of these Articles of Incorporation and such Bylaws and rules and regulations of the corporation as may hereafter be adopted;
- (j) To do anything required of or permitted to its administrator of the Subdivision by the Bylaws;
- (k) 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 Subdivision and to the accomplishment of any of the purposes thereof.

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## ARTICLE VI

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The corporation shall have two classes of membership, being Class A and Class B, as follows:

(a) Class A membership shall be voting, and the Declarant (as defined in the Declaration of Covenants and Restrictions for the Nowland Estates Subdivision) shall be the only Class A member;

(b) Each owner of a lot other than the Declarant shall be a Class B member;

(c) Class B membership shall be non-voting until the time specified in subsection (d) below, at which time all owners (including the Declarant) shall be entitled to vote on a one vote per lot basis (regardless of the number of owners of any such lot);

(d) The Declarant shall have the sole vote in the corporation, and the consequent right to appoint the Board of Directors of the corporation (the "Board"), until such time as 90% of the lots shall have occupied residences on them, or at such earlier time as may be designated in writing by the Declarant; and

(e) At such time as 90% of the lots shall have occupied residences on them or at such earlier time as shall have been designated in writing by the Declarant, Class B members of the corporation shall have the voting rights described in Subsection (d) above, and, thereafter, the Board shall be elected by the combined vote of the Class A and Class B members (in each case, voting on a one vote per Lot basis).

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## ARTICLE VII

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The qualifications of members, the manner of their admission to the corporation, the termination of membership, and voting by the members shall be as follows:

(a) Each owner of a lot in the Subdivision shall be a member of the corporation, and no other person or entity shall be entitled to membership.

(b) Membership in the corporation is, and shall be, appurtenant to, and may not be separated from, ownership of any Lot. Notwithstanding the foregoing, the termination of any person's ownership in any Lot, and the consequent termination of such person's membership in the corporation, shall not be deemed to relieve such person from any debt or obligation

attributable to such lot which accrued or arose during the period in which such person was an owner of a lot.

(c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to the members's lot in the Subdivision.

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## ARTICLE VIII

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A volunteer director (as defined in Section 110 of Act 162, Public Acts of 1982, as amended) of the corporation shall not be personally liable to the corporation or its members for monetary damages for breach of the director's fiduciary duty arising under any applicable law. However, this Article shall not eliminate or limit the liability of a director for any of the following:

- (a) A breach of the director's duty of loyalty to the Corporation or its members.
- (b) Acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law.
- (c) A violation of Section 551(1) of Act 162, Public Acts of 1982, as amended.
- (d) A transaction from which the director derived an improper personal benefit.
- (e) An act or omission occurring before the effective date of this Article.

Any repeal or modification of this Article shall not adversely affect any right or protection of any director of the corporation existing at the time of, or for or with respect to, any acts or omissions occurring before such repeal or modification.

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