

# LAKE SHANNON ASSOCIATION

## BYLAW HANDBOOK

Revised and Adopted - June, 1980  
Additional Revisions - March 19, 1981  
October 20, 1982 - June 25, 1987  
June 23, 1988 - October 20, 1988  
April 30, 1990 - June 11, 1991  
October 26, 1992  
July 20, 1994 - November 2, 1994  
November 1995, June 1996  
November, 1996  
November, 1997  
June, 1998  
June, 2000  
June 4, 2003  
November, 2003  
October 27<sup>th</sup>, 2004  
June, 2005  
October, 2006  
June, 2007  
November, 2007  
June, 2008  
November, 2008  
June, 2009  
October, 2011  
June, 2016  
June, 2018  
October 2018

**Published – November, 2018**

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# BYLAWS

## LAKE SHANNON ASSOCIATION

### ARTICLE I NAME

This Association, having been duly incorporated under Public Act #137 (1929) State of Michigan, as amended, shall be known as the Lake Shannon Association hereinafter referred to as the Association.

### ARTICLE II PURPOSE

Section 1. **Objectives** - To promote the welfare of the members of the Association represented herein in problems of housing, transportation, sanitation, taxation, building restrictions, streets, public nuisance, and all other matters of public interest and generally to promote and to advance the welfare of the section embraced in the territory covered by this association.

Section 2. **Lake Management** - To maintain the proper water level, maintain and improve park areas and islands, removal of navigational hazards, weed control, and/or enforcement of dam maintenance.

Section 3. **Association Empowerment** - This Association shall further have the powers and exercise the jurisdiction conferred by Act #137 (1929), as amended, of the State of Michigan over the lands owned by said Corporation or within its jurisdiction.

### ARTICLE III TERRITORY

The area of interest of this association shall be Lake Shannon, property adjacent to Lake Shannon, or property having Lake Shannon privileges. The land included in this association shall be all subdivided areas with access to Lake Shannon in the townships of Tyrone and Deerfield, Livingston County, Michigan and all acreage having frontage on said lake, and all subdivided areas or acreage contiguous there to which the Board of Trustees may determine are sufficiently identified with the common interests of such land and as to make proposed members eligible, all such land being north of Faussett Road.

### ARTICLE IV MEMBERSHIP AND MEETINGS

Section 1. **Eligibility** - To be eligible for membership in the Lake Shannon Association, a person must own an equitable or legal interest in one or more lots within the territory described in Article III herein.

#### Section 2. **Rights of Members.**

1. **Membership** - Members shall have full privileges of membership. They may serve as a trustee, elected officer, may be chairman of or serve as a committee member; they shall have voice and vote.

2. **Voting**. Each member shall be entitled to one vote. No one person shall be entitled to more than one vote because of ownership of more than one lot.

#### 3. **Joint Ownership Voting -**

a) Husband and wife owning jointly shall each be entitled to one vote.

b) In the event more than two owners appear on a deed, only two shall be entitled to vote.

4. **Quorum** - With a quorum present, a majority vote of those members present and voting shall be required to pass on all official business matters of the Association.

#### Section 3. **Meetings - (Regular - Annual - Special)**

1. **Regular Meeting** - There shall be a minimum of one Regular Meeting of the Association held each year. A regular meeting shall be held in October, or as otherwise determined by the Board of Trustees, for the purpose of consideration and voting upon the budget,

consideration of bylaw amendments, and any other pertinent business as may properly come before the Association.

2. **Annual Meeting** - The Annual Meeting shall be held in June, or as otherwise determined by the Board of Trustees, for the purpose of electing the Trustees, consideration of bylaw amendments, and any other pertinent business as may properly come before the Association.
3. **Special Meetings** - Special Meetings of the membership may be called by the president provided the purpose of the meeting is stated in the call, and written notice is given to the membership postmarked at least ten days prior. No business may be transacted except that which is stated in the call.
4. **Notice of Meetings / Delivery of Communications required by these Bylaws** - The call for any regular, annual or special meeting of the Association shall be by mail or, upon authorization of the person(s) entitled to the notice, by form of electronic transmission, sent by the corresponding secretary to all property owners postmarked no less than ten days prior to the meeting nor more than 60 days before the date of the meeting. The notice shall state the business to be transacted. A notice or communication required or permitted by these Bylaws is given when deposited, with postage prepaid, in a post office or official depository under the exclusive care and custody of the United States postal service, by first class mail; or, when transmitted electronically, when electronically transmitted to the person entitled to the notice or communication in a manner authorized by the person.
5. **Rules of Debate** - No person may speak more than twice, nor longer than two minutes on each question without permission of the assembly. Debate on any one subject shall be limited to twenty-minutes unless extended by vote of the assembly.
6. **Parliamentary Authority** - All meetings/proceedings not covered by Association By-laws shall be conducted in keeping with Robert's Rules of Order Newly Revised current edition.
7. **Quorum** - Thirty-five members shall constitute a quorum at all meetings of the Association for the transaction of business and voting. In the event that any association meeting fails to meet a quorum, another meeting of the membership shall be called within (15) fifteen days. No official business shall be transacted at any association meeting without the presence of a quorum.

Section 4. **Order of Business** (may be changed by the chair as deemed necessary)

1. Call to Order
2. Reading of the Minutes of the last regular, annual or special meeting
3. Reports of Officers and Committees
4. Election (when applicable)
5. Unfinished business
6. New Business
7. Adjournment

ARTICLE V DUES/ASSESSMENTS/BUDGET

Section 1 **Annual Dues.** The Association's Board of Trustees may require that the Association's membership pay annual dues. The amount of the Annual Dues shall be determined in accordance with the process set forth in Section 6 below for the determination of the Association's annual budget. Annual Dues shall be subject to the approval of the membership at the October regular meeting.

Section 2. **Dues and Assessments Assessed by Lots/Parcel.** Annual Dues and Special Assessments shall be assessed by Lot Number(s) corresponding with the original plat wherein they are included. Dues shall be based upon the number of Lots as originally platted even if Lots have been combined for tax identification or assessment purposes. If the property included in the Association's territory to be assessed Annual Dues or Special Assessments has not been platted (i.e. it has a metes and bounds legal description) it shall be based upon the Tax ID #.

Section 3. **Dues Payment.** Dues shall be due and payable to the Association's treasurer on or before March 31 of each year.

Section 4. **Special Assessments.** The Board of Trustees may require that the members of the Association pay Special Assessments for any purpose authorized by PA 1929, 137 as amended. All Special Assessments:

- (a) shall be subject to the approval of a majority of membership voting;
- (b) shall become due and payable as set forth in the resolution establishing the Special Assessment;
- (c) shall be established based upon a Motion to be brought before a meeting of the membership (either a regular, annual or special meeting) and said Motion shall:
  - (i) include whether the assessment is to be made upon all properties within the Association or only "undeveloped lake front properties", "developed lake front properties", "undeveloped pond front properties", "pond front properties" (Lake Shannon West);, "off lake developed properties", "off lake undeveloped properties", or based upon location in Deerfield Township or Tyrone Township;
  - (ii) if presented by the general membership and not the Board of Trustees shall be presented to the Board of Trustees no later than 30 days prior to a membership meeting at which it may be acted upon; and
- (d) Notice by mail of a proposed Special Assessment shall be given to the general membership postmarked at least 10 days prior to the meeting at which it may be acted upon.

Section 5. **Weed Control Fee.** Along with the Annual Dues the Association's Board of Trustees may require that a member pay a Weed Control Fee. This fee shall be (a) approved by the membership as part of the approval of the budget; (b) shall be due and payable as provided by Section 3 of this Article; (c) for purposes of this Article V shall be considered dues; and (d) the amount assessed shall be such that a lake lot will be assessed three times the amount of an off-lake property and a developed property will be assessed at twice the amount of an undeveloped property.

Section 6. **Association Budget.**

1. Annual Budget shall include insurance costs, administrative expenses, paralegal fees, legal fees, parks, islands and property maintenance expenses, Dam Maintenance expenses, recognitions, association dues and taxes, and all pertinent expenditures of the association;
2. **Budget Committee.** A Budget Committee of three members of the Board of Trustees shall be appointed by the President. The Budget Committee shall submit the budget to the Board of Trustees for review prior to being submitted to the Association's membership for their consideration and vote.

Section 7. **Obligations/Liens/Collection.**

1. **Obligation.** All Dues and Special Assessments shall be the personal obligation of the member owning the property and shall also be an obligation that runs with the land.
2. **Interest.** Dues not paid by March 31 of the year in which they are due and Special Assessments that are not timely paid shall accrue interest at the rate of 7 % per annum, or the highest amount provided by law (whichever is less), compounded annually, until paid in full.
3. **Costs of Collection.** Any and all costs incurred by the Association in collecting delinquent Dues or Special Assessments, including, but not necessarily limited to, the cost of preparation and recording of liens, litigation filing fees, actual attorneys' fees and other litigation and collection costs shall be due and payable from the member and owner(s) of the property and the successor owner(s) of the property. In addition to any other collection process available, the Board of Trustees may refer any past due dues or assessments to a collection agency and the delinquent member shall be obligated to reimburse the Association for any cost or fees associated therewith.

4. Right to File a Lien. Annual Dues and Special Assessments, interest, recording, collection and litigation costs and the Association's actual attorneys' fees, all as provided herein, that are not timely paid as required herein shall become a lien upon the land of the delinquent member, and the Board of Trustees is authorized to record a notice of this lien with the Register of Deeds and to file on behalf of the Association such actions or proceedings to collect the dues, assessments, interest, costs, attorney fees and all obligations set forth herein and to foreclose upon the lien.
5. Loss of Privileges/Services. The Board of Trustees may discontinue any and all services; prohibit access to any Association property and access to Lake Shannon to any member that has not timely paid its Dues or Special Assessments as required by and in accordance with this Article.

ARTICLE VI BOARD OF TRUSTEES

Section 1. **Board Membership/Officers** - The Board of Trustees shall be comprised of ten members of the Association and the officers of the Association shall be:

President	Vice President
Recording Secretary	Corresponding Secretary
Treasurer	

Section 2. **Election of Trustees/Officers** - The Board of Trustees shall be elected at the Annual Meeting in June. Election shall be by ballot and a majority vote of the members present and voting shall constitute election.

1. A count of the voting members present shall be mandatory before the ballots are distributed.
2. Trustees shall be elected to serve for a term of two years or until their successors are elected.
3. Five trustees shall be elected each year. There shall be a total of ten members on the Board of Trustees each year.
4. The Board of Trustees shall elect from their numbers the Officers of the Association and they shall have the power to fill all vacancies within their body.

Section 3. **Trustee Office Vacancy** - Vacancies occurring in the Office of Trustee shall be filled by a majority vote of the remaining trustees.

Section 4. **Election of Officers** - The Board of Trustees shall meet within four weeks after the Annual Meeting for the purpose of electing from their numbers the officers of the Association who shall be a -- President, Vice President, Recording Secretary, Corresponding Secretary, and a Treasurer who shall serve for a term of one year or until their successors are elected.

Section 5. **Board Meetings**

1. Regular and Special Meetings of the Board of Trustees shall be called by the President as deemed necessary.
2. Committee chairman, or a representative on the committee, may be invited to attend meetings of the Board for the purpose of submitting reports.

Section 6. **Quorum** - Six members of the Board of Trustees shall constitute a quorum of the legal transaction of business and voting.

Section 7. **Nominating Committee** - The Nominating committee shall be comprised of three members appointed by the Board of Trustees.

1. Duties of Nominating Committee. They shall nominate one person for each position to be filled on the Board of Trustees.

2. Nominees must give their consent in writing if not present at the Annual Meeting election.
3. Nominations shall be accepted from the floor immediately following the report of the Nominating Committee at the Annual Meeting.

Section 8. **Advisory Board** - There shall be an advisory board to the Association Board of Trustees consisting of Association past presidents still living at the lake. They shall receive minutes of all meetings.

ARTICLE VII OFFICER/TRUSTEE - DUTIES

Section 1. **General Duties** - The officers shall attend all meetings of the Association and Board; and perform all duties as usually pertain to their office.

Section 2. **Duties of the President**

1. Be the chief executive officer and official representative of the Association
2. Preside over all meetings of the Association and Board of Trustees
3. Appoint standing and special committees with Board approval
4. Be ex-officio member of all committees except the Nominating committee
5. Make certain that all orders of the Association and Board are implemented
6. Appoint a budget committee of three
7. Sign checks in absence of the Treasurer

Section 3. **Duties of the Vice President**

1. Perform the duties and exercise the powers of the President during the absence of that officer.

Section 4. **Duties of the Recording Secretary**

1. Record the proceedings of all meetings of the Association and Board of Directors and preserve them in a permanent minutes book.
2. Maintain the master copy of the Bylaws and other documents of the Association. Note all amendments adopted to the Bylaws.
3. Have custody of the Seal of the Association and affix same to all documents as required.
4. Maintain all files, letters and records pertaining to all business of the Association and Board of Trustees.
5. Perform all duties of the office as required and/or as directed by the Association and Board of Trustees.

Section 5. **Duties of the Corresponding Secretary**

1. Give all notices required by the statute, by law, or resolutions.
2. Tend to all correspondence as directed by the Association and/or Board of Trustees.
3. Notify the membership of all meetings.
4. Consult with the president prior to mailing official Association correspondence to the membership and others.
5. Maintain a permanent book of correspondence sent and received by the Association and/or Board of Trustees.
6. Perform all other duties as directed by the Board of Trustees.
7. Shall provide copies of the Association by-laws to any person desiring a copy.



Section 6 **Duties of the Treasurer**

1. Have custody of all Association funds and securities and maintain records in a permanent book.... all receipts and disbursements shall be accounted for.
2. Deposit all moneys, securities, and other valuable effects in the name of the Association, in such depositories as designated for that purpose by the Board of Trustees.
3. Disburse funds as directed by the Association or Board of Trustees. Vouchers must be obtained for all disbursements. Write checks, send dues and delinquent notices and file liens.
4. Submit a financial statement to the President and Board of Trustees at their meetings or whenever requested by them.
5. Submit a financial statement at all meetings of the Association
6. File a bond for the office of Treasurer as directed by the Board of Trustees.
7. Submit all financial records, money, vouchers and property of whatever kind in his possession to the Board of Trustees upon completion of term of office or resignation.
8. All checks shall require two signatures as determined by the Board.

Section 7. **Duties of the Board of Trustees** - The Board of Trustees shall have the management and control of all business and all the property of the Association and shall represent the Association, with full power of authority to act for it in all things legal whatsoever. The Board of Trustees shall:

1. Act in accordance with Sections 3 and 4 of this Article and all bylaws
2. Approve expenditures up to \$2,000.00. Any expenditure over that amount shall be voted upon by the Association membership; a special meeting shall be called for this purpose.
3. Review the budget for presentation to the membership for their consideration and vote.
4. Determine the amount of bond for those whom coverage is required
5. Appoint special and standing committees
6. Appoint three members of the Association to audit the books
7. Appoint an assistant treasurer if deemed necessary
8. Maintain a close liaison with the Architectural Committee and be informed at all times of their decisions
9. Appoint a Nominating Committee of three
10. Have the authority to discharge a committee for failure to perform their duties in the best interest of the Association
11. Receive grievances form the Association membership and act upon their complaints to the best interest of the Association.
12. Review all bylaw amendments submitted by the members
13. The Board may submit bylaw amendments
14. May appoint one or more Marshals to enforce the Bylaws of the Association in accordance with Public Act #137 (1929) State of Michigan as amended.
15. Incorporate all Bylaws and Special Rules of the Association.
16. Submit to the Association all records belonging to the Association which are in their possession upon resignation, retirement, or removal from office.

ARTICLE VIII

BUILDING RESTRICTIONS - ARCHITECTURAL CONTROL COMMITTEE

Section 1. **General Building Restrictions** - Every lot or other property within the jurisdiction of the Association shall comply with the following restrictions:

1. **Specifications** - All building, sanitation and boating specifications and/or regulations shall conform with State, County, and Township regulations now in effect or any that will come into effect in the future.
2. **Platting** - Every lot plotted or unplatted or other property within the Association's jurisdiction shall comply with the restrictions set forth by each subdivision, and all restrictions of the Association.
3. **Residential Usage Only** - No lot or building plot shall be used except for residential purposes, conforming to the interests of this Association as a home owner's association. No structure shall be erected, altered, placed or permitted to remain on any lot or building plot other than one detached single family private dwelling not to exceed two (2) stories in height above grade level. The grade level is the grade level at the building line on the street side of the house.
4. **Structure Location** - No structure shall be erected, altered, placed or permitted to remain on any lot or building plot containing less than one full lot as presently subdivided. However, nothing herein contained shall be construed to prohibit the sale by an owner of land in excess of a minimum required frontage of 100 feet to the owner of adjoining lot or lots in order to increase the size of an adjoining building plot, but nothing herein contained shall be construed as to permit the division of the lots into building sites or building plots in excess of the number of lots in said subdivision. The words "building plot" as herein used shall be construed to mean one full lot as presently subdivided plus additional land, if any, added thereto by purchase from the owner of adjacent lot or lots.
5. **Commercial Usage Prohibited.** No property located in the Association's territory shall be used for commercial or manufacturing purposes; no structure shall be erected or maintained within the Association's territory for commercial or manufacturing purposes. The short term rental of a dwelling within the Association's territory shall be considered a commercial use and not a residential purpose and is therefore prohibited. For purposes of these Bylaws, a "short term rental" shall mean the use, rental, lease or license of real property, a dwelling, or a portion thereof within the Association's territory for a period of less than six (6) consecutive months. Bed and breakfast establishments, tenant or boarding houses, and use of property for camping purposes for a fee are considered commercial purposes and are also prohibited. This prohibition shall not prohibit "Home Occupations" as provided in Article VIII, Section 1, paragraph 6.
6. **Home Occupations.**
  1. **Purpose.** It is the intent of this Bylaw that only Home Occupations compatible with a residential neighborhood are permitted within the Association's Territory. Therefore, a Home Occupation is permitted only so long as it does not negatively impact neighboring property owners, properties and residential areas and in all respects complies with the requirements set forth in the "General Conditions" of this section.
  2. **Definition.** A Home Occupation is defined as any business, occupation or activity conducted for gain or profit, or providing work or services for an employer on residential property.
  3. **General Conditions.** Home Occupations are permitted accessory uses in a residential structure provided that the following conditions are met:
    - a. Only resident occupants of the residence may conduct such Home Occupation. No non-resident employees nor non-resident clients or customers may report to the residence to engage in the Home Occupation.
    - b. The Home Occupation use of a dwelling shall be clearly incidental and subordinate to its residential use. Not more than 25% of the dwelling's gross floor area or, up to a maximum of 500 square feet, shall be used for conducting the Home Occupation. A Home Occupation shall not change the essential character of the structure as a residential purpose.
    - c. Storage in connection with any Home Occupation shall be totally enclosed within the residential structure.
    - d. Retail and wholesale sales from the residential structure (other than telephone or electronic communication) and industrial use are prohibited.

- e. There shall be no outdoor operations, change in the outside appearance of the building or premises, or other visible evidence of the conduct of a Home Occupation, and there shall be no open storage of business related equipment, materials, or supplies.
- f. No Home Occupation nor any equipment used in the Home Occupation shall create noise, dust, vibration, smell, smoke, glare, electrical interference, fire hazard, or any other hazard or nuisance to any greater or more frequent extent than that usually experienced in an average residential occupancy under normal circumstances wherein no Home Occupation exists. The use shall comply with all governmental laws, rules, regulations, and all other Bylaws of the Association.
- g. The use shall not involve the storage or use of toxic, hazardous, flammable or explosive substances, other than types and amounts commonly found in a dwelling and permitted by the fire code as adopted by the local municipality.
- h. The parking or storage of company related service or delivery vehicles is prohibited.
- i. No signs advertising the business or products of the Home Occupation are allowed on the premises. The address of the Home Occupation shall not be advertised in such a way that would encourage customers or salespersons to come to the property.
- j. The permissible activities of a Home Occupation activities are limited to: (i) office-type work, such as writing, editing, document preparation, computer data entry or usage; (ii) clerical work (such as typing, using/sending emails); and (iii) business conducted over the telephone/internet.
- k. A Home Occupation shall not involve persons visiting the premises for business purposes; rather the Home Occupation business may involve the operator of the Home Occupation visiting clients or customers at their homes, offices, or some other location other than the location of the Home Occupation.

Section 2. **Architectural Control Committee (ACC)**

- 1. **Committee Structure** - The ACC shall consist of three members to include one member of the Board of Trustees.
- 2. **Appointment** - The president with approval of the Board of Trustees shall appoint the members of the ACC, and they shall serve until their successors are appointed.
- 3. **Vacancies** - Vacancies on the ACC shall be filled by the same body which appointed them.
- 4. **Quorum** - Two members, one being the chairperson, shall constitute a quorum for the legal transactions of ACC business.
- 5. **Committee Reports** - The committee shall submit their reports to the Board of Trustees as requested by the Board of Trustees, and at least once a month.

Section 3. **ACC Duties and General Specifications**

- 1. **ACC Approval Process** - This process applies to both New Construction projects and Remodeling/Alteration activities for existing structures. This process does not apply to routine repair or replacement projects that do not alter the appearance of the structure (such as roof shingle replacement or other structural maintenance that does not alter the structure's design). No building shall be erected, placed or altered on any lot until the following items have been approved by the ACC:
  - a. Construction plans and specifications.
  - b. Plot plan showing proposed location of the structure, well, side setbacks, front setback, rear setback and septic drain field and current septic permit by the governing Health Department.
  - c. A site inspection with the house location staked out if a new construction project and if a remodeling/alteration project the improvement / addition staked out if it impacts the footprint of the structure being altered.
  - d. A construction schedule with completion date.
- 2. **Completion of an ACC approved New Construction or Remodeling/Alteration Project** - If an ACC approved Construction Project (New or Remodeling/Alteration) is not timely completed to meet local government code/occupancy requirements per the ACC accepted construction schedule, it is the homeowner's responsibility to apply for an extension of the schedule from the ACC. Also, if an approved Construction Project is changed significantly from the originally approved plan,

the ACC must be notified and a new plan approved and construction schedule established, or the homeowner is subject to the sanctions outlined herein and as otherwise provided by law or equity.

If the Construction Project is not timely completed by the approved completion date the owner(s) of the property shall be liable to the Association for a fine of \$100 per week from the approved completion date to the date the Construction Project is deemed completed by the ACC consistent with the plans, specifications and other approvals of the ACC and local government building authorities (the "Non-Completion Fine"). In addition to the **Non-Completion Fine**, the Association shall be entitled to obtain such other relief, including requiring the removal of any work not timely completed, as otherwise available by law or equity to enforce these Bylaws. Completion of the Construction Project includes clean-up/removal of construction debris from the work-site and completion of affected landscaping as noted in section 5.2 below. Notwithstanding anything contained herein to the contrary, prior to the accepted Completion Date the homeowner may apply to the ACC for an extension of the Completion Date and the ACC, upon good cause shown as to why the project was not completed and the presentation of a completion plan acceptable to the ACC, may agree to extend the Completion Date and/or waive the Non-Completion Fine.

The Non-Completion Fine shall be the personal obligation of the property's owner(s) and shall be an obligation that runs with the land. In addition, any and all costs incurred by the Association in collecting the Non-Completion Fine, including, but not necessarily limited to, the cost of preparation and recording of liens, litigation filing fees, actual attorneys' fees and other litigation and collection costs (collectively the "Collection Costs") shall be due and payable from the owner(s) of the property and the successor owner(s) of the property. In addition to any other collection process available, the Board of Trustees may refer any unpaid Non-Completion Fine to a collection agency and the delinquent owner(s) and successor owners shall be obligated to reimburse the Association for any cost or fees associated therewith. The Non-Completion Fine and the Collection Costs shall be a lien upon the property, and the Board of Trustees is authorized to record a notice of this lien with the Register of Deeds and to file on behalf of the Association such actions or proceedings to collect the Non-Completion Fine and Collection Costs.

3. **Construction Projects initiated without prior ACC approval** - If discovered by the ACC or brought to the ACC's attention that a Construction Project (New or Remodeling/Alteration) required to obtain ACC approval has commenced without the required approval, the ACC shall notify the property owner(s) and the property owner(s) shall, within 14 days of the notification from the ACC apply to the ACC for project approval consistent with this Article. The ACC will then review the plans consistent with this Article and approve, reject or require modifications (at the property owner's expense) to bring the project in compliance with the requirements of these bylaws. If a project is commenced or completed without ACC approval and is deemed to be in violation of the requirements or restrictions outlined in these by-laws or the deed restrictions or covenants imposed upon the property by these bylaws or otherwise, the property owner will be responsible for the modification of the project bring it into compliance, the removal of the improvement, and be subject to a fine of \$100 per week until compliance with this Article has been achieved or the improvement removed.
4. **Enforcement** - In addition to all other remedies provided herein, the Association shall be entitled to an award of equitable relief to enforce this Article and to cause the removal of any structure or improvement that does not comply with these Bylaws or the approvals contemplated herein. In any action brought in equity to enforce this section the Association shall also be awarded its enforcement and / or Collection Costs.
5. **Septic System Grade Level** - The elevation of drain field in relation to the lake level. The drain field must be 42 inches (forty-two inches) above the normal summer level.
6. **Septic Tanks/Wells** - Septic tanks, for the proper and sanitary disposal of sewage shall be designed and installed per County Health department regulations. Wells are also required and regulated per County Health Department regulations.
7. **Building and Gradelines** - No structure shall be erected, placed, or altered on any lot nearer than the set backs specified by the townships in which the property is located, nor nearer than fifty feet (50 ft.) or the township specification whichever is greater from the water's edge, except as follows: The ACC shall have full discretion and authority to alter any

of the building line restrictions when deemed necessary to harmonize with existing adjacent structures or approved structures, or when in its opinion topography shall so require; or to meet current deed restrictions. These specifications are not necessarily those required by the Township in which the property is located.

8. **Exterior Design and Location** - The exterior design and location with respect to topography, finish grade elevation, building lines and these restrictions, the ACC expressly reserve the right to reject any plan submitted because of too great a similarity to nearby existing structures. Approval shall be as hereinafter provided.
9. **Shade Tree Preservation** - The removal of existing shade trees must be approved by the ACC. A permit must be obtained from the ACC by both Lake Shannon Association vacant lot owners and homeowners before removing 3 or more shade trees within a 12 month period. A shade tree is defined as any tree measuring 6 inches or more in diameter at breast height (4 ½ feet above ground) or 20 feet or more in height. Violators are subject to replacement of removed trees with nursery-grown specimens guaranteed for 1 year of similar size and species to be approved by the ACC.

Section 4. **Residential Structure Specifications**

1. **Structure Height** - No residence structure exceeding two stories in height above grade level shall be permitted. Bi-level or Tri-level residence, so called, shall not constitute a violation of this paragraph.
2. **Square Footage Requirements** - No residence structure shall be erected, altered, placed or permitted to remain on any lot or building plot, unless such structure shall have a square foot area above grade level of:
  - a) Ranch type, one floor, on cement slab or with crawl space, minimum 1,800 square feet.
  - b) Two level ranch (walk out lower level) being a ranch type, one floor above grade level, with a normal or open exposed basement shall have a minimum of 1,800 square feet on the main or upper level.
  - b) Bi-level home, the lower level of building being below grade, and above grade level one and a half stories high. Both levels being completely finished as a livable home area with no less than 1,800 square feet in area.
  - d) All split-level (tri-level, quad-level, etc.) homes shall have a minimum finished living area of 1800 square feet. Further, above grade minimum size shall be 1200 square feet.
  - e) One and one half stories home above grade level, the floor area square footage of the main floor, 1200 square feet minimum.
3. **Square Footage Computation** - Square foot area may be computed by including exterior walls, partitions, bay windows if same reach to the floor and are fully enclosed and heated areas. Garages shall not be included.
4. **Exterior Materials** - The exterior of any dwelling and garages shall be of brick, stone, wood siding, wood shingles, aluminum or vinyl siding or a combination thereof. No masonry stucco maybe used on the exteriors of dwellings or garages; and no uncovered cement block or cinder block may be used on exposed surfaces. If brick is used on the exterior, it shall be the same kind and quality on all sides of the building.
5. **Temporary Structures** - No structure of a temporary character, trailer, basement, tent, shack, garage, boat house, barn, or other outbuildings shall be constructed or placed on any lot or building plot at any time as a residence, either temporarily or permanently. In the event an owner or occupant shall have a private trailer, truck, or commercial vehicle, it must be housed in a suitable private garage.
6. **Garages/Breezeways** - Garages are mandatory. Garages, breezeways, and/or porches shall have exterior walls constructed only of materials permitted for the main residence

structure. At the time of construction, a garage or breezeway shall be attached to and become a part of the main structure. Minimum size 1-1/2 car. Maximum 3 car.

Section 5. **Exterior Building Amenities**

1. **Exterior Completion** - The exterior of all residence structures, garages, carports, and breezeways, must be completed, including paint, stain, or varnish on all exterior woodwork within one year from the date of occupancy permit being issued.
2. **Landscape Completion** - For New Construction projects, basic landscaping including finish grading, sodding or seeding, and installation of driveways must be completed within one year after date of occupancy. For Remodeling/Alteration projects, any landscaping impacted by the Construction Project shall be kept clean of construction debris; new landscaping materials (topsoil, fill, etc.) shall be maintained to prevent excessive grass and weed growth. The landscaping project must include finish grading, sodding or seeding completed by the date of completion as established the ACC as required by Section 3 of this Article.
3. **Rubbish Facilities** - No lot or building plot shall be used as a dumping ground for rubbish or for the storage of materials, except for such materials as are necessary for the use in the course of construction. No outdoor trash cans or collection containers shall be permitted on any lot after completion of the main residence structure, unless enclosed and hidden from view.
4. **Outbuildings** - No outbuildings of any kind shall be constructed, erected, placed, or maintained on any lot or building plot. Outhouses/Portable Toilets are not allowable unless a specific request has been received and approved by the ACC. The ACC may approve the placement of Outhouses/Portable Toilets on Association owned lots or Association member lots for special events for a time period not to exceed 7 days. The ACC may permit exceptions to the 7 days time period in the case of home constructions. Boathouses are allowable only when the residence structure is complete. Gazebo shall be an all-wood, decorative, freestanding, open sided structure of no more than 100 sq. feet of usable space (13 feet in diameter). No gazebo shall be permanent in nature. All gazebos must be able to be disassembled. Windows and screens must be removable. The design, size, materials, and location must be approved by the ACC. Construction of a lighthouse on lot #24 will be permitted with approval of ACC.
5. **Fences** - No fence other than living shrubs and wood fences of corral or picket type will be permitted except to Association properties as proposed by the Board of Trustees and approved by the membership. Corral or picket type wood fences may be erected on side and street sidelines to the lake front side of the residence building line, provided that such fences shall not exceed 3-feet in height. No fence shall be permitted in front of the lakefront building line of the main residence structure. An area enclosed with fence not more than four feet in height for use as a children's play area will be permitted only when approved as to area, location and type of fencing by the ACC.
6. **Animal Pens/Dog Kennels** - Dog kennels/animal pens for the use of household pets may be built only integral with the garage or residence structure. An area enclosed with fence not more than six feet in height and not more than one hundred (100) square feet for use as a pet/dog runway will be permitted only when approved as to area, location and type of fencing by the ACC.
7. **TV Antenna Systems** - No antenna system e.g. satellite dish, tower, etc. shall be located, moved, or altered on the lake side of the structure or within 20 feet of any property line. "Satellite" dishes shall be no greater than eight feet in diameter. Furthermore, a satellite dish (with diameter greater than 25 inches) shall not be located rooftop of any structure. The Architectural Control Committee shall, however, have full discretion and authority to alter this placement when deemed necessary to harmonize with adjacent structures.
8. **Signs** - Property owners desiring to sell may place a "FOR SALE" sign not to exceed 24"x36" on their property. No corner directional signs may be erected. All "FOR SALE" signs and/or "SOLD" signs must be removed within 14 days of property changing

ownership. Other signs or advertising devices of any kind may not be erected, installed, displayed, or permitted to remain on any lot or property.

9. **Miscellaneous Structures**

a. Any construction between the rear lot line or waters edge and the main residence greater than 3 feet in height must be approved by the ACC.

b. Solar heating system must be incorporated into the design of a structure and must be of a permanent nature. Prior to installation such a system must be approved by the ACC.

10. **Seawalls** - Seawalls and other structures contacting the water surface shall be faced with unbonded stone or other irregular material so that impinging wakes are not back reflected in a discernable wavefront from a distance exceeding 100 feet. Alternative designs to accomplish this intent must be approved in advance by the Architectural Control Committee. Structures built prior to the enactment of this provision (November 1995) are excluded.

ARTICLE IX ASSOCIATION PROPERTY MANAGEMENT

Section 1. **Park Usage** - The owners of all lots in said subdivision, and owners of proposed subdivision additions together with their families and guests shall, subject to the limitations herein provided, have the right of use for private park purposes of the area shown as "Private Park" including all islands in Lake Shannon but excepted therefrom. Such right of use shall be in common with the lot owners of the proposed adjacent subdivision.

Section 2. **Dock and Rafts** - No dock, raft, or like structure shall be erected on or be in any park area, out lot or island. No overnight mooring on or in any park, out lot or island. The islands or lake frontage located on said parks or parks shall be used for ornamental purposes, and for swimming, boating, and fishing.

Section 3. **Boat Ramp and Association Park Keys**

1. **Ownership** - All boat ramp card keys and keys to the association park lock access keys will remain property of the association and under their jurisdiction.

2. **Distribution** - Members will have to make written requests for card keys. It will be the responsibility of the association to distribute keys to association members if new locks are installed.

3. **Unlawful Duplication** - It shall be unlawful to:

a. Duplicate any boat ramp card key or park key distributed by the association.

b. Give or loan a boat ramp card key or a park key to anyone other than an association resident or property owner.

4. **Limitation on the Loaning of Members' Launch Access Keys** - A boat ramp card key is issued to members for their personal use only. A boat ramp card key may only be used for the launching or removing of boats which are registered with the association, displaying current Lake Shannon stickers. Failure to comply with this requirement shall result in the deactivation of the loaning member's card key. Reactivation in this case will require payment to the Association of a fee of \$100 for the first occurrence, \$200 for subsequent abuses. Such reactivation is to occur within 30 days from the date of payment of the reactivation fee.

ARTICLE X LAKE LEVEL

Section 1. **Committee Structure** - The lake level committee shall consist of three members to include one member of the Board of Trustees.

Section 2. **Appointment/Duties** - The president with approval of the Board of Trustees shall appoint, and periodically direct the lake level committee to make necessary adjustments of the spillway level control.

Section 3. **Lake Level Definition** - The normal lake level is defined as the level of the overflow lip of the spillway structure. The winter lake level will be approximately two feet below the normal summer level and artificially controlled to diminish damage to the dam and shoreline caused by ice and excessive high water, and to facilitate general shoreline and beach maintenance.

Section 4. **Winter Lake Level Timing** - The spillway control will be adjusted during the last week of October to lower the lake to the normal winter level.

Section 5. **Summer Lake Level Timing** - The lake level will be raised as soon as practical after ice-out, and within the discretion of the Board of Trustees.

Section 6. **Additional Lake Level Adjustments**

1. The Board of Trustees shall have the authority to direct the emergency raising or lowering of the spillway control because of abnormal weather conditions, or to accommodate other factors affecting the waterway above or below Lake Shannon.

2. For purposes of weed control and/or bottom clean-up, the lake may be lowered beyond the above defined winter level by approval of 2/3 of those present at a General Membership Meeting provided that written notification is given, postmarked no less than ten days prior to that meeting, intended draw down depth and estimated time period involved must be identified.

ARTICLE XI BOATING REGULATIONS AND MOORING FACILITIES

Section 1. **Boat Registration** - All watercraft owned by all Lake Shannon property owners, whether registered with the State of Michigan as required by Law or not, must be registered with stickers issued by the Association. One of these two non-transferable stickers is to appear on both the starboard and port side of the watercraft immediately aft of the MICHIGAN WATERCRAFT REGISTRATION NUMBER POSITION. All watercraft must be registered, with current Lake Shannon stickers properly applied, prior to launching or operating on Lake Shannon.

Section 2. **No Guest Boats** - Only boats properly registered, as required by State Law, and identified by the Association sticker, will be allowed lake privileges. Stickers can be obtained from a designated official (usually the treasurer) of the Association. All boats shall be equipped and operated in accordance with State Law.

Section 3. **Boat Limitations** - The maximum number of motorized watercraft that may be moored on any one lot or building plot (as defined in Article VIII, section 1.4) is three (3). Mooring includes, without limitation, placing on shore, tying to dock or buoy, anchoring off shore and placing in a lift station or a similar device.

Section 4. **Boating Regulations**

1. There shall be no water skiing before 9 a.m. on Saturday, Sunday, and Holidays.

2. No wake-idle speed through channels that are posted "SLOW-NO WAKE" (State Law).

3. 36 MPH speed limit on Lake Shannon with the exception of barefoot skiers.

4. One boat in slalom course at a time. Three round trips in the slalom course or two falls limit.

5. State Regulations regarding boating, personal watercraft (i.e.: Jet Skis), and water safety must be adhered to.

6. The slalom course buoys are to be used for water skiing only. No watercraft shall use the slalom course buoys to maneuver around or for weaving between unless turning to recover a down skier.

Section 5. **Enforcement** - With the best interest of all persons involved on Lake Shannon, these rules will be enforced by the local Police Department, Marine Patrol and regular Sheriff Department Officers.



Section 6. **Mooring Facilities** - No rafts, docks, or boats more than 100 feet from shore or 10% of the width of the channel, whichever is less, nor outside the apparent extensions of side lot lines.

ARTICLE XII HUNTING/FISHING REGULATIONS

Section 1. **Hunting, Trapping, Trespassing** - No hunting, trapping (as defined by State Law) or trespassing shall be permitted within the boundaries of the Lake Shannon Association.

Section 2. **Ice Shanties** - No property owner shall have more than one shanty on the lake at any one time. The ice shanty must be owned by the property owner and identified with his/her name and address on the exterior consistent with Michigan State Law. Ice shanties cannot be left on the ice overnight. NO GUEST SHANTIES SHALL BE ALLOWED.

ARTICLE XIII RESTRICTIONS - GENERAL

Section 1. **General/Public Nuisances**

1. **Public Nuisance** - No person shall make any unnecessary loud noise or unusual noise, which annoys, injures, or endangers the comfort, repose, health or safety of the public. Nor shall any person play or operate any musical instrument, phonograph or radio in such a manner as to cause loud or unusual sound or noise between the hours of twelve midnight and 6 a.m.

2. **Unlawful to Litter** - It is unlawful for any person to dump, deposit, place, throw, or leave litter of any kind on any Association property or private property or waters.

3. **Public Safety** - Every act, thing, device, or condition which is forbidden by this Article and Section shall be deemed to be a public nuisance. In addition, any act, thing, condition, land, building, or premises which annoys, injures or endangers the public health, safety, comfort or offend public decency, or in any way renders the public insecure in life or property is hereby declared to be a public nuisance.

4. **Public Disturbance** - No person shall permit any indecent, loud, or boisterous noise or any fighting, quarreling, or disturbance about his or her property, home or residence; or permit persons to congregate therein or thereabouts to the annoyance or disturbance of citizens or others.

Section 2. **Animal Control**

1. **Animals** - No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot except that not more than two animals may be kept as household pets. They shall not be kept, bred, or maintained for commercial purposes.

2. **Pet Odor/Noise** - No noxious or offensive odors, excessive or objectionable noise arising on account of maintenance of permitted pets will be permitted on any lot or building plot.

3. **Animal Control** - It shall be unlawful to allow pets to run at large.

Section 3. **General Restrictions** - IT SHALL BE UNLAWFUL TO:

1. Collect in crowds or bodies for unlawful or mischievous purposes.

2. Use indecent, immoral, obscene, vulgar, abusive or insulting language.

3. Willfully assault another, or be engaged in, or aid or abet any fight, quarrel or other disturbance except in the necessary defense of the person or their property or another.

4. Intentionally make any indecent exposure of his or her person.

5. Any person violating the terms of this section shall be deemed a disorderly person.

6. Travel at any speed over the posted speed on roads surrounding Lake Shannon.

7. Park on roads any day from 2 a.m. to 6 a.m.

8. Park on the dam or any posted Association property.
9. Operate a snowmobile or motorcycle without original equipment muffler system on any private property or Association property, without prior permission from the Board of Trustees.
10. Litter on any property or roads within the Association limits.
11. Any guest of a Lake Shannon resident must be in possession of a guest pass, if not accompanied by a Lake Shannon resident.
  - The guest pass will be provided and controlled by the Lake Shannon Association Board. Each pass will identify the specific property owner and contact information.
  - The guest pass will allow a total of 4 guests, including the guest pass holder, access to specific Lake Shannon property. If you have more than four guests, the Lake Shannon resident must accompany them during their visit, except when operating a property owner's watercraft.
  - This pass does not entitle the guest use or access of a "Guest Boat" (see Article XI, Section 2).
  - No guest ATV's, Snowmobiles or ice shanties will be allowed.
  - The pass is good for a single day and must be returned to the Lake Shannon resident at the end of the day.
  - This pass must be in plain view at all times to clearly identify any guest. If approached by any Lake Shannon resident you must present this pass and identify those in your party.
  - The pass does not include the use of any Lake Shannon parking areas, these areas are for Lake Shannon residents only. If your guest must use association parking areas, the vehicle must have a valid Lake Shannon parking pass or is subject to being towed at the owners/resident's expense.
  - If you require a resident vehicle pass, it is the responsibility of the Lake Shannon resident to request this from the Lake Shannon Association Board.
  - If you live off lake, your guest may gain access to the lake by designated Lake Association property. Access points to Lake Shannon do not include the spillway area. Access to Lake Shannon does not include private lake side properties, unless you have the owner's permission.
  - The Lake Shannon resident providing the pass will be held responsible for the conduct and actions of their guests. If your guests are in violation of any rules or regulation set forth by the Lake Shannon Association or the State of Michigan, they will be asked to leave the lake property and your guest pass will be confiscated.
  - Passes will be issued only to those residents who are current with Lake Shannon dues.
  - The Lake Shannon Association reserves the right to terminate any resident's guest pass if they believe the resident has abused this privilege.
  - If a resident loses the guest pass, they will be issued another at a replacement cost determined by the Lake Shannon Association Board.

If a lake resident leaves the lake, this guest pass must be returned to the lake Shannon board.

12. Use outside lighting that will interfere with the privacy of a neighbor.
13. Operate construction equipment, chain saws, lawnmowers, or any noisy apparatus before 7 a.m. daily or 10 a.m. on Sunday.
14. Have noisy social gatherings, which may interfere with a neighbor's privacy.
15. Damage, deface, or remove articles, mailboxes, or signs from any property including Association property.

16. Security cameras can only be mounted to the homeowner's primary residence and cannot be pointed directly at your neighbor's house.

Section 4. **Common Interest**

1. In the event that the Association incurs legal, process, filing, or other expenses associated with defending a legal action brought by an association member(s), and where the matter, or legal action pertains to interests arising from ownership of property at Lake Shannon, or membership in the Lake Shannon Association, and the Association prevails in its defense, or obtains favorable judgment, or where the member(s) who initiated the legal action or lawsuit later discontinue said action, then the Association shall be reimbursed by the Association member(s) who brought the legal action, or lawsuit, for any and all legal, process, filing, attorney fees, or costs associated with arbitrating the matter.

ARTICLE XIV                    RULES OF THE ROAD

The Association shall incorporate the Michigan State Motor Vehicle Code.

ARTICLE XV                    METHOD OF AMENDMENT

These bylaws may be amended at any meeting of the Association as follows:

1. In accordance with the provisions of Act 137 (1929) Public Act of the State of Michigan, as amended.
2. Amendments shall be submitted in writing, signed by the proposer(s), and presented to the Board of Trustees for their review at least one month prior to the meeting at which they are to be acted upon.
3. By a two-thirds vote provided the proposed amendment(s) have been mailed or sent by electronic transmission to the property owners, consistent with Article IV, Section 3.4, at least ten days prior to the meeting at which they are to be acted upon.
4. The Association membership and the Board of Trustees may submit amendments to these bylaws as defined in this article.

ARTICLE XVI                    KEYHOLE DEVELOPMENT

1. Keyhole, or funnel development, shall not be permitted on Lake Shannon. Keyhole development is the use of a waterfront lot as common open space for waterfront access. This results in greater lake use than would 'normally' occur if the lot were used for its intended use, single family residence. As surface water use increases, so does the potential for safety concerns from congestion, shore erosion from speedboats, loss in property values, oil and gas spillage from powerboats, increased noise, conflicts between lake users (sailboats, fishermen, swimmers, etc.), and increased lake maintenance costs. Such threats become much greater when keyhole development occurs by increasing lake frontage access to back lot residences. This form of development is prohibited in the interest of preserving the water quality, protecting the public health, safety and welfare, and preserving the lake and shoreline character of Lake Shannon. Right of access would only apply to off-lake property within the association boundaries as of March 22, 1969.