



Swiss Village East Property Owners Association
P. O. Box 793
Bellaire, MI 49615

Dear SVE Property Owner,

July 8 , 2023

Over the past two years the SVE board of directors, with the support of the property owners, has been working hard to update the SVE governing documents. As communicated in December of 2020, this is a two-phase, multiyear process. In August of 2021, the property owners approved with over the 2/3 required support to restate the Articles of Incorporation and allow for an amendment to the Restrictions and Regulations. These are complete and recorded with the State of Michigan and Antrim County respectively. This represented the completion of phase one in this process. We are now ready in 2023/2024 to complete this process by bringing to the property owners for their approval an Amended and Restated Restrictions and Regulations. Given this is a long process and we have several new property owners, it is important to explain why we are doing this and how we hope get this accomplished.

Swiss Village East was first incorporated in Antrim County in the early 1970's. As a property owners' association, we are operating under the original legal/governing documents that were written in the early 1970s. The community has evolved to be much different than originally planned 50 years ago. Additionally, there have been tremendous changes in society, technology, the legal environment, etc. that are not adequately addressed within our existing documents. Over the years, many SVE boards have struggled to work within the requirements of the existing documents. As long ago as 2001, there was discussion to try to update the governing documents. Historically, past boards have chosen to ignore or overlook specific requirements in the Restrictions and Regulations as they did reflect the desires of the community. This is not a new issue. As we experience increased growth, it is critical that the written documents reflect our objectives and values. We need to remove the subjectivity out of the governance process. The board has the following goals for this process.

1. Update the governance process – addressing issues like board size and eligibility, allowing for electronic communications, addressing enforcement processes, etc.
2. Modernize the governing documents while addressing redundancies, contradictions, etc. in the existing documents. Our intention is to blend all three current documents into one that will be easy to read and understandable.
3. Update the Restrictions and Regulations to better represent the community as it is today. This will likely involve clarifying and removing existing restrictions that have not been enforced over the years. We want the regulations to better reflect the current state.
4. Update the documents to reflect current law and address issues like fair housing standards that are not addressed today.

It is not the intention of the board to introduce new regulations. Our intention is to close legal gaps, modernize, and better reflect the community as it is today. SVE is a wonderful community that needs greater clarity and improved governance. This is necessary to maintain a solid foundation and support future growth.

In order to accomplish these goals, the board has retained the services of Zelmanski, Danner & Fioritto (www.ZDFAttorneys.com). ZDF is a legal firm located in Plymouth, Michigan that specializes in homeowner association law. They have experience in assisting associations like ours with updating their governing documents.

As mentioned earlier, Phase one is complete and we are thankful we were able to earn the support of the property owners to get this important work recorded. We are now ready to push hard to complete Phase two. The Restrictions and Regulations define the basic rules for how we will operate SVE in the future. There are a lot of details, and it is a long document. Attached is a comparison document that highlights some of the significant differences and why we are making the change. It is not all inclusive but highlights the major changes. The schedule is as follows:

Between now and Sept 23-	Meet with property owners to get input and refine the proposal.
Sept 23, 2023	Informational meeting for property Owners
Oct 15, 2023	Amend and send packages and ballots to property owners.
Jan 2024	Hold a special meeting to count ballots and finalize.
Aug 2024	If approved, implement to Restated Restrictions and Regulations

The requirements for making changes to our governing documents are that 2/3 of property owners in good standing in each of the 4 sections need to approve the proposal. Each owner has one vote per property. This means that all four sections vote independently, and all sections need to approve for this proposal to pass. If a property (owner) does not vote it is considered a no vote. It is possible to have 2/3 of the properties approve, but one section could be short of the 2/3, causing the proposal to fail. As you can see, the threshold for approval is very high. We need all owners to be knowledgeable and hopefully support the proposals.

As with the current Restrictions and Regulations, we can all find specific issues or topics that we find objectionable. We encourage you all to look at this holistically. The Board's interest is to implement Restrictions and Regulations that we can all support and that improves our community. We have attempted to respect our history and legacy while also maintaining restrictions that will guide our future. As you will notice, in most cases the current requirements are more stringent than the proposed.

If you would like a full, printed copy of the proposed Restrictions and Regulations (66 pages long), please contact swissvillageeast@gmail.com. Printing charges may be requested.

Sincerely,

The SVE Board of Directors:

Brad Whalley (President), Lisa Perkins (Vice President), Lonne Petroskey (Treasurer), Rick McCarren (Secretary), Trustees- Nicole Sherman, Ralph Crosslin, Stephanie Koppe, Mark Berghoef, Julie Woods, Chris Peron