

Inter-office Original to:  
City of Bozeman  
Planning Department  
20 East Olive Street

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Page: 1 of 2  
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Baxter Square Subdivision

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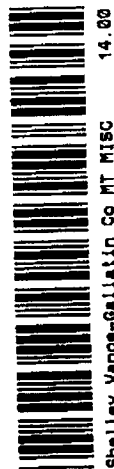
**NOTICE OF BUILDING PERMIT RESTRICTIONS  
BAXTER SQUARE SUBDIVISION PHASES 1-2, BOZEMAN, MONTANA**

NOTICE IS HEREBY GIVEN to all potential purchasers of Lots 1-23, Block 1 and Lots 1-30, Block 2 of Baxter Square Subdivision Phases 1-2, which is described herein, that the final plat of the subdivision was approved by the Bozeman City Commission before all required improvements were completed, as is allowed in Chapter 18.74 of the Bozeman Unified Development Ordinance. As such, an Improvements Agreement was filed with the final plat that stipulates the time period during which the improvements must be completed, and those improvements were financially guaranteed to the City of Bozeman by the Subdivider.

THEREFORE, BE ADVISED, that Building Permits will not be issued for Lots 1-23, Block 1 and Lots 1-30, Block 2 of Baxter Square Subdivision Phases 1-2, City of Bozeman, Montana until all of the subdivision improvements are completed and accepted by the City of Bozeman. These improvements include the installation of the sidewalk on Thomas Drive and the no parking signs, yellow curb paint and street lights throughout the subdivision. The irrigation, seeding, landscaping, trail construction, playground equipment, picnic equipment and well installation shall be completed by August 1, 2006. Building Permits will be issued prior to the irrigation, seeding, landscaping, trail construction, playground equipment, picnic equipment and well installation as long as these items remain under financial guarantee.

DATED this 31<sup>st</sup> day of August, 2005.

2200904  
Page: 2 of 2  
09/07/2005 12:22P



THE CITY OF BOZEMAN

Andrew C. Epple  
Andrew C. Epple

Director of Planning & Community Development

STATE OF MONTANA )  
County of Gallatin ) :ss

On the day 31<sup>st</sup> of August, 2005, before me, a Notary Public for the State of Montana, personally appeared Andrew C. Epple, known to me to be the person described in and who executed the foregoing instrument as Director of Planning and Community Development of the City of Bozeman, whose name is subscribed to the within instrument and acknowledged to me that he executed the same for and on behalf of City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal on the day and year first written above.

(SEAL)



Tara Lee Hastie  
Printed Name Tara Lee Hastie  
Notary Public for State of Montana  
Residing at: Bozeman, Montana  
Commission Expires: April 4, 2009  
(Use 4 digits for expiration year)

2200905  
Page: 1 of 40  
09/07/2005 12:22P  
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**PROTECTIVE COVENANTS  
OF  
BAXTER SQUARE  
BOZEMAN, MONTANA**

WHEREAS, the undersigned, is the Owner in fee simple of those certain lands more particularly described in Exhibit "A" attached hereto and made a part hereof by reference as if set forth below in its entirety, and hereinafter referred to as the "premises" or the "property", and

WHEREAS, the Owner, by and through the within Protective Covenants hereby placed certain restrictions, limitations and regulations as to the use of the said premises as a supplement to the existing Zoning Ordinance, which premises have been subdivided and which plats have been duly filed and recorded with the office of the Clerk and Recorder of Gallatin County, Montana, and the same are hereinafter referred to as the "plat", and

WHEREAS, it is the intent of the Owner to create a development wherein the routine maintenance and repairs associated with the property and improvements are minimized as to the individual owner and handled through the Owners' Association, that intent shall be evident throughout these Protective Covenants and these Covenants shall be interpreted with that intent in mind.

NOW, THEREFORE, the Owner does hereby establish, dedicate, declare, publish and impose upon the premises the following protective covenants which shall run with the land and shall be binding upon and be for the benefit and value of the Owner, and all persons claiming under it, its grantees, successors and assigns shall be for the purpose of maintaining a uniform and stable value, character, architectural design, use and development of the premises and to all improvements placed or erected thereon, unless otherwise specifically excepted and shall be in existence and in

2200905

Page: 2 of 40  
09/07/2005 12:22P

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full force and effect in perpetuity, unless otherwise terminated by law or continued by amendment as herein provided.

## 1.USE

### 1A. RESIDENTIAL LOTS

Lots shall be used for residential use only. No business may be conducted within the property. By way of example, should an owner be in the construction business, construction equipment may not be parked on that owner's property. It is the purpose of these covenants to keep the area in its natural appearance. It is not the purpose of these covenants to prohibit an owner from conducting business over the telephone or fax machine.

### 1B. PARK AND OPEN SPACE

The park and open space dedicated by developer shall be used for park, open space and greenbelt purposes. They may be left in their natural state or landscaped. The developer may transfer ownership to the Owners' Association and the Association must accept the same. Wells may be placed upon the park and open space. Wells are allowed for irrigation purposes only. Sidewalk, boulevard and parks/open space maintenance is the responsibility of the Owner's Association.

### 1C. R.V. TRAILERS

No R.V. trailers may be parked on the lots or adjacent streets. They may be kept inside a garage and out of sight.

### 1D. OUTBUILDINGS.

Outbuildings of any type will be prohibited, except as may be approved by the Architectural Committee and the City of Bozeman.

### 1E. DOMESTIC PETS

No domestic animals or fowl shall be maintained on any lot except as provided herein. Not more than two generally recognized outdoor house pets are permitted, provided, however, that such animals shall at all times be restrained or leashed. Not

more than four generally recognized indoor house pets are permitted. Four is the maximum number of pets allowable for any household. At no time will domestic animals chase or otherwise harass wildlife or people. Enforcement of this regulation shall not be by the City of Bozeman.

## 2. EASEMENTS

### 2A. RESERVATION

Easements for roads, drainage, electricity, telephone, lighting, water, sewer, cable television and all other utilities, pedestrian traffic, or any other service or utility shall be, and hereby are granted and reserved as shown on the plat as well as easements for all of the above. Such easements shall not interfere with and shall be subject and servient to any and all buildings subsequently erected in such areas, the easements herein provided for shall by-pass such buildings.

### 2B. UNDERGROUND UTILITIES

All utilities, pipes, wires and service lines shall be buried. Satellite television discs may be allowed but the location, size and color shall be approved by the Architectural Committee and the Committee may require shrubbery around the same.

### 2C. ROAD EASEMENT USE

All road easements as shown on the plat shall include a corresponding easement for drainage, electricity, telephone, lighting, and all other utilities.

### 2D. EASEMENT LANDSCAPING

Easement areas may be landscaped by builders and landscaped areas shall be maintained by the Owners' Association as set forth hereafter.

### 2E. EASEMENT REWORK

No utility service line or facility shall be installed or replaced without the prior approval of the Architectural Committee. All easement areas must be restored to as near the condition as existed previous to such work as possible. Such restoration will be at the expense of the utility or service entity doing such work. If the utility company



**2200905**  
Page: 3 of 40  
09/07/2006 12:22P

Shelley Vance-Gallatin Co MT MISC

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-3-C:\Documents and Settings\Voss Bowman\Desktop\Baxter Square Covenants.wpd

does not fully restore the area to as near the condition as existed previous it will be the financial responsibility of the homeowner to perform said restoration. In the discretion of the Architectural Committee, a bond may be required of the utility or service entity to insure compliance with the provision.

### 3. ARCHITECTURAL COMMITTEE

#### 3A. CREATION - MEMBERSHIP

There is hereby created an Architectural committee herein referred to as the "Committee" or the "Architectural Committee", which shall initially consist of the same members as the self-appointed Board of Directors. On or after December 31, 2015 or sooner mutually agreed upon date one or all of the members may be chosen by a majority of the homeowners, as shall be determined by the Owners, by notice in writing to the Owners' Association. These majority chosen committee members shall serve one (1) year terms

#### 3B. SELECTION

If no successor is appointed on or before the expiration of an individual member's term, he shall be deemed to have been re-appointed for another term.

On the death or resignation of an individual member, a replacement shall be selected by the remaining members of the Committee to fill out the unexpired term.

#### 3C. PURPOSE

The Committee may make such reasonable rules and by-laws, and adopt such procedures, as it deems necessary to carry out its functions, which rules, by-laws and procedures may not be inconsistent with the provisions of these covenants. The Committee shall also review, make recommendations, and set directives for the repair or replacement of exterior finishes, including siding, painting, lighting, etc. The management company hired by the Association will set schedules and time frames for the repair or replacement of exterior finishes, including siding, painting, lighting, etc. The Committee shall also set such rules, schedules, policies and procedures as are

necessary to carry out the maintenance of the yards, sidewalks, planted areas, and other external features of the development which are to be implemented by the management company hired by the Association.

### 3D. COMMITTEE REVIEW

No parking, construction, reconstruction, alteration, remodeling, landscaping, fence, wall or other improvement shall be placed, constructed, erected, repaired, restored, reconstructed, altered, remodeled, added to or maintained on any lot until building drawings, plans and specifications (which must have been prepared by a qualified architectural designer or licensed architect for all construction, reconstruction, alteration or remodeling), and such other information as the Committee may reasonably require, including without being limited to, colors, building materials and drawings, have been submitted to, and approved by, a majority of the Committee in writing; nor may the same be commenced until the Committee shall have issued a written approval allowing for such improvements.

### 3E. CONFORMITY TO CODES

The Committee shall require that all construction comply with the provisions of the following standard codes or their amendments:

"Uniform Building Codes:

International Conference of Building Officials

"National Plumbing Code"

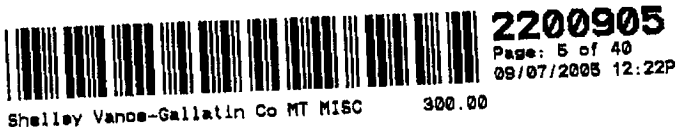
"National Electrical Code"

National Fire Protective Association

City of Bozeman Zoning Ordinance

City of Bozeman Subdivision Regulations

### 3F. SETBACKS



Unless otherwise specified in these covenants or on the plat, the Committee shall designate setback requirements for any structures as, in its discretion, best suits the requirements of the site.

### 3G. EXTERIOR WALL MATERIALS

The character of the building exterior should be kept simple in order to harmonize and compliment the surrounding environment of the site. Natural materials and subdued colors should predominate the main body of the building. The Architectural Committee may consider materials other than wood, stone, log, or synthetic materials that maintain the aesthetic continuity of the Subdivision, including pre-finished composite wood products and synthetic siding materials.

### 3H. EXTERIOR LIGHTING

The intent of lighting restrictions is to reduce the amount of light pollution and to be unobtrusive to neighboring properties. Exterior lighting shall be subdued, understated and indirect. Lighting shall be "down" type and shall not radiate out from the property. In all cases, excessive glare to neighboring properties or circulation shall be avoided. All exterior lighting shall conform to the design set forth on Exhibit B attached hereto, and placed in location and number as approved by the Architectural Committee.

### 3I. AUTHORITY TO APPROVE

The Committee shall have the authority to reject the materials, designs and colors submitted with plans, or the plans themselves, if they are not compatible, or are inappropriate, with the rest of the subdivision.

### 3J. VARIANCES

The Committee shall have the authority to grant variances to the house locations, setback requirements, minimum height, minimum square footage, and where, in its discretion, it believes the same to be appropriate and necessary and where the same will not be injurious to the rest of the subdivision, and the same must also comply





with the City of Bozeman Zoning Ordinance and the approved Planned Unit Development guidelines.

### 3K. SUBSTANTIAL COMPLIANCE

All improvements, construction, reconstruction, alterations, remodeling or any activity requiring the approval of the Committee must be completed in substantial compliance with the plans and specifications initially approved by the Committee and for which permits have been issued.

### 3L. ENFORCEMENT

The Committee shall have the power, authority, standing and right to enforce these covenants in any court of law or equity when it reasonably believes the same have been violated and as more particularly set forth in Section 8 and shall have the authority to revoke or suspend written approvals and/or order the suspension or cessation of any construction or work in the violation of these covenants or of any written approval issued by the Committee.

### 3M. FEES

The Committee may require reasonable fees to be paid with the filing of plans and specifications and the issuance of building permits to defray its expenses and the expenses of inspections and enforcement of the provisions of these covenants. The Committee may at The Committee's sole discretion charge a reasonable review fee to be set by The Committee for the review and approval of all design plans and specifications for new construction or remodel of existing structures.

### 3N. LANDSCAPE PLAN

Simultaneously with the filing of any initial building plans for any lot or structure, the builder thereof must also submit to the Committee a landscape plan. Trees and shrubs shall not touch any buildings. Trees shall not overhang roofs near chimneys and flues. This landscape plan must set forth in detail the landscaping to be installed, placed or planted on such lot, including paths, walks, shrubs, trees, rocks, walls or any



**2200905**  
Page: 7 of 40  
09/07/2005 12:22P

Shelley Vance-Gallatin Co MT MISC

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feature to be incorporated into a landscape design or plan, and such landscape plan must be approved before any building permit is issued. The landscaping provided for in the landscaping plan or approved variation must be completed within one (1) year of the completion of the construction authorized by the building permit. In addition, any further substantial landscaping installed after construction completion shall be submitted to and approved by the Architectural Review Committee.

The approved landscape plan and the establishment of trees and vegetation, and other aspects of the plan when completed, shall be maintained, repaired and replaced by the Owners' Association as provided herein.

### 30. COMMITTEE GUIDELINES

The Committee shall be governed by the following guidelines in its consideration of plans and specification submitted for its approval:

- a. It must recognize that this subdivision is designated for residential owners and all improvements in the subdivision must harmoniously combine, and not be inconsistent with, the development of the project which will serve said purpose.
- b. In considering any plans and specifications, the Committee shall examine the suitability of the same to the site, including the materials of which it is to be constructed, as well as the relationship of the same to the neighborhood and the adjacent properties.
- c. No plans or specifications shall be approved which will be similar or dissimilar to other improvements or structure that monetary or aesthetic values will be impaired.
- d. All plans or specifications shall be in full compliance with all of the terms and provisions of these covenants, except for any variances, which have been granted by the Committee for such plans and specifications.

### 3P. LIABILITY



**2200905**  
Page: 8 of 40  
09/07/2006 12:22P

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The Committee, or the individual members thereof, may not be held liable by any person for any damages which may result from Committee action taken pursuant to these covenants, including, but not by way of limitation, damages which may result from correction, amendment, change or rejection of plans, the issuance, suspension or enforcement of building permit or any delays associated with such action on the part of the Committee.

#### 4. CONSTRUCTION

##### 4A. RESIDENCES

No further subdivision of a lot is allowed except on lot 23, Block 2 Phase I. Construction on approved and platted lots shall consist of single family residences and/or duplexes and townhouses and/or other multi-family dwellings including four-plexes, five-plexes, etc. Multi-family dwelling, being any structure other than a single family residence constructed for habitation, shall be constructed so that party walls and the foundations for party walls shall be placed between the units located upon the property lines shown and set forth on the plat, if any there be. Each Owner of a multi-family unit shall enjoy the right, privilege and easement to use the party wall and common or party foundation of his or her unit so long as the same remains standing. No Owner shall engage in any construction, repair, remodeling, replacement or alteration which in any way effects the structural integrity or bearing capacity of a party wall without the express written consent of the Owners of the contiguous building and the Committee. No Owner shall engage in any construction, remodeling, replacement, repair or alteration of the exterior of any structure without the consent and building permit of the Committee as provided for in these Covenants.

The cost of reasonable repair and maintenance of any party wall or foundation for a multi-family unit shall be shared proportionally by the Owners who make use of such wall or foundation.



To the extent not inconsistent with the provisions contained and set forth in these Covenants, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to and govern the party wall and common foundations of a multi-family structure in this development. Notwithstanding these provisions, an Owner, who by his or her negligent or willful act causes the party wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements and shall be strictly liable for, responsible for and pay for all damages resulting to such exposure.

**4B. PARKING**

All construction must provide for off-street parking for at least two (2) off-street vehicles.

**4C. HOUSE SIZE**

Each townhouse dwelling shall be constructed so as to include not less than 1050 square feet of living space, exclusive of open porches, patios, carports, garages or basements. Each condominium dwelling shall be constructed so as to include not less than 800 square feet of living space, exclusive of open porches, patios, carports, garages or basements. In no case shall zoning requirements be violated.

**4D. BUILDING HEIGHT**

No building, structure, alteration or improvement shall exceed city zoning height codes measured from the average level of finished grade. In no case shall zoning requirements be violated.

**4E. SETBACKS**

No building or structure, including but not limited to townhouses and condominiums, shall be erected, placed, constructed, altered or remodeled so as to be less than 15 feet from the front lot line for townhouses, and 15 feet from the front lot line for condominiums, less than 5 feet from the side lot line for townhouses, and 5 feet from the side lot line for condominiums, or less than 20 feet from the rear lot line



**2200905**  
Page: 10 of 40  
09/07/2005 12:22P

Shelley Vance-Gallatin Co MT MISC

300.00

for townhouses, and 20 feet from the front rear line for condominiums. All other buildings or structures, shall be erected, placed, constructed, altered or remodeled so as to be less than 15 feet from the front lot line, less than 5 feet from the side lot line, or less than 20 feet from the rear lot line. No building or structure, including but not limited to townhouses and condominiums, shall be erected, placed, constructed, altered or remodeled that is located on a corner lot shall not to be less than 15 feet from the side lot line for townhouses, and 15 feet from the side lot line for condominiums. No building or structure, including but not limited to townhouses and condominiums, shall be erected, placed, constructed, altered or remodeled that is located along Baxter Lane shall not to be less than 25 feet from the side lot line for townhouses, and 25 feet from the side lot line for condominiums. Each lot has the general location of the dwelling. In no case shall zoning requirements be violated.

The intent and purpose of this provision is to provide for those locations which, in the opinion of the Committee, are best suited to each specific lot and do not interfere, or create the least interference, with residences on contiguous or nearby lots in the property with regard to elevations, view, building site features, landscaping and other factors of considerations of an aesthetic nature.

#### 4F. BUILDING SITES.

The general area for building sites have been pre-determined so as to best preserve the natural surrounding and views.

#### 4G. FENCES

Fencing may take place only during time of unit construction at the discretion of the developer. No additional fencing will be allowed at any time.

#### 4H. COMPLETION TIME

All construction on or in the premises shall be diligently prosecuted to completion and shall, in any event, be completed within twelve (12) months of commencement unless specific written extension is granted by the Committee. No construction material

shall, at any time, be placed or stored so as to impede, obstruct or interfere with pedestrian or vehicular traffic and no construction materials shall be placed or stored on lots for a period of more than thirty (30) days following substantial completion of construction as shall be determined by the Committee.

#### 4I. TEMPORARY STRUCTURES

No trailer, mobile home, tent, tepee, shack, garage, or camper shall be used at any time within the subdivision as a residence or a place for habitation or sleeping, temporarily or permanently.

#### 4J. REQUIRED MATERIALS

Fire retardant shingles shall be used. Spark arrestor screens shall be placed on fireplaces and wood stove chimneys. Smoke detectors shall be installed as required by all applicable city, county, state and federal codes.

#### 4K. CUTS AND FILLS

All cuts and fills shall be re-vegetated as soon as possible with native vegetation.

#### 4L. LAND SATURATION

The ground is not to be saturated through irrigation, blocked or diverted drainage. Landscape plans shall include information on the available water holding capacity (AWC) of soils and such plans shall be designated to be consistent with the average water holding capacity. Approved wells may be used for irrigation purposes. No wells shall be drilled on individual lots or by individual homeowners.

#### 4M. SATELLITE T.V. DISH

One satellite T.V. dish will be allowed if 32 inches in diameter or smaller and appropriately screened from view, but under no circumstances shall a satellite dish be mounted anywhere on the front elevation of any home.

### 5. ROADS & YARDS

#### 5A. MAINTENANCE - SNOW REMOVAL, YARD MAINTENANCE



**2200905**  
Page: 12 of 40  
09/07/2005 12:22P

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The maintenance of yards, lawns, open space, city sidewalks, private street, parks detention/retention, and snow removal from sidewalks and common areas shall be the responsibility of the Owners Association. The cost of the same will be assessed on a pro rata basis, that is, each residential unit will pay its equal share of the cost. However, Condominium units and Townhouses will be assessed at its own rate and will not be equal to the residential assessment. Condominiums will be assessed 90% of the Townhouse unit assessment.

The maintenance to be completed by the Owners' Association shall include, but not be limited to: vegetation, plantings, landscape features, sidewalks, curbs, yards, exterior finish on structures including shingles, siding, trim, lighting, glass, doorways, sprinkler and irrigation systems, fences and other improvements and enhancements to the extent the same have been approved by the Committee and built in accordance with the plans approved by the Committee. The Owners' Association shall not be responsible for the repair, replacement or reconstruction of any aspect of the development as set forth herein, which has been damaged, lost or destroyed by the negligence of an Owner, an Owner's guests, invitees, family members, renters or other persons under the control or supervision of the Owner. Nor shall the Owners' Association be responsible for the repair or replacement of any aspect of the development for which there is insurance proceeds available for the repair, replacement or reconstruction of the same. In the event of the loss of a structure by fire, for example, the Owners' Association shall have no responsibility to repair, replace or reconstruct a structure. The Owner's individual insurance for and on such structure shall be used for that purpose. It is the intent of these Covenants to facilitate a low-maintenance development, such that individual Owners or occupants are not required to care for the exterior of the structure they inhabit or the yards or landscaping features, but that such maintenance, repair, replacement as needed through normal wear and



tear shall be occasioned through the Owners' Association and that assessments shall be made to undertake the same.

All owners of lots shall remove all snow from their respective sidewalks in a reasonable time after it has accumulated. At no time shall snow accumulation remain on a lot owner's sidewalk for more a period of 24 hours. The Home Owners Association will provide appropriate snow removal for the public roadways within the subdivision. Snow removal shall occur when at least 6 inches of snow has accumulated on the public roadways.

#### 5A1. SIDEWALK CONSTRUCTION

Upon the third anniversary of the plat recordation all lot owners shall have their appropriate city sidewalks constructed. Without further notice the residential sidewalk located within a lot owners respective lot shall have 30 days after said anniversary to construct said sidewalk for their lot(s), regardless of whether other improvements have been made upon the lot.

#### 5B. SIGNS

Road signs will be placed and designed as approved by the Committee and in conformance with City regulations.

#### 5C. NOXIOUS WEEDS

Noxious weeds along roadways and lots will be controlled in accordance with the City Weed Supervisor's recommendations and enforced by the Owners' Association.

### 6. TRASH AND GARBAGE

No trash, waste, garbage, litter, junk or refuse shall be thrown, dumped or left on any portion of the premises and no burning of the same shall be permitted. No incinerator or other device for burning of trash or garbage shall be installed or used except as may be approved by the Committee. Each owner shall provide suitable receptacles for the containment and collection of trash and garbage, which must be enclosed or screened or otherwise unexposed to public view.





## 7. NUISANCE

### 7A. NUISANCE PROHIBITED

No noxious or offensive use or activity shall be carried on within the subdivision or anything done or permitted on or in the premises which shall constitute a public nuisance.

### 7B. MOTORCYCLES - SNOWMOBILES

No snowmobiles, ATV's or motorbikes may be used within the property except as authorized by the HOA. Motorcycles may be used as long as they are legally licensed and follow all traffic laws.

7C. No obnoxious or loud noises will be allowed.

## 8. ENFORCEMENT

### 8A. GENERAL PROVISIONS

In the event of any violation or threatened violation of these covenants, any owner of real property in the premises, or the Owners' Association Board of directors, may enforce these covenants by legal proceedings in a court of law or equity, including the seeking of injunctive relief and damages. In association with such legal proceedings or as a separate remedy, the Association Board of Directors may enter upon the property in question and remove, remedy or abate the violation or threatened violation after first having given proper notice and a reasonable opportunity for the violator to take action himself to comply with these covenants as set forth below.

### 8B. NOTICE OF VIOLATION

Notice, as required above, shall be in writing and shall be served on the person or entity concerned, and shall specify the violation or threatened violation, identify the property, demand compliance with the terms and conditions of these covenants and shall state the action which will be taken under paragraph 8A above if the violation or threatened violation is not abated, remedied or satisfied. If such notice cannot be personally served after a reasonable effort to locate the person or entity to be served,



**2200905**  
Page: 15 of 40  
09/07/2005 12:22P

Shelley Vance-Gallatin Co MT MISC 300.00

-15e:\Documents and Settings\Voss Bowman\Desktop\Baxter Square Covenants.wpd

service may be had by posting notice by certified mail, return receipt requested, to the last known address or address of record of the violator. Such notice must further provide for a period of fifteen (15) days from the date of personal service of such notice, or thirty (30) days from the date of posting and mailing of the same, within which abatement, entry or commencement of litigation, as provided in paragraph 8A above, can be commenced.

#### 8C. BOARD LIABILITY

No member of the Association Board of Directors shall be liable to any person or entity for the entry, self-help or abatement of a violation or threatened violation of these covenants and all owners or lessees of real property shall be deemed to have waived any and all rights or claims to or for damages for any loss or injury resulting from action taken to these covenants. Exception to the above shall exist for loss, injury or damage for intentionally wrongful acts.

#### 8D. COSTS OF ENFORCEMENT

Actual costs, expenses and reasonable attorney's fees connected with enforcing, correcting, remedying, abating, preventing or removing any violation or threatened violation of these covenants incurred either through litigation, entry or self-help shall constitute a claim by the owner or the Association Board of Directors initiating such action against the owner of the property which is the subject of such violation or threatened violation. The owner or the Board making such claim may bring suit for enforcement of these covenants and file a lien against the subject property in the amount of and for the collection of the claim by filing a verified statement of the lien with the office of the Clerk and Recorder of Gallatin County, Montana. Such lien statement must set forth the names of the claimant, and the owner of record of the property against which the lien is claimed, a description of the property, the amount of the claim, the date of the claim and a brief statement of the manner in which the costs and expenses constituting the claim were incurred. Once filed, the lien shall remain on



**2200905**

Page: 16 of 40  
09/07/2005 12:22P

Shelley Vance-Gallatin Co MT MISC

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-16e:\Documents and Settings\Voss Bowman\Desktop\Baxter Square Covenants.wpd

record as a claim against the property until the validity of the claim is determined by a court of law. Once a claim has been determined valid by a court of law, any such judgement may be foreclosed upon in the manner provided for the law for foreclosures with a right of redemption.

## 9. ENVIRONMENT

### 9A. ENVIRONMENT TO BE PROTECTED

Every attempt shall be made to preserve and protect the environment indigenous to the area.

Every unit must include landscape features which must serve to enhance the appearance of the site, including but not limited to control of our growth and needs. No discharge of any firearm is allowed within the subdivision. No hunting is allowed within the subdivision. No open fires are allowed.

## 10. MINING

### 10A. MINING PROHIBITED

No mining, quarry, excavation, oil drilling or development of any kind shall be allowed in or on the premises except for such excavation as may be necessary in connection with the construction or placement of improvements thereon in accordance with the terms and restrictions of these covenants.

## 11. OWNERS' ASSOCIATION

### 11A. FORMATION - ASSESSMENTS

The Owners have formed an Owners' Association, which is a Montana non-profit corporation, for the purpose of promoting, developing and operating the subdivision. The provisions contained and set forth in the Articles of Incorporation for the Owners' Association and the provisions contained and set forth in the By-Laws for the Owners' Association shall prevail in the event of any inconsistency with the terms and conditions contained and set forth herein and those documents. The Association shall have the



**2200905**  
Page: 17 of 40  
09/07/2005 12:22P

-17E:\Documents and Settings\Voss Bowman\Desktop\Baxter Square Covenants.wpd

authority to make such charges and assessments to the members as are reasonably necessary to carry out its functions and duties. The Association shall have the power to levy assessments, which assessments shall be in two (2) classes:

- a) Capital assessments
- b) Operating assessments

Such assessments may be levied by the Board of Directors of the Association against any parcel of real property in the subdivision. Assessments shall be billed on a bi-annual basis and notice of the same shall be mailed to each property owner on or before the first of January and the first of June of each year, or annually on or before the first of January each year as shall be determined by the Board of Directors. All assessments become due thirty (30) days after the date of mailing. The Association has the authority to impose reasonable charges for interests and penalties for overdue payments. Assessments must be made upon the pro-rata share of each residence equally, that is to say, if there are 5 residences, each residence is assessed 1/5 of the assessment regardless of residence size. A townhouse unit shall be defined as a fee simple residence possibly attached to another fee simple residence creating a building structure of two, three or four units per building. A condominium unit shall be defined as a single unit in a condominium building. Townhouse units and condominium units may be assessed at different rates. Unpaid assessments, upon notice thereof being duly filed of record, shall be a lien against the parcel of real property against which such unpaid assessment was made. Such lien may be foreclosed upon in like manner as a mortgage on real property with a right of redemption, which foreclosure proceeding may include the addition of court costs and attorney's fees. The Association Board of Directors must first obtain the approval of a majority of the membership interests before:

- a) making any assessment for a capital improvement costing in excess of \$8,000.00;



2200905  
Page: 18 of 40  
08/07/2005 12:22P

-18E:\Documents and Settings\Voss Bowman\Desktop\Baxter Square Covenants.wpd

b) mortgaging, encumbering or otherwise disposing of any property of the Association in excess of \$10,000.00.

#### 11B. MEMBERSHIP

Membership in the Association shall consist of the owners of the residences in the subdivision. Membership shall transfer with the sale of a residence to the new owner. Each member shall have one (1) vote per residence. If there is more than one owner per residence, the owners must decide who shall cast the vote for that residence. If one owner owns more than one residence, the owner shall have as many votes as he or she has residences.

#### 11C. COMMON AREAS

At such time as the Owner may elect to convey any part or all of the park, green belt or common areas to the Owners' Association referred to generally as the "common area(s)", the Owners' Association is obligated to accept the same and shall thereafter be responsible for the same.

#### 11D. BOARD OF DIRECTORS - ARCHITECTURAL COMMITTEE

For the purpose of these covenants, the Owners' Association Board of Directors shall be the same as the Architectural Committee. On or after December 31, 2015 or sooner mutually agreed upon date one or all of the members may be chosen by a majority of the homeowners by notice in writing to the Owners' Association. The Association Board members shall serve a term of one (1) year.

#### 11E. MEETINGS

The manner and time for holding meetings of the Board and the Owners' Association, and the general operation of the Owners' Association, shall be more particularly set forth in the by-laws.

### 12. AMENDMENTS

These covenants, or any portion thereof, may be amended, abandoned, terminated, modified or supplemented at any time by the written consent, duly recorded

with the office of the Clerk and Recorder of Gallatin County, Montana of the owners of seventy-five percent (75%) of the privately owned land included within the boundaries of the subdivision, one (1) vote for each lot owned. The developers will be in control of any amendments, abandonments, terminations, modifications or supplements to these covenants until an official Homeowners Association made up of individual lot and/or property owners is established.

#### 12A. CERTAIN COVENANTS MAY NOT BE AMENDED

Any covenant which is included herein as a condition of the preliminary plat approval and required by the County Commission or City Commission may not be amended or revoked without the mutual consent of the owners in accordance with the amendment procedures in these covenants and the governing body of Gallatin County.

The covenants applicable prohibiting further subdivision may not be amended except for Lot 23, Block 2 Phase I.

#### 13. SEVERABILITY

##### 13A. GENERAL

Determination of invalidity of any one or more of the covenants or conditions hereof by judgement, order or decree of court shall not effect in any manner the other provisions hereof, which shall remain in full force and effect.



**2200905**  
Page: 20 of 40  
09/07/2005 12:22P

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Ami Russell Grant

STATE OF MONTANA )

: ss.

County of Gallatin )

On this 27<sup>th</sup> day of May, 2005, before me a Notary Public in and for the State of Montana, personally appeared Ami R. Grant, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

Kami M. Gillespie  
Kami M. Gillespie

Notary Public for the State of Montana

Residing at Bozeman, Montana

My Commission expires Aug 9, 2008



STATE OF MONTANA )

: ss.

County of Gallatin )



**2200905**  
Page: 21 of 40  
09/07/2005 12:22P

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EXHIBIT A

Plat of BAXTER SQUARE SUBDIVISION P.U.D. - PHASES 1 AND 2 Located in the  
SE 1/4 of the SW 1/4 of Section 35, T. 1 S., R. 5 E. of P.M.M., Gallatin  
County, Montana



**2200905**

Page: 22 of 40  
09/07/2005 12:22P

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**ARTICLES OF INCORPORATION  
OF AND FOR  
BAXTER SQUARE OWNERS' ASSOCIATION, INC.  
A MONTANA NON-PROFIT CORPORATION**

**KNOW ALL PERSONS BY THESE PRESENTS:**

I, the undersigned, pursuant to Title 35, Chapter 2, Montana Code Annotated, acting as incorporator of a corporation under the Montana Non-Profit Corporation Act, Section 35-2-113 et.seq., MCA, do hereby adopt the following Articles of Incorporation for such corporation:

**I.**

That the name of the corporation is:

**BAXTER SQUARE OWNERS' ASSOCIATION, INC.**

**II.**

That the corporation is a mutual benefit corporation.

**III.**

That the period of its duration is perpetual.

**IV.**

That the purposes for which said corporation is formed are as follows, to wit:

- (a) To carry out and conduct all corporate powers enumerated in the Montana Non-profit Corporation Act, as the same exists from time to time;
- (b) To carry out and conduct the business of a homeowners' association;

**V.**

That the address of the initial registered office of the corporation is 509 West Olive, Bozeman, Montana 59715, and that the name of the corporation's initial registered agent at such address is Michael Grant.



**2200905**  
Page: 23 of 40  
09/07/2005 12:22P

Shelley Vance-Gallatin Co MT MISC

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VI.

That the number of Directors constituting the initial Board of Directors is four (4) and the names and addresses of the initial directors are as follows:

**Voss Bowman**  
3233 Oliver Street  
Bozeman, MT 59718

**Ami Grant**  
509 West Olive  
Bozeman, MT 59715

**Evert Wierda**  
13707 Camp Creek Rd  
Manhattan, MT 59741

**Steve Nicoll**  
12720 Camp Creek Rd  
Manhattan, MT 59741

VII.

That the name and address of the incorporator is as follows, to wit:

**Ami Grant**  
509 West Olive  
Bozeman, MT 59715

IN WITNESS WHEREOF, I have set my hand and seal this 11<sup>th</sup> day of May, 2005.

  
\_\_\_\_\_  
**AMI GRANT**

  
\_\_\_\_\_  
**MICHAEL GRANT**  
**REGISTERED AGENT**

STATE OF MONTANA)

:ss.

County of Gallatin)

On this 11<sup>th</sup> day of May, 2005, before me, a notary public in and for the State of Montana, personally appeared **AMI GRANT**, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year in this certificate first written.




**2200905**

Page: 24 of 40  
09/07/2005 12:22P

- 2 -

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Debra K. Jamieson   
2605 Bear Canyon Rd. Bozeman, MT  
Notary Public, State of Montana  
(SEAL) Residing at: Bozeman, MT 59715  
My commission expires: 8/1/2006

STATE OF MONTANA)


:ss.

County of Gallatin)

On this 11<sup>th</sup> day of May 2005, before me, a notary public in and for the State of Montana, personally appeared **MICHAEL GRANT**, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year in this certificate first written.



  
Debra K. Jamieson  
Notary Public, State of Montana  
(SEAL) Residing at: Bozeman, MT  
My commission expires: 8/1/2006



2200905

Page: 25 of 40  
09/07/2005 12:22P

- 3 -

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**BYLAWS  
OF AND FOR  
BAXTER SQUARE OWNERS' ASSOCIATION, INC.**

**ARTICLE I**

**NAME**

The following shall prevail throughout these Bylaws in the interpretation thereof unless specific provisions direct otherwise:

**Baxter Square Owners' Association, Inc.**, is the incorporated organization which is to be governed by and which is empowered to act in accordance with these Bylaws. Hereinafter said corporation shall be referred to as the "Association".

**ARTICLE II**

**ADDRESS**

The address of the initial principal office of the Association shall be 509 West Olive, Bozeman, Montana 59715.

**ARTICLE III**

**POWERS**

The Association shall have all the powers of a nonprofit corporation enumerated and set forth in Title 35, Chapter 2, M.C.A. The purposes of the Association are those set forth in the Articles of Incorporation.

**ARTICLE IV**

**MEMBERSHIP INTEREST**

Every person, group of persons, partnership, corporation, or association who is a fee owner of real property within the boundaries of the area described as Baxter Square Subdivision on file and of record in the office of the County Clerk and Recorder of Gallatin County, Montana, shall be a member of the Association. By this provision, each tract as shown on the plat and amendments thereto shall entitle the owner of one membership interest in the Association.



Multiple owners of a single parcel of real property would have collectively one such membership or voting interest. If more than one tract is owned, the owner or owners thereof would have one membership or voting interest for each separate parcel of real property.

Membership interest shall run with the land so that said interest is an incident to ownership beginning when ownership rights are acquired and terminating when such rights are divested. Accordingly, no member shall be expelled, nor shall he be permitted to withdraw or resign while possessing a membership interest.

## **ARTICLE V**

### **MEETINGS**

There shall be an annual meeting of the membership. The date, hour and place of such meeting shall be contained in the notice of meetings as hereinafter described. The annual meeting shall be the time for the conduct of any and all legitimate business of the Association, including election of directors and presentation of reports. Voting at all meetings shall be in the manner prescribed in these Bylaws.

Special meetings may be called at any time upon the initiative of the Board of Directors. A special meeting must be called when a Petition signed by fifty percent (50%) of the membership interest outstanding and eligible to vote at the time has been presented to any member of the Board of Directors. Such special meeting shall be called as soon as practicable after receipt of said Petition. Notice of any such special meeting shall state the hour, date and place of the meeting and shall further precisely state the reasons of such meeting, and said special meeting held shall be strictly confined to the matters set forth in the notice unless seventy-five percent (75%) of the said membership interest present agree otherwise.

All meetings both annual and special shall be presided over by the Chairman of the Board of Directors or his appointed representative.



**2200905**  
Page: 27 of 40  
09/07/2005 12:22P

Any meeting may be adjourned by the Board of Directors at their discretion, but any meeting adjourned before all its business is disposed of shall be reconvened within thirty (30) days of such adjournment upon due notice given.

Resolutions as hereinafter described may be introduced by any member at any annual meeting provided such resolution in written form is presented to the Secretary of the Board no later than ten (10) days prior to the date of such meeting.

Written notice of all meetings, annual and special, shall be mailed to every member of record no later than ten (10) days and not more than fifty (50) days before the date of the meeting. It shall be the duty of each member to advise the Association of his current address. In the absence of such notice, the member's address shall be the address of record with the Gallatin County Assessor's office.

## **ARTICLE VI**

### **VOTING**

Each membership interest as defined in Article IV of these Bylaws shall have one (1) vote on all matters to come before the Association meeting. Voting of such interest shall be in the manner provided by the Board of Directors and in these Bylaws. Cumulative voting shall be provided for election or removal of the Board of Directors. Voting may be in person or by proxy.

## **ARTICLE VII**

### **RESOLUTIONS**

All matters that are the business and concern of the Association shall be presented to the Association and meetings of the Association in the form of resolutions directed to the Board of Directors. Such resolutions as are passed by over fifty percent (50%) of the said membership interest of record and eligible to vote shall be binding on the Board of Directors. Such binding resolution shall have the effect of compelling the Board of Directors to take positive action in response to the general inclination of the resolution.



**2200905**

Page: 28 of 40  
09/07/2005 12:22P

- 3 -

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However, the scope, extent, and specific character of all such action shall be within the final discretion of the Board of Directors.

## **ARTICLE VIII**

### **POWERS AND DUTIES OF BOARD**

The Board of Directors shall have the following powers and duties:

- A. To enter into contracts and agreements as are necessary to effect the business of the Association.
- B. To provide for the construction, installation, acquisition, replacement, operation, maintenance, and repair by the Association of buildings, equipment, common areas, facilities, and services streets, roads, bridges, lighting, garbage removal and disposal in common areas, security of persons or property, fire protection, and other municipal or quasi-municipal services and functions. Contracts for such work with third parties which provide for a term or duration in excess of one year must be approved by a majority of the members, which approval may be ratified at the annual or any special meeting of the Association.
- C. To make and establish rules and regulations for the governance of facilities and the performing of such functions, the taking of such action and operating in such areas as are within the jurisdictions of the Association.
- D. To make assessments as described in these Bylaws and the Declaration of Covenants, Conditions and Restrictions Including Design Regulations on file and of record in the office of the County Clerk and Recorder of Gallatin County, Montana.
- E. To take necessary and appropriate action to collect assessments from members, including the filing of liens and prosecuting foreclosures as provided in these Bylaws.
- F. To call meetings of the Association, both annual and special, and to preside over such meetings and to give appropriate notice of such meetings as required by these Bylaws.
- G. To formulate and introduce resolutions at the meetings of the Association.
- H. To hold meetings of the Board of Directors as are necessary to conduct Association affairs.
- I. To exercise ultimate decisional power in and on all matters affecting the Association.
- J. To pay the expenses of the Association, including all taxes or assessments and to contract and pay for such insurance as may be necessary in the best interests of the Association, and to provide for the



**2200905**

Page: 29 of 40  
09/07/2005 12:22P

- 4 -

C:\Documents and Settings\Voss Bowman\Desktop\Bylaws.wpd

use and disposition of the insurance proceeds in the event of loss or damage.

- K. To fill vacancies on the Board by agreement of the two remaining members, should the vacancy not, however, be filled by the Board, it may be filled by an election at an annual or special meeting wherein each membership interest shall have one (1) vote.
- L. To maintain lists of members.
- M. To keep records in a good and businesslike manner of all assessments made, all expenditures, and the status of each member's payments of assessment; and to make such records accessible at reasonable times to all members.
- N. To provide municipal type facilities for the safety, comfort, health, well-being, and pleasure of the owners, their guests and invitees.
- O. To promote, conserve, and preserve the premises.
- P. To do any and all things necessary to carry into effect these Bylaws and to implement the purposes as stated in the Articles of Incorporation and to do any and all things necessary to require compliance with and enforce the Declaration of Covenants, Conditions and Restrictions Including Design Regulations which, by Article XIX, are made a part of these Bylaws.
- Q. To deal with agencies, officers, boards, commissions, departments, and bureaus or other governmental bodies in a federal, state, county and local basis to carry out the above powers, duties, and responsibilities.
- R. To establish accounts for operating and/or development funds as set out in the Declaration of Covenants, Conditions and Restrictions Including Design Regulations.
- S. To select a chairman of the Board of Directors.
- T. In addition to the above powers, the Board of Directors shall act and perform the functions of the Committee for Design Review referenced in the Covenants, Conditions and Restrictions Including Design Regulations on file and of record in the office of the County Clerk and Recorder of Gallatin County, Montana, and shall have all of the powers, duties, obligations and responsibility set forth in said document.

## **ARTICLE IX**

### **ASSESSMENTS**

The Association, acting through the Board of Directors, shall have the power to levy assessments on its members. The assessments levied by the Association shall be used exclusively to promote health, safety and welfare of the owners of the property, their



guests and invitees and for the improvement of the maintenance of the common areas open spaces and park areas, to include common road maintenance and utility line maintenance, landscape maintenance in common areas and in parks, property liability insurance, Association employees' wages, mailing costs, common signage, common utility expenses and traffic control signs, and other related expenses incurred on behalf of the Association as further described hereafter.

The annual assessments provided for herein shall commence as to all lots subject to assessment on the 1st day of the month following the conveyance of the first lot by the developer to any third party or entity.

There shall be two classes of assessments allowable under these Bylaws: (1) Capital assessments, and (2) Operating assessments.

Capital assessments shall be for the purpose of acquiring, replacement, or the construction of new facilities, or the major repair or renovation of existing facilities.

Operation assessments shall be for the purpose of sustaining day-to-day activities of the Association, including maintenance of real property including open space, common areas and parks, maintenance of common landscaping, minor repairs, accounting for the association, common utility expense, liability insurance and other ordinary expenses.

The Board of Directors shall have the final authority to determine under which general heading to make various assessments. Further, the Board may make assessments in either or both categories on each person or persons or entity having a membership interest.

The Board of Directors must first obtain the approval of at least fifty-one percent (51%) of the membership interests before taking the following action:

- A. Making any assessment for a capital improvement costing in excess of \$8,000.00.
- B. Mortgaging, encumbering, or otherwise disposing of any property of the corporation, whether real or personal, in excess of the amount of value of \$1,000.00.
- C. Making any assessment to make up a deficiency in insurance proceeds.



**2200905**

Page: 31 of 40  
09/07/2005 12:22P

- D. Electing not to rebuild any corporation structure destroyed or rendered incapable of continued use.

Assessments shall be made on an annual basis on the 1st day of January to and including the 31st day of December of each year and notice thereof shall be mailed by the Secretary of the Board to each member at his address of records.

All assessments become due ten (10) days after the date of mailing and must be paid within thirty (30) days of the said due date, after which they will become delinquent. The Board shall have authority to impose reasonable interest charges and penalties on amounts which are overdue. Any assessment not paid within thirty (30) days as set forth above shall bear interest at the maximum amount allowed by law. The Association may bring an action against the owner personally obligated to pay the assessment, or foreclose a lien filed against the property. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use or abandonment of his tract.

All assessments shall be based upon the total number of tracts within the boundaries of the subdivision at the time of such assessment. The assessments must be made on a pro-rata basis equally against all of the said lots, tracts, and parcels, including those owned by the developer.

## **ARTICLE X**

### **BUDGETS**

On or before September 30th of each year, the Board shall prepare and mail to each member a budget for both capital and operating expenses for the forthcoming calendar year. The two budgets shall be divided by the total number of tracts in the subdivision at the time, and assessments shall be made against each membership interest on the basis of such division. The Board shall cause a copy of an operating statement to simultaneously be prepared showing income and disbursements for the preceding fiscal year, which statement shall be mailed to each member within thirty (30) days of the end of the fiscal year.

## **ARTICLE XI**

### **LIENS FOR ASSESSMENTS AND FORECLOSURES**

All sums assessed, but unpaid for either capital or operating assessments, shall constitute a lien against any tract where the said assessment remains unpaid after three (3) months following the date when the same became delinquent, as set forth in paragraph IX above. Such lien shall be superior to all other liens and encumbrances, except for tax and special assessment liens placed by a statutory authority, other statutory liens, and the lien of any first mortgage or a first trust indenture of record.

To evidence such liens, the Association shall prepare a written notice of lien assessment, setting forth the amount of such unpaid indebtedness, the amount of the accrued interest, the late charges thereon, the name of the owner of the tract and a description of the of real property. Such notice shall be signed and verified by the Chairman of the Board of Directors and shall be recorded in the office of the County Clerk and Recorder. Such lien shall attach from the date of the recording of such notice. Such lien may be enforced by the foreclosure of the defaulting membership interest by the Association in like manner as a mortgage on real property as otherwise provided by law upon the recording of a notice or claim thereof. In any such proceedings, the owner shall be required to pay the costs, expenses, and attorney's fees incurred for filing a lien, and in the event of foreclosing proceedings, additional costs, all expenses, and reasonable attorney's fees incurred.

## **ARTICLE XII**

### **QUORUM**

Meetings of the Association shall be convened at the time and place contained in the notice of such meeting only if a quorum of the membership interest is present either in person or by proxy. A quorum shall consist of thirty percent (30%) of the total membership interest of the Association qualified and eligible to vote at the time. Any membership interest may be represented by the owner thereof or by his agent who has written authority to so act.



**2200905**  
Page: 33 of 40  
09/07/2006 12:22P

**ARTICLE XIII**  
**VOTING INTEREST**

Whenever any tract is owned or leased by two or more persons or by an entity or contains a condominium comprised of various owners, such person or persons or entity must, prior to a meeting where voting may be allowed, among and between themselves determine who is entitled to vote the membership interest and in what manner it shall be voted. If, in the judgment of the Board, a bona fide and irreconcilable dispute arises as to the voting or right to vote a membership interest, such interest may be declared to be a dispute and for the time such interest is in dispute, it shall have no voting rights.

**ARTICLE XIV**  
**SECRETARY**

The Secretary of the Board of Directors shall maintain a record of all membership interests in the Association. In order to make a determination of membership interest for any purpose stated in these Bylaws or the laws of the State of Montana, the Board may order the record closed for a stated period of time. Notice of assessments and liability for assessments shall be in the name of the registered owner on the membership list at the time assessments are declared by the Board.

**ARTICLE XV**  
**BOARD MEMBERS**

The initial self-appointed Board of Directors shall be four (4) as outlined in "Articles of Incorporation, paragraph VI. At least one (1) Director shall be a resident of Gallatin County, Montana.

Until December 31, 2015 or sooner mutually agreed upon date, or upon the sale of all tracts and transfer of title to Owners, whichever occurs first, the Declarant reserves the right to appoint and remove all members of the Board and to exercise the powers and responsibilities otherwise assigned by the Declaration of Covenants, Conditions and Restrictions including Design Regulations and these Bylaws. By express written



2200905  
Page: 34 of 40  
09/07/2005 12:22P

declaration, the initial directors shall have the option to at any time turn over to the Association the total responsibility for electing and removing members of the Board.

Members of the Board and their officers, assistant officers, agents and employees acting in good faith on behalf of the Association:

(1) shall not be liable to the Owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith;

(2) shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such;

(3) shall have no personal liability in tort to any Owner or any person or entity, except for their own willful misconduct or bad faith.

(4) shall have no personal liability arising out of the use, misuse or condition of the Property which might in any way be assessed against or imputed to them as a result of or by virtue of their capacity as such.

## ARTICLE XVI

### TERMS AND REPLACEMENT



**2200905**  
Page: 35 of 40  
09/07/2005 12:22P

- 10 -

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The initial self-appointed Board of Directors will remain for a term not to exceed ten (10) years. The terms of office for consecutive members replacing these original members shall be one (1) year. Successive positions on the board of Directors shall be filled in the manner hereinafter described.

Immediately following each annual meeting of the Board of Directors, the members by majority vote shall elect a new Board of Directors, as provided in Article VI, cumulative voting being allowed. At least one (1) Director shall be a resident of Gallatin County, Montana.

Any vacancy created by resignation shall be filled immediately by appointment by the remaining Board members. Such appointment must be approved by a majority of the members of the Association at the next meeting of the Association, whether general or special. If the appointment is not approved, then the members shall fill the vacancy by a majority vote. At any time and for any reason that a vacancy occurs on the Board and an agreement cannot be reached on a successor, then such vacancy shall be filled by the membership interest at large at a special meeting held for that purpose. At such election any membership interest may nominate candidates from the floor and voting shall be by ballot and each membership interest shall have one (1) vote. The person receiving the highest number of votes shall be deemed elected to the vacant position on the Board of Directors.

At any meeting, whether general or special, any one or all of the members of the Board may be removed and replacements elected upon a majority vote of the total membership interests outstanding and eligible to vote at that time.



**2200905**  
Page: 38 of 40  
09/07/2005 12:22P

- 11 -

C:\Documents and Settings\Voss Bowman\Desktop\Bylaws.wpd

## **ARTICLE XVII**

### **COMMITTEES**

Pursuant to the Title 35, Chapter 2, M.C.A. and subject to the restrictions stated therein the Board may appoint committees to act for the Board and to exercise the authority of the Board on matters referred to them by the Board. Such committees may be dissolved at any time by the Board of Directors.

Notwithstanding the foregoing, the Board of Directors itself shall be the Committee for Design Review as provided in Article VIII T above.

## **ARTICLE XVIII**

### **INSURANCE**

The Board shall purchase insurance policies to protect the property of the Association against casualty loss and to protect the Association and the Board members, when acting in their official capacity, from liability. The extent and specific nature of coverage shall be determined by the Board.

## **ARTICLE XIX**

### **COVENANTS**

No acts by the Association or by the Board of Directors shall be contrary to the Declaration of Covenants, Conditions and Restrictions Including Design Regulations on file with the Clerk and Recorder of Gallatin County, Montana, and amendments thereto. On its own initiative, the Board may take such action as it deems necessary, including the



**2200905**  
Page: 37 of 40  
09/07/2005 12:22P

-12-

C:\Documents and Settings\Voss Bowman\Desktop\Bylaws.wpd

taking of legal action and initiating suit to enforce the Declaration of Covenants, Conditions and Restrictions Including Design Regulations.

## **ARTICLE XX**

### **OFFICERS**

The Board of Directors shall appoint a secretary for the Association. The Board of Directors may, at its discretion, appoint additional officers to generally supervise and control the business of this corporation and delegate certain powers, duties and responsibilities to such officers. The manner of selection, the qualifications, salaries if any, the term of office, the method of removal, the scope of duties and responsibilities, and the number of such officers shall be determined by the Board of Directors.

## **ARTICLE XXI**

### **COMPENSATION**

Board members shall be reimbursed for any out-of-pocket expenses incurred while acting in their official capacity and may be entitled to a nominal fee for their services as members of the Board of Directors.

## **ARTICLE XXII**

### **SEVERABILITY**

A determination of invalidity of any one or more of the provisions or



**2200905**  
Page: 38 of 40  
08/07/2005 12:22P

- 13 -

C:\Documents and Settings\Voss Bowman\Desktop\Bylaws.wpd



conditions hereof by judgment, order, or decree of a court shall not affect in any manner the other provisions hereof, which shall remain in full force and effect.

### ARTICLE XXIII

#### INTERPRETATION AND AMENDMENT

The Board of Directors shall have the power to interpret all the provisions of these Bylaws and such interpretation shall be binding on all persons. These Bylaws may be amended from time to time whenever at least fifty-one percent (51%) of the membership interests shall have voted in favor of such amendment.

THESE BYLAWS were adopted by the Board of Directors for  
Baxter Square Owners' Association, Inc. on the 27<sup>th</sup> day of May,  
2005.



**2200905**

Page: 39 of 40  
09/07/2005 12:22P

- 14 -

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Ami R. Bant

STATE OF MONTANA )

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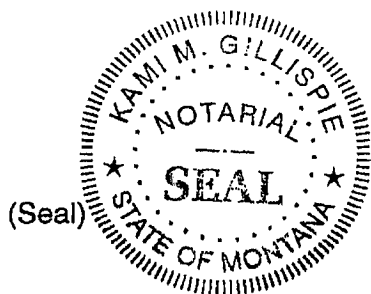
County of Gallatin )

On this 27<sup>th</sup> day of May, 2005, before me, a Notary Public for the State of Montana, personally appeared Ami R. Bant, known to me to be one of the Board of Directors for **Baxter Square Owners' Association, Inc.**, and who executed this instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Kami M. Gillispie

Kami M. Gillispie



Notary Public for the State of Montana

Residing at: Bozeman

My Commission Expires Aug 9, 2008



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Page: 40 of 40  
09/07/2005 12:22P

-15-

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