

After recording, please return to:
Skyline Vista Condominium Unit
Owners' Association, Inc.
P.O. Box 11090
Bozeman, MT 59719

BYLAWS OF SKYLINE VISTA CONDOMINIUM UNIT OWNERS'
ASSOCIATION, INC.

1. PURPOSE AND APPLICATION

These articles are and shall be the Bylaws of the Skyline Vista Condominium Unit Owners' Association, Inc. (the "Bylaws"). These Bylaws shall govern and control the administration of the Skyline Vista Condominiums (the "Skyline Vista Condominiums"). These Bylaws are filed concurrently with the Declaration for Skyline Vista Condominium, which Declaration is made a part hereof by reference, including all defined terms. All Unit Owners, such Unit Owners' guests, any renters, lessees or other occupants of any Unit in the present and future shall have the duties and rights specified in these Bylaws and shall be subject to the provisions hereof. The acquisition of an ownership interest in a Unit in the Skyline Vista Condominiums signifies that an Owner accepts, ratifies and agrees to comply with these Bylaws.

2. MEMBERSHIP

Persons owning a Unit in Skyline Vista Condominiums in any real estate tenancy relationship recognized by the State of Montana shall be members of the Skyline Vista Condominium Unit Owners' Association, Inc., a Montana Nonprofit corporation (the "Association"). Membership begins concurrently with the acquisition of a Unit and terminates at the time ownership of such Unit is terminated. Such termination shall not relieve any Owner of liability for obligations incurred while a member of the Association. The membership in the Association does not in any way negate or impair any Owner's legal remedies that an Owner may have as result of such Unit ownership.

3. MEETINGS AND VOTING

A. Annual Meetings. There shall be an annual meeting of the Association each year, commencing at the discretion of the Declarant, provided, however, that the first annual meeting of the Association shall take place not more than one year following the date of recording these Bylaws, if not sooner held.

B. Special Meetings. Pursuant to these Bylaws, the Association may at any time hold special meetings. Such special meeting may be called on the initiative or request of the Board or a Unit Owner. Notice of any special meeting must specify the reason for such meeting and the matters to be raised. Only matters set forth in the initiative or request may be brought before such meeting unless seventy-five percent (75%) of the aggregate Voting Interests present at the meeting agrees otherwise.

C. Notice. Written or printed notice stating the place, date, and time of a meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally, electronically, or by mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each Unit Owner of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be given three (3) days after the date when deposited in the United States mail, with postage prepaid, addressed to the Unit Owner at the address on file with the Association, or at his last known address. If notice is given electronically, such notice shall be deemed to be delivered when sent. Such notices shall make provisions to allow for the voting of each Unit Owner's interest by proxy at the discretion of the Owner.

The Unit Owners may, by unanimous written consent, waive the notice requirements under this paragraph for a specific meeting.

D. Quorum. No meeting shall be convened to conduct business unless a quorum is present in person or by proxy. A quorum shall consist of fifty percent (50%) of the Voting Interests of the Association. At any time, during any meeting that quorum is not present, such meeting shall be adjourned forthwith.

4. VOTING INTEREST

As set forth in the Declaration, a copy of which is being filed concurrently with the filing of these Bylaws with the Office of the Clerk and Recorder of Gallatin County, Montana, each Unit Owner is entitled to one (1) vote for each Unit owned; the Declarant is entitled to four (4) votes for each Unit held by the Declarant.

Such vote shall be the Voting Interest of each Unit Owner on all matters affecting the general business of the Association, on all matters affecting the Common Elements, assessments for the Common Elements, and on all matters upon which the Association requires voting other than voting with respect to Limited Common Elements. Voting upon matters affecting a Limited Common Element and assessments for Limited Expenses shall be only by Owners having a Unit or interest in Units to which the Limited Common Element is appurtenant.

Whenever a quorum is present at a meeting of the Association or the Board of Directors, those present may do any and all acts they are empowered to do unless specific provisions of these Bylaws, the Declaration, or the laws of the State of Montana direct otherwise. If more than one person is the record Owner of any Unit, or if an owner is a trustee, corporation, partnership or other legal entity, the vote for such Unit shall be exercised as such Owner or Owners of that Unit shall designate in writing to the Board, except that the Declarant shall designate the person who shall exercise the voting rights with respect to the Units owned by the Declarant. In the event that a Unit is owned by more than one person and no designation is provided, then the Board in its sole discretion may recognize one of those persons as the voting Owner for such

Unit.

5. BOARD OF DIRECTORS

The governance of the Association shall be by a Board of Directors (“Board”) consisting of, at least, three (3) directors duly appointed or elected as provided herein. The Board may be expanded to five (5) directors upon a majority vote of the Voting Interests of the Association. Should the Association so vote Except for directors appointed by the Declarant as described in this Section 5, all directors shall be Unit Owners. Such Board shall have all powers and responsibilities attendant to the general administration and control of the Association in accordance with the terms and provisions of the Declaration and these Bylaws, as amended from time to time. Additionally, the Board shall have the authority necessary to carry into effect the powers and duties specified by these Bylaws. The first and each subsequent Board shall consist of, and vacancies on the Board shall be filled by, such persons as the Declarant shall from time to time appoint, who need not be Owners, until the Declarant effects an assignment pursuant to Section XVIII.G of the Declaration. Without the prior written consent of the Declarant, neither the Declaration, Articles of Incorporation nor these Bylaws shall be amended, modified or changed to in any way diminish the authority of the Board while the Declarant has the right to appoint any directors of the Board. Declarant may, from time to time, by written notice to the Association, may expand the number of directors constituting the Board, elect to relinquish its right to appoint any one or more directors and continue to exercise its right to appoint the remaining members of the Board for the period hereinabove specified. All directors not appointed by the Declarant shall be elected as hereinafter provided.

6. ELECTION OF BOARD MEMBERS AND OFFICERS OF THE BOARD

Subject to the Declarant's right to appoint members of the Board and the assignment by Declarant pursuant Section 5 above, the Association shall elect from its membership a Board of Directors which shall consist of a Chairman, Secretary and Treasurer at a meeting called by the then Chairman of the Association, the Declarant, or by any three (3) Owners of the Association. Such meeting shall be called by notice sent in accordance with these Bylaws. For the avoidance of doubt, each director and applicable officer position shall be held by the same person. Excluding Board members appointed by the Declarant, Board members shall only serve while such person owns a Unit. Subject to the Declarant's right to appoint members of the Board and the assignment by Declarant pursuant to Section 5, a new Board member shall be elected by an affirmative vote of a majority of the aggregate Voting Interests of the Owners present at the next succeeding meeting of the Association due to: (1) sale of a then standing Director's Unit(s); (2) resignation of a then standing director; or (3) expansion of the number of Directors members pursuant to Section 5.

7. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- A. To call annual meetings of the Association and give due notice thereof.

- B. To enforce the provisions of the Declaration and Bylaws by appropriate action.
- C. To promulgate and adopt rules and regulations for the use of the Common Elements and for the occupancy of the Units so as to not interfere with the peace and quiet of all the Unit Owners.
- D. To levy assessments as allowed by the Declaration, these Bylaws, and the Montana Unit Ownership Act, and to provide for the collection, expenditure, and accounting of said assessments.
- E. To pay for the expenses of the maintenance, repair and upkeep of the General Common Elements and the Limited Common Elements.
- F. To provide for the management of the Skyline Vista Condominiums by hiring or contracting with suitable and capable management and personnel for the day-to-day operation, maintenance, upkeep and repair of the General Common Elements and Limited Common Elements.
- G. To delegate authority to the Manager for the conduct of the Association's business,
to carry out the duties and powers of the Board, however, such authority shall be precisely defined with ultimate authority at all time residing in the Board of Directors.
- H. To provide a means of hearing grievances and foreclosure proceedings of Unit Owners and to observe all due process requirements imposed upon owners' associations for condominiums.
- I. To meet at regularly scheduled times and hold such meetings open to all Unit Owners or such Owners' agents, except when the Board deems it necessary to meet in executive session, participation in which executive session may be limited to Board members only.
- J. To prepare an annual budget for the Association in order to determine the amount of the assessments payable by the Unit Owners to meet the Common Expenses and Limited Expenses and allocate and assess such charges among the Unit Owners according to their respective interests in the General Common Elements and Limited Common Elements, and to submit such budget to the Unit Owners on or before the date of the annual meeting.
- K. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses, additional capital expenditures, or expenditures due to emergencies.
- L. To take appropriate legal action to collect any delinquent assessments, payments or amounts due from Unit Owners or from any person or persons owing money to the Association, and to levy a penalty, to charge interest on unpaid amounts due and owing, and to, if necessary, file a lien against the Unit to secure monies due and owing the Association.
- M. To defend in the name of the Association any and all lawsuits wherein the Association is a party defendant.
- N. To enter into contracts with third parties to carry out the duties herein set forth, for and on behalf of the Board and the Association.

O. To establish a bank account for the Association and to keep therein all funds of the Association. Withdrawal of monies from such accounts shall only be by checks signed by such persons as are authorized by the Board of Directors.

P. In general, to act for and carry on the administration and affairs of the Association as authorized and prescribed by the Declaration and to do all those things which are necessary and reasonable in order to carry out the governance and operation of the Association and the Condominium.

Q. To establish rules and regulations for administration of the Association and for conduct, behavior and use of the General Common Elements and Limited Common Elements.

R. To make repairs, alterations and improvements to the General Common Elements and Limited Common Elements consistent with managing the Association in a reasonable manner and in the best interest of the Unit Owners.

S. To arrange, keep, maintain and renew the insurance for the Association as set forth in the Declaration.

T. To carry out the duties and responsibilities of the Board in all other matters as may be authorized, needed or required by the Declaration, and the Act, as well as Gallatin County, Montana.

U. To allow Mortgagees to inspect Association and Board records.

8. COMPENSATION

No member of the Board of Directors shall receive any compensation for acting as such. Nothing herein, however, shall be construed to preclude compensation being paid to managers who are hired by the Board of Directors.

9. DIRECTOR AND OFFICER LIABILITY

Neither the directors nor officers of the Association shall be personally liable to the Owners or the Association for any mistake in judgment or for any other acts or omissions of any nature whatsoever while acting in the capacity of such directors or officers, except for any acts or omissions found by a court to constitute gross negligence or fraud. The Association shall indemnify and hold harmless the directors and officers, their heirs and legal representatives, against all contractual and other liabilities to third parties arising out of the contracts made by or other acts of the directors and officers on behalf of the Owners or the Association or arising out of their status as directors or officers, unless any such contract or act shall have been made fraudulently or with gross negligence. The foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, attorneys' fees, amounts of judgments paid and amounts paid in settlement) actually or reasonably incurred in connection with the defense of any claim, action, suit or

proceeding, whether civil, criminal, administrative or other, in which any such director or officer may be involved by virtue of being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to: (a) any matter as to which any such person shall have finally been adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of such person's duties as such director or officer, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for gross negligence or fraud in the performance of such person's duties as director or officer.

10. MANAGER

A Manager may be appointed and/or removed by the Board of Directors. The Manager handling Association funds or having power to withdraw or spend such funds shall be bonded, and shall maintain records of the financial affairs of the Association. Such records shall also detail all assessments made by all Unit Owners. All records shall be available for examination during normal business hours to any Unit Owner or such Owner's assigned representative. All of the functions and duties herein provided for the Manager may be performed by the Board, or any officer of the Association, if the Board should decide not to have a Manager.

- A. Funds: The receipts and expenditures of the Association shall be under the direction of the Manager and be classified as appropriate into Common Expenses and Limited Expenses and shall include a provision for:
 - 1. Operating Fund: Which shall include all receipts and expenditures to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserve or to betterment. The balance in this fund at the end of each year may be applied to reduce the assessments for current expenses for the succeeding year at the discretion of the Board.
 - 2. Reserve Fund for Deferred Maintenance and Replacement: Which shall include funds for maintenance items, repair or replacement required due to damage depreciation or obsolescence which occur less frequently than annually.
 - 3. Betterment Fund: Which shall include the funds to be used for capital expenditures for additional improvements or additional personal property, which shall be a part of the Common Elements.

- B. The Manager shall prepare and submit to the Board a budget, each calendar year, which must be approved then and adopted by the Board. The budget shall include the estimated funds required to defray the Common Expenses and Limited Expenses and to provide and maintain funds for the foregoing accounts according to good accounting practices. Copies of the budget and proposed assessments shall be

transmitted to each member on or before December 15, preceding the year for which the budget is made. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each member.

- C. A financial report of the accounts of the Association shall be made annually by an accountant, and a copy of the report shall be furnished to each Owner at the annual meeting.
- D. A Manager shall generally operate and manage the Association for and on behalf of the Unit Owners and shall have such other powers and authority as the Board may designate. If there is no Manager or if the Manager resigns, is terminated or such Manager's contract expires, the Board or an officer of the Association shall perform all the duties of the Manager.

11. AMENDMENT OF BYLAWS

These Bylaws may be amended (i) by the Board at any regular or special meeting of the Board by majority vote of the Board, or (ii) by the Association at any regular or special meeting of the Association upon a vote of over seventy-five percent (75%) of the aggregate Voting Interests in the Association. A copy of the proposed revision is included in the notice of such meeting. Once the amendment is adopted by a successful vote of either the Board or the Association, the Secretary shall as soon as practicable after adoption, prepare a copy of these Bylaws as amended for certification by the Chairman and Secretary of the Association. Such amended and certified Bylaws shall then be filed and recorded in the office of the Record Officer of Gallatin County, State of Montana. Bylaws as amended shall become effective at the time of such recording.

12. ASSESSMENTS

In accordance with the Ownership Interest in the General Common Elements as set forth in the Declaration, each Unit Owner shall be assessed for Common Expenses. Such assessments, and assessments for Limited Common Expenses shall be collected and paid according to the terms and under the procedures more particularly set forth in the Declaration. The amounts of assessments described above and any other assessments allowed by these Bylaws, the Declaration and the Montana Unit Ownership Act, shall be determined by the Board of Directors. Notice of each Owner's assessments shall be mailed to said Owner at such Owner's address of record.

13. FISCAL YEAR

The fiscal year of the Association shall commence on January 1 of each year and end on December 31 of each year.

14. MISCELLANEOUS

A. Costs and Attorneys' Fees: In any proceeding arising because of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceedings and such reasonable attorneys' fees as may be determined by the court.

B. No Waiver of Rights: The failure of the Association or of an Owner to enforce any right, provision, covenant or condition shall not constitute a waiver of the right of the Association or Owner to enforce such right, provision, covenant or condition in the future.

C. Election of Remedies: All rights, remedies and privileges granted to the Association or an Owner pursuant to any term, provision, covenant or condition of the Association documents shall be deemed cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by the Association documents or at law or in equity.

D. Surplus: Any surplus of Common Expense payment by Owners over the actual expenses (including the reserve for contingencies and replacements) during a fiscal year of the Association may be applied towards Common Expenses for the following year or shall be applied in any other manner which shall benefit the Association and which, on the basis United States Federal Income Tax Law, regulations and interpretations existing from time to time, in the sole discretion of the Board, is most likely to avoid taxation of such surplus, provided that such application is consistent with the proportional interest of all the Owners, and is not precluded by the terms of the Act, as amended from time to time.

15. ASSIGNMENT

No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease such Owner's Unit unless and until such person shall have paid in full to the Association all unpaid charges therefore assessed by the Board against such Owner's Unit and until such Owner shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

16. FORCE AND EFFECT

The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

17. THE DECLARATION

Shane Collins Construction, Inc., of P.O. Box 11090, Bozeman, MT 59719, have filed along with these Bylaws, a Declaration whereby the Property known as the Skyline Vista Condominiums are submitted and subject to the Montana Unit Ownership Act, as amended. The Declaration shall govern the act, powers, duties and responsibilities of the Association of Unit Owners and in the event these Bylaws and the Declaration are in conflict, the Declaration shall prevail.

The definition of terms set forth in the Declaration shall be applicable throughout these Bylaws and the interpretation thereof.

By virtue of these Bylaws and the Declaration, each Unit Owner has the right to membership in the Association of Unit Owners and any Unit Owner may, if elected by the membership, in good standing with the Association and otherwise permitted by the terms of said Declaration and Bylaws, be on the Board of Directors of the Association.

The Association and its Board of Directors shall have the primary and final authority on all matters solely affecting the Property, subject to the laws, rules and regulations of the Gallatin County, Montana.

Shane Collins Construction, Inc., as the owner of record of all of the Property and one hundred percent (100%) of the Voting Interests of the Skyline Vista Condominium Unit Owners' Association, Inc. as of the date hereof, appoints the following persons to serve on the Board of Directors until the first meeting of the Association, to-wit:

PRESIDENT: SHANE COLLINS

SECRETARY: LOWELL SPRINGER

TREASURER: LISA COLLINS

IN WITNESS WHEREOF, the Skyline Vista Condominium Unit Owners' Association, Inc. has adopted these Bylaws as of the date and year first written below.

[Signature pages are below.]

Skyline Vista Condominium Unit Owners' Association:

Date: _____

By: _____
Shane Collins, President

STATE OF MONTANA)
 : ss
County of Gallatin)

On this ____ day of _____, 2020, before me, a Notary Public for the State of Montana, personally appeared Shane Collins, known to me to be the President of Skyline Vista Condominium Unit Owners' Association, Inc., a Montana non-profit corporation, and acknowledged to me that he executed the same.

SEAL

Notary Public for the State of Montana

**Declarant:
Shane Collins Construction, Inc.:**

Dated: _____

By: _____
Shane Collins, President

STATE OF MONTANA)
 : ss
County of Gallatin)

On this ____ day of _____, 2020, before me, a Notary Public for the State of Montana, personally appeared Shane Collins, whose name is subscribed to the above instrument and acknowledged to me that he is the president of Shane Collins Construction, Inc., a Montana corporation, and executed the same.

SEAL

Notary Public for the State of Montana