

Preliminary

DECLARATION
OF
SANDPIPER CONDOMINIUMS

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CERTIFICATE OF NAME

The undersigned being the duly authorized agent of the Department of Revenue of the State of Montana with the County of Gallatin, herewith executes the following certificate relating to the Sandpiper Condominiums Declaration, Gallatin County, Montana, situated on the property described as follows:

Lot 1 Block 1 of the Plat of Cattail Creek Subdivision, Phase 1, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. (Plat Reference: J-340)

1. That the name Sandpiper Condominiums is not the same as, similar to or pronounced the same as any word in the name of any other property or subdivision within Gallatin County except for the word "Condominiums", and

2. All taxes and assessments due and payable for the land on which the Sandpiper Condominiums is situated and the improvements thereon have been paid to date.

No
Dated: ~~August~~ 8, 2006.

Nancy Fish (PVS)

County Assessor



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DECLARATION

OF

SANDPIPER CONDOMINIUMS

This Declaration is hereby made and entered into this 15th day of August 2006, by Stuart Mill Properties, LLC, 3309 Sundance Drive, Bozeman, Montana 59715, hereinafter referred to as the "Declarant" or, alternatively, as "Developer," whereby the lands and property hereinafter described are submitted and subject to the provisions of Title 70, Chapter 23 of the Montana Code Annotated, also known as the "Unit Ownership Act", as a condominium

The property subject to this Declaration shall be known as the Sandpiper Condominiums (The Condominium), (hereinafter referred to as the "condominium" or the "premises"). The location of Sandpiper Condominiums is _____ ~~Ecce Way~~ Warbler way Bozeman, Montana.

SECTION I. DEFINITIONS.

Unless the context expressly provides otherwise, the following definitions shall pertain throughout this Declaration and the interpretation thereof:

1.2 **"Association"** means the Sandpiper Condominiums Unit Owners Association, an association of all of the unit owners as a group and in accordance with this Declaration and duly adopted bylaws.

1.3 **"Board of Directors"** shall mean the Board of Directors of the Association, as more particularly defined in the Bylaws.

1.4 **"Building"** or **"Buildings"** shall mean a multiple-unit the building or buildings, respectively, comprising a part of the Condominium property.

1.5 **"Bylaws"** means the bylaws promulgated by the Association under this Declaration and the Unit Ownership Act.

1.6 **"Common Elements"** means both general common elements and limited common elements.

a. **General Common Elements** shall mean those common elements that are for the use of all unit owners and guests of unit owners of the Condominium. Without limiting the foregoing, the general common elements include grounds surrounding the



buildings; the land on which the buildings are located; paths, sidewalks, and walkways; any parking spaces not specifically allocated to a particular unit; any irrigation system placed on the property for landscape maintenance; any area designated for garbage disposal, any portions of the buildings designated on the floor plans as common to all units, electrical, gas, telephone, cable, water and sewer lines and connections serving all of the units; landscaping, plants and other materials and improvements separate from and outside of the buildings containing the units; and other elements necessary for the safety, maintenance and existence of the Condominium in which each Unit Owner shall have his or her designated percentage of interest, as set forth in SECTION IV below, and as described in the "Unit Ownership Act".

b. **Limited Common Elements** as used in this Declaration shall mean those common elements that are reserved for the use of fewer than all of the residents and guests of residents of the condominium. Unless only one unit uses a particular limited common element, the percentage of a separate unit's interest in the limited common elements shall be computed by determining the number of units that have use of the limited common elements and prorating the interest equally between the interested owners. For example, if two owners have an interest in a limited common element, each shall have an interest.

1.7 **"Common Expenses"** means expenses of administration, maintenance, repair or replacement of general common elements, expenses agreed upon by the Association of all Unit Owners, and expenses declared common by the Unit Ownership Act.

1.8 **"Declaration"** means this document and all parts attached hereto or incorporated by reference.

1.9 **"Limited" expenses** means the expenses attributable to the maintenance, repair and replacement of limited common elements, and are expenses only of the unit owner(s) having or sharing an interest in such limited common elements for which the expenses are accrued.

1.10 **"Manager"** means the manager, the board of directors, manager, management agent, or any other person or group of persons retained or appointed by the Association for the purpose of conducting the day-to-day operations of the condominium.

1.11 **"Property"** means the land, buildings, improvements and structures thereon and all easements, rights and appurtenances belonging thereto, which are herewith submitted to the Unit Ownership Act.

1.12 **"Unit"** means each separate condominium unit of the Condominium and is a parcel of real property including and containing one or more rooms occupying one or more floors or a part or parts thereof, intending for any type of independent use, and with a direct exit to a public street or highway or to a common area or areas leading to a public street or highway.

1.13 **“Unit designation”** means the combination of letters, numbers, or words that identifies the designated units.

1.14 **“Unit Owner”** means the person or persons owning a unit in fee simple absolute, or one who is a co-owner in any real estate relationship that is recognized under the laws of the State of Montana in one or more units of the Sandpiper Condominiums.

SECTION II. REAL ESTATE.

Description. The real property that is by this Declaration submitted and subject to the Montana Unit Ownership Act is described as follows:

Lot 1 Block 1 of the Plat of Cattail Creek Subdivision, Phase 1, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. (Plat Reference: J-340)

Condominium Units. The Condominium units will eventually consist of four (4) two story buildings, containing nine (9) separate units. One building shall have three units and three buildings shall have two units. The unit designations shall be by number 1-9. Each unit shall include a two-car garage. Each unit, together with the appurtenant undivided interest in the common elements of the Condominium, shall together comprise one condominium unit, shall be inseparable, and may be conveyed, leased, rented, devised or encumbered as a condominium unit.

Site and Floor Plans. The following exhibits are attached to this Declaration and by this reference are incorporated into and made a part of this Declaration:

- (a) Exhibit "A" showing the site plan of the Condominium and the location of the buildings containing the Condominium units on the property.
- (b) Exhibit "B" showing the floor plans and elevations for each of the units of the Condominium, the area of each, and the dimensions and the designation for each unit.

Construction Materials. The principal materials of construction of the units are concrete for the mono-slab foundations and footings, wood for the framing, structural and finish work, sheetrock, composite board, and plywood for the interior, carpet, wood, vinyl, or tile for the floors, concrete board or composite board siding for exterior wall surfaces, aluminum, wood, or composite wood soffits and fascia, and asphalt shingles for the roofs of the buildings.

Exclusion of Use. Any balcony or deck which is accessible from, associated with or joins a unit shall, without further reference thereto, be used in connection with such unit



or units to the exclusion of the use thereof by the owners of the other units, and limited and general commons elements except by invitation.

Encroachment. If any portion of the general common elements or limited common elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist. If any portion of a Unit encroaches upon the general common elements or limited common elements or upon an adjoining Unit or Units, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the general common elements, the limited common elements or on the Units for the purpose of marketability of title. In the event that the building or any portion thereof is destroyed and then rebuilt, the Owners of the Unit or Units agree that minor encroachments of parts of the general common or limited common elements because of such construction shall be permitted and that an easement for such encroachment and the maintenance and repair of the same shall exist.

Driveways: Parking Areas. The limited common elements include a parking area on the driveway in front of each garage for automobiles of the respective unit owners. These areas will be initially laid out by the Declarant and shall be assigned to each unit. The right to use the parking spaces on the driveway in front of the garage for each unit shall be an appurtenance to that unit. Subsequent use and assignment of parking spaces shall be pursuant to regulation of the Association; provided that no change in designation of parking spaces shall be made for the benefit of a unit owner which discriminates against another unit owner without the latter's consent.

Unit Boundaries. Each unit shall include the part of the building containing the unit that lies within the boundaries of the unit, which boundaries are as follows:

- (a) Upper and Lower Boundaries. The upper and lower boundaries of the unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:
 - (i) Upper Boundary-the plane of the lowest surfaces of the upper floor or ceiling joists for all units;
 - (ii) Lower Boundary-the plane of the highest surface of the floor joists.
- (b) Perimetrical Boundaries. The perimetrical (vertical) boundaries of the unit shall be the following boundaries extended to an intersection with the upper and lower boundaries:
 - (i) Exterior Building Walls. The plane defined by the centerpoints of the exterior walls bounding a unit shall be a perimetrical boundary of that unit.

- (ii) **Interior Building Walls.** The plane defined by the centerpoints of the interior walls bounding a unit, extended to an intersection with other perimetrical boundaries, shall be a perimetrical boundary of that unit. Where walls between units are of varying thicknesses, the plane of the boundary shall be the median line drawn between the two outermost boundaries of such wall.

- (c) **Apertures.** Where there are openings in any boundary, including without limitation windows, doors and skylights, the boundaries of the unit shall extend to the most exterior extrusion of the coverings of such openings, and the frameworks thereof. Therefore, windows, doors, screens and all framings, casings and hardware therefor, are included within the unit.

SECTION III. EASEMENTS, COMMON ELEMENTS.

Common Element Easements: A nonexclusive right of ingress and egress and support through the general or limited common elements within the buildings is appurtenant to each unit and all the general or limited common elements are subject to such rights.

Utility Easements—Reservation. Easements are reserved through the Condominium property as may be required for utility services, including heat, air conditioning, water, sewer, power, telephone, natural gas and cable television, in order to serve the Condominium adequately. However, such easements through the property or units shall be only according to the plans and specifications for the buildings, as set forth in the recorded plat, or as the building is constructed, unless approved in writing by the affected unit owner.

Easement for Inspection, Repair, etc. Each unit may have its air space penetrated by electrical wires and lines, gas lines, mechanical equipment including air handling ducts, hot and cold water lines, waste water lines and vents and other utility and mechanical lines, pipes or equipment. A non-exclusive easement shall exist through, over and across each unit for inspection, installation, maintenance, replacement and repair of such utility lines and mechanical equipment for the use of all of the unit owners or the unit owners being serviced by the air space being penetrated by such lines and/or equipment to a minimum, ingress and egress for the purpose of such inspection, installation, maintenance, replacement or repair of such easement rights shall only be done under the direction and approval and with the authority of the Association and/or the manager unless an emergency exists in which event any action may reasonably be taken which is justified under the circumstances to minimize damage which would otherwise occur as a consequence of such emergency.

Right of Access. The Association shall have the irrevocable right, to be exercised by the board of directors or manager, to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the limited common elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the general or limited common elements or to any other unit.



Ingress and Egress. A non-exclusive easement shall exist in favor of each unit owner and occupant, their respective guests, tenants, licensees and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portion of the common elements as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portion of the common elements as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways.

SECTION IV. OWNERSHIP AND VOTING.

Percentile Interest. Each Unit Owner shall be entitled to the exclusive ownership, use and possession of his unit. Additionally, each Unit Owner shall have a percentile undivided interest in the general common elements which shall also control his liability for common expenses and his voting interest in all matters within the province of the Association of Unit Owners and this Declaration. The percentage of interest for the respective owners shall be computed in the approximate relation that the value of the unit at the date of the Declaration bears to the then combined value of all of the units having an interest in such common elements, and such percentile interest as are listed below:

| Unit No. | Square Footage | Percentage of Interest in General Common Elements |
|----------|-------------------------|---|
| 1-9 | 1532 1517 | 11.11111% |

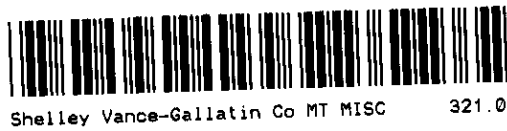
Use. The Condominium units shall be used for residential purposes only, except that an owner or occupant may use a portion of a unit for an office or studio, provided that such uses do not (i) interfere with the quiet enjoyment of any other owner or occupant, (ii) involve customers or clients coming into the Condominium, (iii) require the storage of equipment, products, or materials in the unit. and (iv) do not violate the provisions of any applicable laws, regulations or covenants affecting the Condominium property. Notwithstanding the foregoing, nothing shall prohibit a unit owner from leasing or renting such owner's unit to third persons or holding it out for lease or rental, or entering into an agreement or contract with others for the lease or rental of the unit for residential use. However, no unit may be leased for transient or hotel purposes, which shall be defined as rental for any period less than thirty (30) days, or any rental if the units occupants are provided customary hotel services, such as room service for food and beverage, maid service, laundry, and linen service or the like. The units and common elements shall be limited as follows:

- (a) There shall be no obstruction of the common elements nor shall anything be stored in or on the general common elements without the prior written consent of the association. Storage within or upon the general common elements shall not constitute a hazard to any unit or obstruct any easement for utility service, shall not violate any applicable law, regulation, or fire



code, and shall not result in cancellation or rate increase of association insurance.

- (b) Nothing shall be done or kept in any unit or in the common elements that will increase the rate of insurance on the building or contents thereof, without the prior written consent of the Association. No owner shall permit anything to be done or kept in the owner's unit or in the common elements which will result in the cancellation of insurance on the building, or contents thereof, or which would be in violation of any law. No waste will be permitted on the common elements.
- (c) Unit owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of a building, and no sign, awning, canopy, shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior written consent of the Association. Seasonal decorations that are promptly removed after the season and reasonable nameplates or identification signs for individual units may be allowed. No basketball hoops or other permanent attachments may be made to the exterior of any unit. No other fixtures or attachments shall be permitted on the general or limited common elements.
- (d) No radio or television antennas, except for satellite dishes as provided below, shall be placed on the buildings or upon any portion of the common elements. Television satellite dishes may be installed, provided that they are no greater than 18" in overall size and installed in locations that are pre-approved by the association.
- (e) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to unit owners or which interferes with the peaceful possession and proper use of the property by its residents. No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.
- (f) Unit owners and occupants shall comply in all respects with the requirements of the Cattail Creek Subdivision-Phase I Declaration of Covenants and Restrictions filed August 20, 2002, in the office of the Clerk and Recorder, Gallatin County, Montana, under Document No. 2078633 and any subsequent amendments.
- (g) No unit or driveway shall be used for the storage of any inoperable vehicle, machinery or equipment, or other personal property of any quantity in excess of the immediate needs and personal use of the owner or occupants of a unit. All equipment and vehicles kept on the property, including recreational vehicles, campers, trailers, motor homes, boats, and all other



recreational equipment, shall be enclosed in the garage. No one shall reside in such recreational vehicles, motor homes, campers, trailers or other recreational equipment stored on the property.

- (h) Nothing shall be done in any unit or in, on, or to the common elements which will impair the structural integrity of a building or which would structurally change a building, except as is otherwise provided in this Declaration.
- (i) No animals of any kind shall be raised, bred, or kept in any unit, except that dogs, cats, and other ordinary, household pets may be kept subject to rules and regulations from time to time adopted by the Association. All pets shall be subject to all applicable animal control laws and ordinances, including leash laws. Pet owners shall immediately clean up after their pet on Condominium property. No kennels, tethers, exercise pens or the like shall be permitted in any unit or common element.
- (j) Nothing shall be altered or constructed in or removed from the common elements, except upon the prior written consent of the Association.
- (k) Any owner wishing to construct a fence around his or her unit, regardless of whether such fence will encroach upon the common elements, shall submit plans for the fence to the Board, showing sufficient detail to adequately apprise the Board as to the design and materials contemplated, the proposed date for commencement of construction and the anticipated date of completion. In the event that an owner wishes to encroach upon the common elements, the Board may also require assurances that the common elements will not be subject to a construction lien.
- (l) Use by the Owners of the units in the Sandpiper Condominiums shall at all times be in compliance with all of the ordinances of the City of Bozeman, and the laws of the State of Montana. Such compliance shall also include and extend to any repair, remodeling or refurbishing of the units.
- (m) Although each Unit Owner shall have the exclusive use of the limited common elements next to such Owner's unit, such Owner may not use or occupy such area in a manner that adversely affects the value of the remaining units nor the use and enjoyment of such other Owners of their limited common elements.

SECTION V. THE ASSOCIATION.

Membership. An owner of a unit in Sandpiper Condominiums shall automatically upon becoming the owner of said unit, be a member of Sandpiper Condominiums Unit Owners Association, hereinafter referred to as the Association, and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his



membership in said Association shall automatically cease. The membership shall be limited to Unit Owners as defined in this Declaration.

Function. There shall be formed and Association of Unit Owners. Membership shall be limited to owners as defined in this Declaration. It shall be the function of the Association to:

- a) Adopt Bylaws of the governance of the Association.
- b) Make provision for the general management of the condominium.
- c) Levy assessments as provided for in this Declaration, the Bylaws and the Unit Ownership Act of Montana.
- d) Adopt and implement a policy for the affairs of the condominium.
- e) Enter into contracts or hire personnel for the management of the affairs of the Association and the maintenance and repair of the common areas.

Vote. Unless a Condominium unit's vote is expressly excluded in a particular matter by this Declaration, each of the nine (9) units of the Condominium shall have one (1) vote on all matters to be decided by the Association. If more than one person or an entity owns a unit, such persons or entity shall appoint a representative to cast the vote for that unit. Except as otherwise provided in the Unit Ownership Act, this Declaration, or the bylaws, a majority of the votes present at any meeting or by proxy shall be sufficient to act on matters brought before the Association. Meetings of the Association shall only be conducted when a quorum is present, as defined in the Association bylaws. Declarant shall retain one vote for each unit owned by the Declarant, regardless of whether or not such unit has been constructed or completed. Meetings of the Association shall only be conducted when a quorum is present, as defined in the Association Bylaws. A quorum shall consist of 50% of the unit owners.

Failure to Comply. Each owner shall comply strictly with the provisions of this Declaration, the Bylaws or the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may lawfully be amended from time to time. Failure to comply with any of the same shall be grounds for and action to recover sums due, for damages or injunctive relief or both, and for reimbursement to all attorneys' fees incurred in connection therewith, which action shall be maintainable by the manger in the name of the Association, on behalf of the owner, or in the proper case, by an aggrieved owner.

Levying Assessments. The Association of Unit Owners shall levy assessments upon the Unit Owners in the following manner and for the following reasons:

- a) Assessments shall be made as a part of the regular business of the Association at any regular or special meeting thereof. Notice of the assessment, the amount thereof, and the purpose for which it is made, including an annual budget for expenditures and



operation, shall be served upon all Unit Owners affected by mailing a copy of the notice to said owners at their address of record, at least ten (10) days prior to the date of such meeting.

b) Assessments shall be made for the repair, replacement and general maintenance, management and administration of general common elements, fees, costs and expenses of the manager, taxes for common elements, and for the unit Owner's percentage share of any special improvement district assessments. Assessments shall be based upon and computed by using the percentile interest that each Unit Owner has in the general common elements.

c) Assessments may also be made for the payment of limited expenses such that the Unit Owners are chargeable only for the expenses relating to their respective units in accordance with the percentile interest a unit associated with such limited common elements bears to the combined percentile interest of the other unit or units sharing or having an interest in the limited common elements concerned. If only one unit is associated with the limited common elements involved, then the entire cost of such repair, maintenance or replacement shall be borne by that unit.

d) Assessments may also be made for any purpose contemplated by this Declaration and for any purpose set out in the Unit Ownership Act of Montana.

e) Common expenses and profits, if any, of Sandpiper Condominiums shall be distributed among and charged to the Unit Owners according to the percentile interest that each Unit Owner has in the general common elements.

f) In a voluntary conveyance of a unit the grantee of the unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the manager or Board of Directors of the Association, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association and such grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.

g) At the time the Association holds its first meeting a reserve account shall be set up to which initial assessments shall then be deposited and which assessment shall be a sum that is equal to two times the monthly assessment fee for that year multiplied by the number of units in the condominium project. Said amount shall be divided equally among all Unit Owners. If the Declarant still holds title to one or more units he shall pay the amount assessed against each and every unit so owned.

Payment of Assessments. All assessments shall be due thirty (30) days from the date of mailing of such assessment following the meeting at which time assessments are levied



by the Association and may be payable in one annual payment or in quarterly installments, at the option of the owner. The amount of the common expenses assessed against such condominium shall be the personal and individual debt of the owner thereof. No owner may exempt himself from liability for his contribution toward the common expenses and the limited expenses by waiver of the use or enjoyment of any of the general common elements or limited common elements or by abandonment of his unit. All assessments that are not paid within fifteen (15) days from the date they are due and payable become delinquent and are subject to interest and penalty charges. The manager shall have the responsibility of taking prompt action to collect any unpaid assessment that becomes delinquent. In the event of delinquency in the payment of the assessment, the Unit Owner shall be obligated to pay interest at the then current legal rate of interest per annum on the amount of the assessment from due date thereof, together with all expenses, including attorneys' fees incurred, together with such late charges as provided by the Bylaws of the Association. Suit to recover a money judgment for unpaid common expenses and limited expenses shall be maintainable without foreclosing or waiving the lien securing the same.

Unpaid Assessments - Liens. All sums assessed but unpaid for the share of common expenses and limited expenses chargeable to any condominium unit shall constitute a lien on such unit superior to all other liens and encumbrances, except only for tax and special assessment liens on the unit in favor of any assessing authority, and all sums unpaid on a first mortgage or a first trust indenture of record, including all unpaid obligatory sums as may be provided by such encumbrance. To evidence such lien, the manager shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of the accrued interest and late charges thereon, the name of the owner of the condominium unit and a description of the condominium unit. Such notice shall be signed and verified by one of the officers of the Association or by the manger, or his authorized agent, and shall be recorded in the office of the Clerk and Recorder of Gallatin County, State of Montana. However, the manager will first serve a copy of said notice of lien on the owner of the unit by personal service on each owner or mail a copy of the notice of lien by certified or registered mail with return receipt requested to each owner's last known address and file a certification to that effect with the Clerk and Recorder of Gallatin County, Montana. Such lien shall attach from the date of recording of such notice. Such lien may be enforced by the foreclosure of the defaulting owner's condominium unit by the Association in like manner as a mortgage on real property upon the recording of a notice or claim thereof. In any such proceedings the owner may be required to pay the costs, expenses and attorneys' fees incurred for filing a lien and in the event of foreclosure proceedings, additional costs, all expenses and reasonable attorneys' fees incurred.

Unpaid Assessment – Mortgagee. Where the mortgagee of a first mortgage of record or other purchaser of a unit obtains title to the unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessments by the Association chargeable to such unit which became due prior to the acquisition of title to such unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common



expenses collectible from all of the units including such acquirer, his successors and assigns.

Foreclosure. The Association shall have the power to bid on the unit at a foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same. Any lienholder holding a lien on a unit may pay, but shall not be required to pay, any unpaid general common expenses or limited common expenses payable with respect to any such unit, and upon such payment such lienholder shall have a lien on said unit for the amounts paid of the same priority as the lien of the lienholder's encumbrance without the necessity of having to file a notice or claim of such lien.

SECTION VI. DECLARANT'S RIGHT TO CHANGE.

1. Declarant reserves the right to change the interior design and arrangement of all units and alter the boundaries between units, so long as Declarant owns the units so altered. No such change shall alter the boundary of the general common elements without an amendment to this Declaration. Until seventy-five percent (75%) of the units have been built and sold, Declarant reserves the right to establish easements, reservations, exceptions and exclusions on undeveloped common elements consistent with the condominium ownership project.

2. Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration or the bylaws of the Association, Declarant reserves the right to exercise the rights, duties and functions of the board of directors of the Association until seventy-five percent (75%) of the condominium units have been sold. During the period of development and sale of the remaining condominium units, the monthly assessment for common expenses shall be based upon the estimate of the actual cost thereof, excluding therefrom any estimated amount for contingencies, reserves or sinking funds, and Declarant shall pay Declarant's pro rata share thereof only for those condominium units which have been completed. During the period when fewer than all of the units have been erected, the common expenses shall be allocated among the owners of existing, completed units, and during such period Declarant shall pay the real estate taxes and assessments on that part of the land described in SECTION II that remains undeveloped but on which condominium units will be subsequently constructed.

SECTION VII. AMENDMENT.

Amendment to this Declaration shall be made in the following manner:

At any regular or special meeting of the Association of Unit Owners, such amendment may be proposed as a resolution by any Unit Owner. Upon adoption of the resolution by majority vote of those present at the meeting or by proxy the amendment shall be made a subject for consideration at the next succeeding meeting of the Association with notice thereof, together with a copy of the amendment to be furnished to each owner no later than thirty (30) days in advance of such meeting. At such meeting



the amendment shall be approved by receiving the favorable vote of seventy-five percent (75%) of the total percentile vote of all the Unit Owners. If so approved, it shall be their responsibility of the manager to file the amendment with the recording officer of Gallatin County and the County Assessor. The amendment shall become effective upon being filed with the recording officer. Each Unit Owner shall be sent a copy of the recorded amendment. Notwithstanding anything stated above, Declarant reserves the right to set the boundaries of the units of all subsequent buildings by filing an amendment hereto without the requirement of holding a meeting or receiving a vote of any other Unit Owner.

SECTION VIII. REMODELING, ALTERATIONS AND MAINTENANCE.

Interior Remodeling: Each Unit Owner shall have the exclusive right to paint, repaint, tile, wax, paper, panel, carpet, brick or otherwise maintain, refinish and decorate the inner surfaces of the walls, ceilings, floors, windows, and doors bounding his own unit, and the interior thereof, so long as such owner does not affect the structural integrity of the building.

Alterations by Unit Owners. The interior plan of a unit may be changed by its owner and the boundaries between units may be changed only by the owners of the units affected. An owner shall do no act nor any work that will impair the structural soundness or integrity of the buildings or impair any easement. No units may be subdivided. The right of each owner to repair, alter and remodel is coupled with the obligation to replace any finishing or other materials removed with similar or other types or kinds of materials. All glass replacement shall be with similar quality, shade and design. No act or alteration, repairing or remodeling by any Unit Owner shall impair in any way the integrity of the units of adjoining owners or the integrity of limited common elements or general common elements. No change in the boundaries of units shall encroach upon the boundaries of the common elements. Boundary walls must be equal in quality of design and construction to the existing boundary walls. A change in the boundaries between units shall be set forth in an amendment of this Declaration. In addition to compliance with the provisions of SECTION VII above, such amendment must further set forth and contain plans of the units concerned showing the units after the change of boundaries, which plans shall be by an architect licensed to practice in Montana, and attached to the amendment as exhibits, together with the certificate of an architect or engineer required by the Unit Ownership Act. Such an amendment shall be signed and acknowledged by the owners of such units concerned and also approved by the Board of Directors of the Association and signed and acknowledged by all lienors and mortgagees of the units concerned.

Maintenance by Unit Owners. An owner shall maintain and keep in repair the interior of his own unit, including the fixtures thereof. All fixtures and equipment installed in the unit commencing at a point where the utilities enter the unit shall be maintained and kept in repair by the owner thereof. An owner shall also keep any balcony, entrance or deck area appurtenant to this unit in a clean and sanitary condition.



Liens for Alterations. Labor performed or materials furnished and incorporated into a unit with the consent or at the request of the Unit Owner, his agent, his contractor or subcontractor shall be the basis for the filing of a lien against the units of the Unit Owner consenting to or requesting the same. Each owner shall indemnify and hold harmless each of the other owners from and against all liability arising from the claim of any lien against the unit or any other owner or against the general common elements, or limited common elements for construction performed or for labor, materials, services or other products incorporated into the owner's unit at such owner's request.

Exterior Alterations. No owner may change, alter or remodel the exterior of his unit without the prior written consent of the Association.

SECTION IX. INSURANCE.

Purchase. All insurance policies upon the condominium property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Montana.

a) Name Insured - The name insured shall be the Association individually and as agent for the Unit Owners without naming them. Such policies shall provide that payments for losses thereunder by the insurer shall be paid to the insurance trustee hereinafter designated, and all policies and endorsements thereon shall be deposited with the insurance trustee. Unit Owners may obtain insurance coverage, at their own expense, upon their own personal property and for their personal liability and living expense.

b) Copies to Mortgagees - One copy of each insurance policy and of all endorsements thereon shall be furnished by the Association to each mortgagee of a Unit Owner on request.

Coverage

(a) Casualty. All buildings and improvements upon the land shall be insured in an amount equal to the full insurable replacement value, and all personal property included in the common elements shall be fully insured, with all such insurance to be based on current replacement value, as determined annually by the board of directors. Such coverage shall afford protection against:

(i) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

(ii) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the building on the land, including but not limited to vandalism and malicious mischief.



The policies shall state whether heating, ventilation, air conditioning, other service equipment, interior fixtures and carpets are included within the coverage in order that unit owners may insure themselves if the items are not insured by the Association. Each unit owner shall be responsible for insuring personal property located within such owner's unit. Each unit owner shall also be responsible for insuring ceiling, floor and wall coverings, electrical fixtures, appliances, air conditioning and heating equipment, water heaters, built-in cabinets, and other improvements to the extent these items are located within the unit boundaries and are not covered by the Association policy.

- (b) Liability Insurance. The Association shall obtain and maintain public liability insurance covering all of the common elements and Association property and insuring the Association and the unit owners as their interest may appear in such amount and with such coverages and endorsements as the board of directors may deem appropriate. The board of directors shall have authority to compromise and settle all claims against the Association or upon insurance policies held by the Association. The unit owners shall have no personal liability upon such claims, except as may be otherwise provided by law, and nothing herein contained shall in any way be construed as imposing upon the Association a duty to assess unit owners for the purpose of raising sufficient funds to discharge any liability in excess of insurance coverage. Each unit owner will be responsible for procuring and maintaining liability insurance covering losses that may occur in and about the owner's unit, as the owner may deem appropriate.
- (c) Worker's Compensation. The Association shall obtain and maintain such worker's compensation coverage as may be required by law.
- (d) Other Insurance. The Association may obtain and maintain such other insurance as the board of directors may from time to time deem to be necessary or as may be required by applicable law, including but not limited to errors and omissions insurance for officers, directors, and managers, flood insurance, and insurance for the benefit of Association employees.

Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association as a common expense, except that the amount of increase in the premium occasioned by use, misuse, occupancy, or abandonment of the unit or its appurtenances or of the common elements by a Unit Owner shall be assessed against the owner. Not less than ten (10) days prior to the date when a premium is due, evidence of such payment shall be furnished by the Association to each mortgagee listed in the roster of mortgagees.

Insurance Trustee. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to such bank in Montana with trust powers as may be designated as insurance trustee by the



Board of Directors of the Association, which trustee is herein referred to as the insurance trustee. The insurance trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the insurance trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated in this instrument and for the benefit of the Unit Owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the insurance trustee:

a) Unit Owners - An undivided share for each Unit Owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

b) Mortgagees - In the event a mortgagee endorsement has been issued as to a unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions thereof made to the Unit Owner and mortgagee pursuant to the provision of this Declaration.

Distribution of Proceeds. Proceeds of insurance policies received by the insurance trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

a) Miscellaneous Expenses - Miscellaneous expenses of administration, insurance trustee and construction or remodeling supervision shall be considered as part of the cost of reconstruction or repair.

b) Reconstruction or Repair - If the damage for which the proceeds are paid is to be repaired or reconstructed by the Association, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to the Unit Owners and their mortgagees being payable jointly to them.

c) Failure to Reconstruct or Repair - If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them.

d) Certificate - In making distribution to Unit Owners and their mortgagees, the insurance trustee may rely upon a certificate of the Association made by its representative or manager as to the names of the Unit Owners and their respective shares of the distribution.

Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a suit and for each owner of



any other interest in the condominium prepay to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

Benefit to Mortgagees. Certain provisions in this paragraph entitled "insurance" are for the benefit of mortgagees of condominium parcels, and all of such provisions are covenants for the benefit of any mortgagee of a unit any be enforced by such mortgagee.

SECTION X. RECONSTRUCTION AFTER CASUALTY.

Repair After Casualty. If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired, shall be determined in the following manner:

- a) Lesser Damage - If a unit or units are found by the Board of Directors of the Association to be tenantable after the casualty, the damaged property shall be repaired.
- b) If a unit or units are found by the Board of Directors to be not tenantable after the casualty, the damaged property will reconstructed or rebuilt.
- c) Certificate - The insurance trustee may rely upon a certificate from the Association made by its president and secretary to determine whether or not the damaged property is to be reconstructed or repaired.

Plans and Specifications. Any reconstruction or repair must tie substantially in accordance with the plans and specifications for the original improvements or if not, then according to plans and specifications approved by the Board of Directors of the Association and by more than seventy- five percent (75%) of the Unit Owners, including the owners of all units the plans for which are to be altered. Any such reconstruction not in accordance with the original plans and specifications must be set forth in an amendment to this Declaration, which amendment shall be prepared and filed of record in accordance the provisions of such amended filing, more particularly set forth in paragraph VII hereinabove.

Responsibility. The responsibility for reconstruction or repair after casualty shall be the same as for maintenance and repair in the condominium property.

Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair for which the Association is responsible, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such cost. Such assessments shall be in proportion to the owner's percentile interest.

Construction Funds. The funds for payment of costs of reconstruction or repair after casualty, which shall consist of proceeds of insurance held by the insurance trustee and



funds collected by the Association from assessments against Unit Owners, shall be disbursed in the sound discretion of the trustee and according to the contract of reconstruction or repair, which contract must have the approval of the Board and the Unit Owners involved.

Surplus. It shall be presumed that the first monies disbursed in payment of costs or reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which this fund is established shall be paid to the Association for the use and benefit of the Unit Owners.

SECTION XI. REMOVAL OR PARTITION – SUBDIVISION.

Sandpiper Condominiums may only be removed from condominium ownership and may only be partitioned or sold upon compliance with each of hereof:

a) The Board of Directors of the Association must approve the plans of removal, partition or sale, including the details of how any partition or sale and the distribution of the property or funds shall be accomplished.

b) The plan of removal, partition or sale must be approved as provided in the Montana Unit Ownership Act. If approval for removal, partition, or sale is not required by the Unit Ownership Act, then approval shall be evidenced by the affirmative vote of at least seventy-five percent (75%) of the votes attributable to all Condominium units. Upon obtaining such approval. the board of directors shall be empowered to implement and carry out the plan of removal. partition, or sale.

c) No unit may be divided or subdivided into a smaller unit, nor any portion thereof sold or otherwise transferred, except as provided above.

d) This section shall not apply to the sale of individual condominium units and shall not be considered as a right of first refusal.

e) The common elements of SANDPIPER Condominiums shall not be abandoned, partitioned, subdivided, encumbered, sold or transferred without compliance with all of the above requirements.

SECTION XII. INTERPRETATION.

The provisions of the Declaration and of the Bylaws to be promulgated and recorded herewith, shall be liberally construed to effectuate the purposes of the said Declaration and Bylaws and to create a building or buildings subject to and under the provisions of the Unit Ownership Act.



SECTION XIII. REMEDIES.

All remedies provided for in the said Declaration and are exclusive of any other remedies which may now be or are hereafter available to the parties hereto as provided for by law.

SECTION XIV. SEVERABILITY.

The provisions hereby shall be deemed independent, severable and the invalidity or unenforceability of any one or more provisions shall not effect the validity or enforceability of any other provision hereof.

SECTION XV. MISCELLANEOUS.

Service of Process. The name of the person to receive service of process for Sandpiper Condominiums until other designation is filed of record shall be Todd Hough, 3309 Sundance Drive, Bozeman, MT 59715.

Irrevocable Right. The Association shall have the irrevocable right, to be exercised by the manager, to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of the limited common elements therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the general or limited common elements or to another unit. Damage to the interior or any part of the unit resulting from the maintenance, repair, emergency repair or replacement of any of the general or limited common elements or as result of any emergency repair within another unit at the instance of the Association, shall be designated either limited or common expenses by the Association and assessed in accordance with said designation.

Expenditures. No expenditures or debts in excess of \$1,000.00 may be made or incurred by the Association or manager without the prior approval of seventy-five (75%) of the Unit Owners, according to percentile interest.

Benefit. Except as otherwise provided herein, this Declaration shall be binding upon and shall inure to the benefit of the Declarant, the Association and each Unit Owner and the heirs, personal representatives, successors and assigns of each.

Disclaimer. Except as expressly provided in this Declaration, the bylaws, or in agreements or instruments pertaining to conveyance of the units, Declarant does not intend by this Declaration to make, and hereby expressly negates and disclaims, any warranties and representations regarding the value, nature, quality, physical condition, suitability, compliance with laws, or any other aspect of the Condominium property or the units. Estimates of common expenses made by Declarant are reasonably believed to be accurate at the time they are made, but Declarant makes no warranty or representation that such estimates are either correct or may be relied upon by any person



Captions. The captions, titles and section headings throughout this Declaration are for convenience and reference only and shall not be deemed or held to explain, modify, amplify or aid in the interpretation, construction or meaning or the provisions of this Declaration , nor to define, limit or describe the scope or intent of a particular section.

Nondiscrimination. There shall be no limitation upon sale, lease or occupancy of any unit based upon race, creed, color, sex, religion, national origin, handicap, or familial status. The Association may make reasonable accommodations, including reasonable waiver of the covenants and restrictions of this Declaration, when necessary to afford handicapped individuals the opportunity to enjoy the Condominium property.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be made and executed according to the provisions of the Unit Ownership Act, Section 70, Chapter 23, Montana Code Annotated.

Stuart Mill Properties, LLC

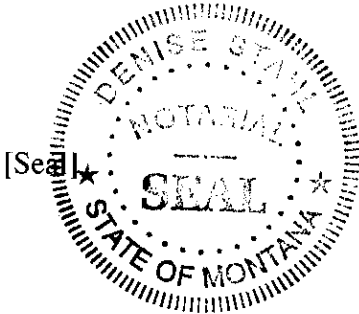
By: [Signature]
Todd Hough, Member

STATE OF MONTANA)
 : ss.
County of Gallatin)

This instrument was acknowledged before me on ~~August~~ ^{November} 8th, 2006, by Todd Hough as a Member of Stuart Mill Properties, LLC, a Montana limited liability company.

[Signature]
Denise Stahl
[printed name]

NOTARY PUBLIC for the State of Montana
RESIDING AT Bozeman, Montana
My Commission Expires August 24, 2008



Denise Stahl
Notary Public for the State of Montana
Residing at Bozeman, Montana
My Commission Expires August 24, 2008

SITE PLAN 3/32" = 1'

Open Space requirement = 1350 sq.ft.

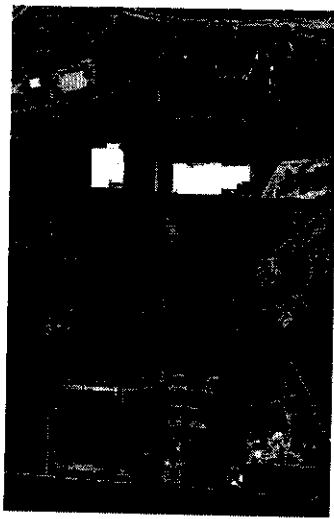
Open Area Calculations

A 19'x31'8"
 B 19'x31'8"
 C 19'x31'8"
 D 19'x31'8"
 E 15'x25'
 A+B+C+D+E=2781sq.ft.

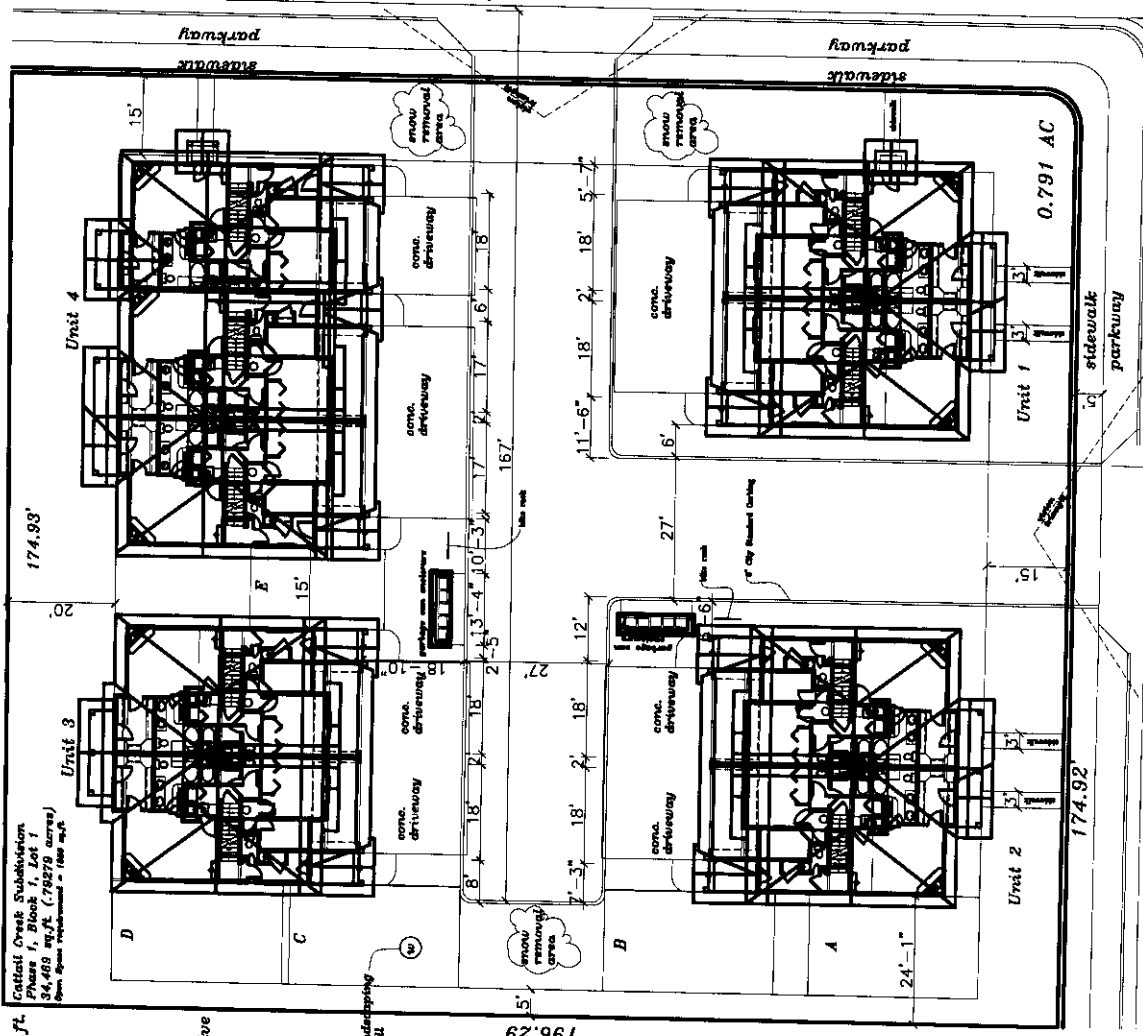
Open Area Calculations Alternative

A 19'x31'8"
 C 19'x31'8"
 E 15'x25'
 A+C+E=1578sq.ft.

VICINITY MAP



All Engineering Data
 provided by C&H
 Engineering



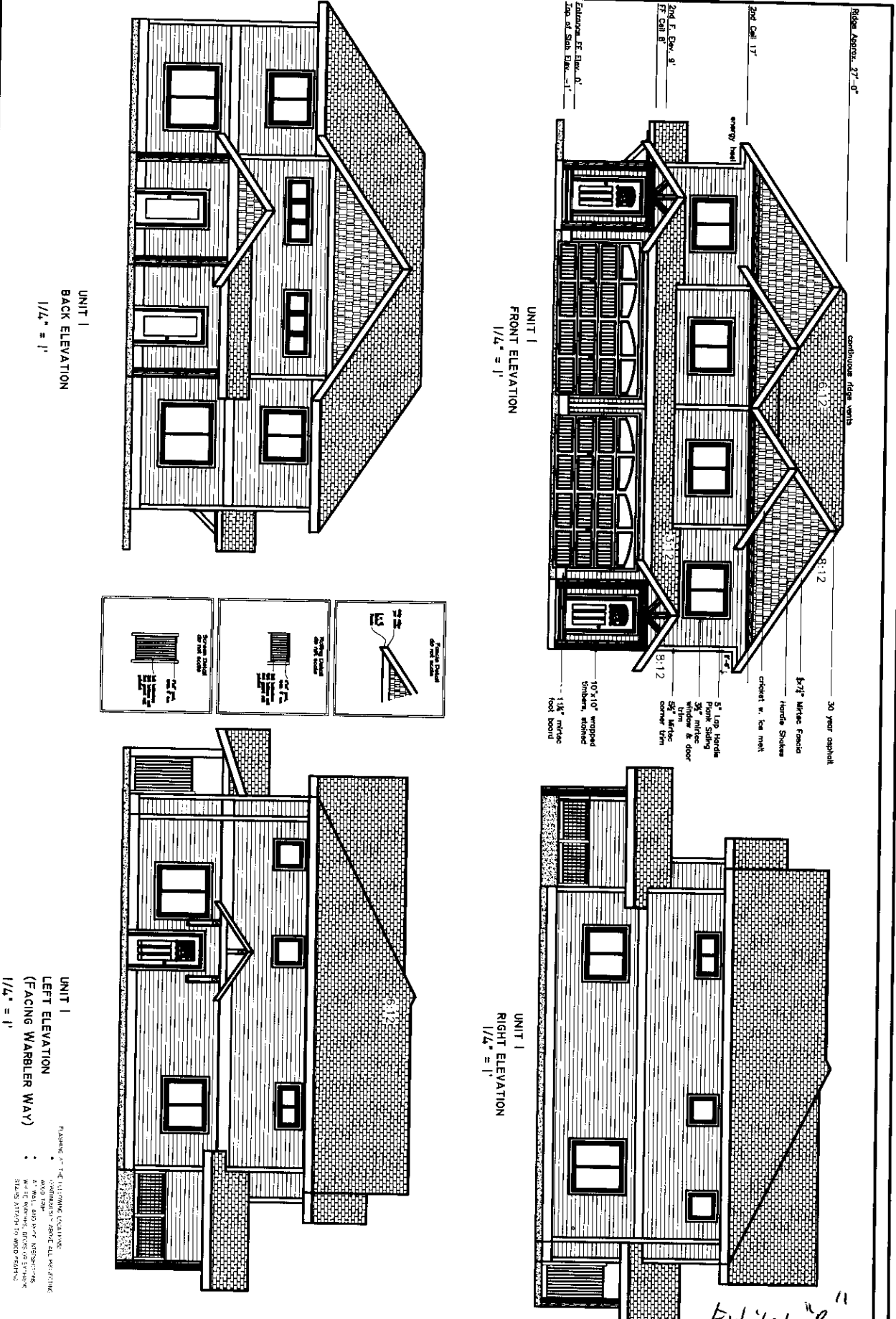
Project No. 006-0706-1
 Project Name: SANDPiper
 Client: CATRON STREET
 Address: CATRON STREET, BOZEMAN MONTANA
 Project No. 006-0706-1
 Project Name: SANDPiper
 Client: CATRON STREET
 Address: CATRON STREET, BOZEMAN MONTANA
 Scale: 1/8" = 1'
 Date: 11/13/2006
 Drawn by: [Name]
 Checked by: [Name]
 Title: [Title]
 IMPACT DRAFTING & DESIGN, INC.
 1100 UNIVERSITY DR.
 BOZEMAN, MONTANA 59717
 406-522-2882
 www.impactdrafting.com

This plan drawn in accordance with the International Building Code* General Contractor is expressly responsible for code adherence

Shelley Vance-Gallatin Co MT MISC 321.00
 2247943
 Page: 25 of 43
 11/13/2006 12:58P



Shelley Vance-Gallatin Co MT MISC 321.00

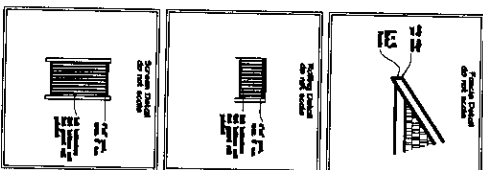


UNIT 1
 LEFT ELEVATION
 (FACING WARBLER WAY)
 1/4" = 1"

UNIT 1
 BACK ELEVATION
 1/4" = 1"

UNIT 1
 RIGHT ELEVATION
 1/4" = 1"

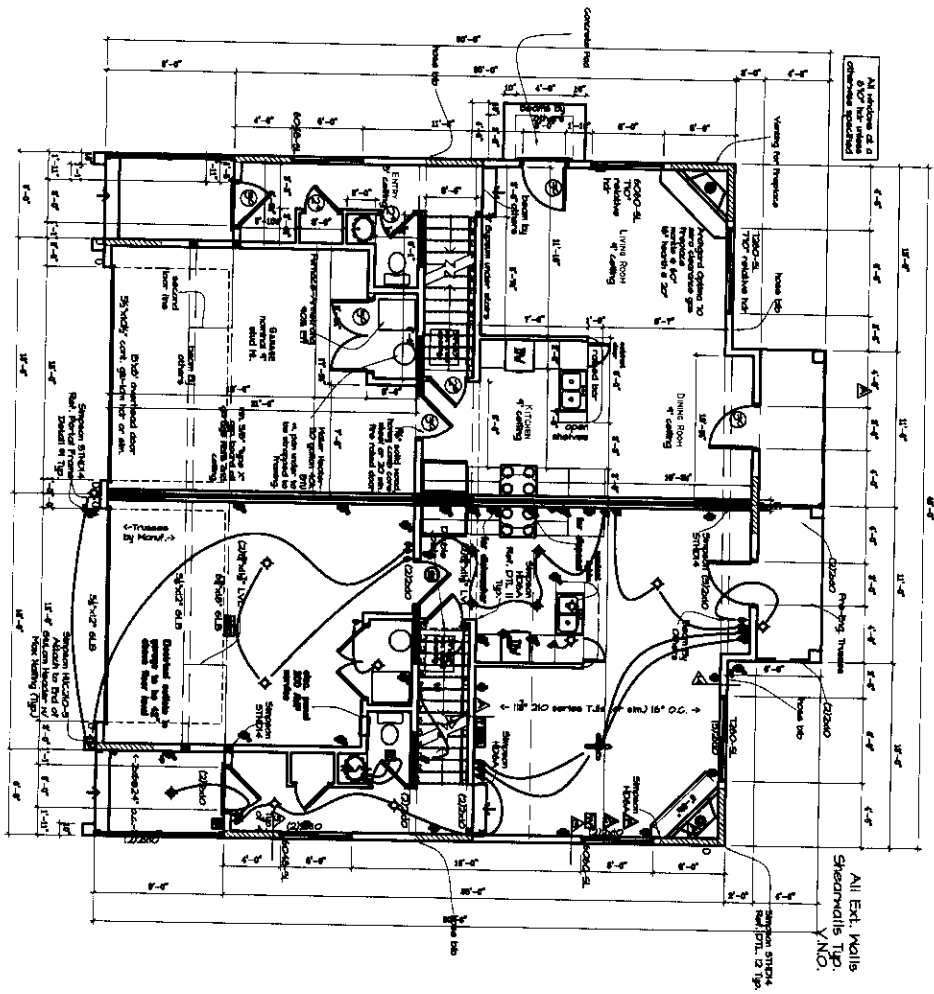
UNIT 1
 FRONT ELEVATION
 1/4" = 1"



FINISHING OF THE FOLLOWING CONDITIONS:
 • CONTRACTOR SHALL VERIFY ALL MATERIALS AND WORKMANSHIP BEFORE ALL WORK BEGINS.
 • ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE MONTANA BUILDING CODE AND ALL APPLICABLE LOCAL ORDINANCES.
 • STAIRS ATTACH TO WOOD FRAMING.

| | | | | |
|--|--|--|--|---|
| 2 10 SHEET NO. 26 OF 43 11/13/2006 12:58P | CATRON STREET SANDPIPER CATTAIL CREEK SUBDIVISION, PHASE I, BLOCK 1, LOT 1 BOZMAN, MONTANA | Project No. B06-0706-1 Scale: 1/4" = 1" | GENERAL CONTRACTOR: STUART HILL PROPERTIES, LLC TODD HOUGH phone n: mobile n: 406-591-1902 fax n: 406-591-0470 1020 1/2 Street, Bozeman, MT 59717 CATRON, MT 59717 | IMPACT DRAFTING & DESIGN, INC. Professional Center 105 Riverdale Dr. Bozeman, MT 59710 406-527-5863 www.impactdrafting.com info@impactdrafting.com |
|--|--|--|--|---|

Exhibit "B"



THIS PROJECT DESIGNED W. PANEL METHOD

2247943
Page: 27 of 43
11/13/2006 12:58P

Shelley Vance-Gallatin Co MT MISC 321.00

REVISIONS

| NO. | DATE | DESCRIPTION |
|-----|----------|---------------------------------|
| 1 | 11/13/06 | ISSUED FOR PERMIT |
| 2 | 11/13/06 | REVISIONS TO ELECTRICAL SYMBOLS |
| 3 | 11/13/06 | REVISIONS TO DIMENSIONS |
| 4 | 11/13/06 | REVISIONS TO ROOM SCHEDULES |

GENERAL NOTES

- SEE ELECTRICAL SYMBOLS FOR EQUIPMENT SCHEDULES.
- ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE.
- ALL ELECTRICAL WORK SHALL BE INSTALLED IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE.
- ALL ELECTRICAL WORK SHALL BE INSTALLED IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE.

UNIT 1

FIRST FLOOR = 629 SQ. FT.
GARAGE = 357 SQ. FT.

1/4" = 1'

ELECTRICAL LEGEND

- 250 outlet, 120 V.
- Ground fault interrupting outlet (GFIU)
- Waterproof outlet (WFOU)
- one (1) each three waterproof outlet
- switched duplex outlet, 120 V.
- 1 in floor duplex outlet, 120 V.
- switch
- 3-way switch
- dimmer switch
- ceiling mounted light fixture
- wall mounted light fixture
- 1 in. wall mounted, door knob
- recessed ceiling mounted light fixture
- ceiling mounted fan fixture w/ light
- ceiling mounted fan fixture
- horizontal light fixture
- switch, 1 in w/ light
- switch
- switch detector
- phone jack
- Category 3 data port
- switch, 1 in w/ light
- garage door opener
- doorbell station
- wall mounted doorbell

EXHIBIT B

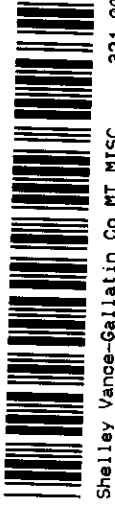
ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE.

GENERAL CONTRACTOR:
STUART HILL PROPERTIES, LLC
TODD HOUGH

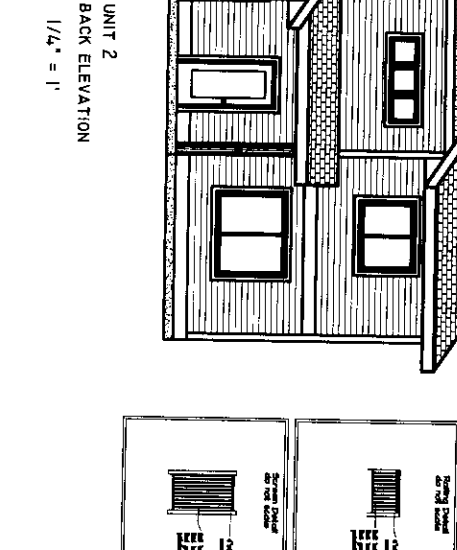
IMPACT
DRAFTING & DESIGN, INC.
Bartwood Professional Center
180 Riverchase Dr.
Rossmore, MT 59716
406-523-9863
www.impactdrafting.com info@impactdrafting.com

SANDPIPER
CATTAIL CREEK SUBDIVISION, PHASE I, BLOCK 1, LOT 1
BOZEMAN, MONTANA

Project No. 006-0706-1
Scale: 1/4" = 1'



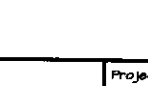
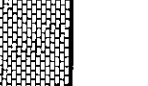
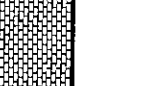
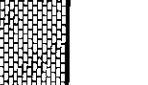
UNIT 2
 BACK ELEVATION
 1/4" = 1'



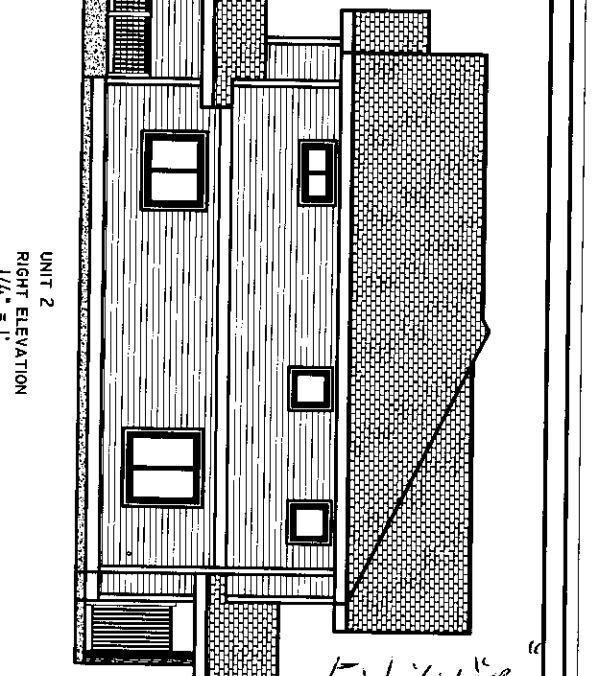
UNIT 2
 LEFT ELEVATION
 1/4" = 1'



UNIT 2
 RIGHT ELEVATION
 1/4" = 1'



UNIT 2
 FRONT ELEVATION
 1/4" = 1'



UNIT 2
 BACK ELEVATION
 1/4" = 1'

UNIT 2
 LEFT ELEVATION
 1/4" = 1'

UNIT 2
 RIGHT ELEVATION
 1/4" = 1'

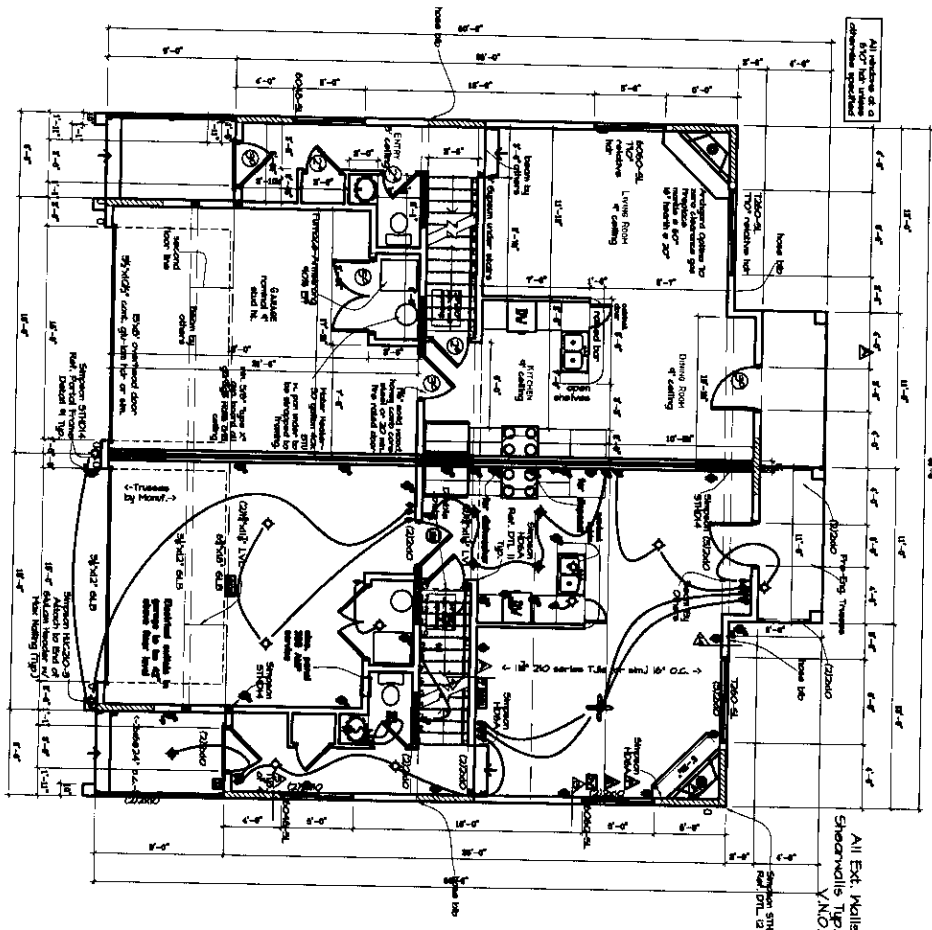
SANDPIPER
 CATTAIL CREEK SUBDIVISION, PHASE I, BLOCK I, LOT 1
 BOZEMAN, MONTANA

Project No. B06-0706-1
 Scale: 1/4" = 1'

GENERAL CONTRACTOR:
 STUART MILL PROPERTIES, LLC
 TODD HOUGH

ARCHITECT:
IMPACT
 DRAFTING & DESIGN, INC.
 140 Riverchase Dr.
 Bozeman, MT 59710
 406-923-0863
 www.impactdrafting.com info@impactdrafting.com

Exhibit 18



THIS PROJECT DESIGNED W. PANEL METHOD

All Ext. Walls Sheetrock 5/8" V.N.O.

| ELECTRICAL LEGEND | |
|-------------------|--|
| [Symbol] | • 150V outlet, 10 V. |
| [Symbol] | • 200V outlet, 10 V. |
| [Symbol] | • Ground floor wiring outlet (GFOU) |
| [Symbol] | • Underfloor outlet (UFOU) |
| [Symbol] | • One foot circuit interrupted outlet |
| [Symbol] | • switched duplex outlet, 110 V. |
| [Symbol] | • 11 floor duplex outlet, 110 V. |
| [Symbol] | • outlet |
| [Symbol] | • 3-way switch |
| [Symbol] | • 4-way switch |
| [Symbol] | • dimmer switch |
| [Symbol] | • ceiling mounted light fixture |
| [Symbol] | • wall mounted light fixture |
| [Symbol] | • flush, wall mounted, stair case |
| [Symbol] | • recessed ceiling mounted light fixture |
| [Symbol] | • ceiling mounted fan fixture w/ light |
| [Symbol] | • recessed ceiling fan fixture |
| [Symbol] | • fluorescent light fixture |
| [Symbol] | • exhaust fan w/ light |
| [Symbol] | • thermostat |
| [Symbol] | • smoke detector |
| [Symbol] | • phone jack |
| [Symbol] | • Category 3 data port |
| [Symbol] | • intercom / sound system jack |
| [Symbol] | • garage door opener |
| [Symbol] | • doorbell station |
| [Symbol] | • well insulated electrical |

FIRST FLOOR = 629 SQ. FT.
GARAGE = 357 SQ. FT.
1/2" = 1'

Exhibit 'B'

NOTES

1. All electrical work shall conform to the National Electrical Code (NEC) as amended by the local authority having jurisdiction.
2. All wiring shall be installed in accordance with the National Electrical Code (NEC) as amended by the local authority having jurisdiction.
3. All electrical work shall be installed in accordance with the manufacturer's instructions.
4. All electrical work shall be installed in accordance with the applicable codes and standards.
5. All electrical work shall be installed in accordance with the applicable codes and standards.
6. All electrical work shall be installed in accordance with the applicable codes and standards.
7. All electrical work shall be installed in accordance with the applicable codes and standards.
8. All electrical work shall be installed in accordance with the applicable codes and standards.
9. All electrical work shall be installed in accordance with the applicable codes and standards.
10. All electrical work shall be installed in accordance with the applicable codes and standards.

REVISIONS

| No. | Description |
|-----|----------------------------|
| 1 | Revised per meeting notes. |
| 2 | Revised per meeting notes. |
| 3 | Revised per meeting notes. |
| 4 | Revised per meeting notes. |
| 5 | Revised per meeting notes. |
| 6 | Revised per meeting notes. |
| 7 | Revised per meeting notes. |
| 8 | Revised per meeting notes. |
| 9 | Revised per meeting notes. |
| 10 | Revised per meeting notes. |

GENERAL NOTES

1. All electrical work shall conform to the National Electrical Code (NEC) as amended by the local authority having jurisdiction.
2. All wiring shall be installed in accordance with the National Electrical Code (NEC) as amended by the local authority having jurisdiction.
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10. All electrical work shall be installed in accordance with the applicable codes and standards.

2247943
Page: 29 of 43
11/13/2006 12:58P

Shelley Vance-Gallatin Co MT MISC 321.00

CATRON STREET
SANDPIPER
CATTAIL CREEK SUBDIVISION PHASE I, BLOCK I, LOT 1
BOZEMAN, MONTANA

Project No. B06-0106-1
Scale: 1/4" = 1'

GENERAL CONTRACTOR: STUART MILL PROPERTIES, LLC
TODD HOUGH
Phone: 408-561-7200 Fax: 408-524-6475

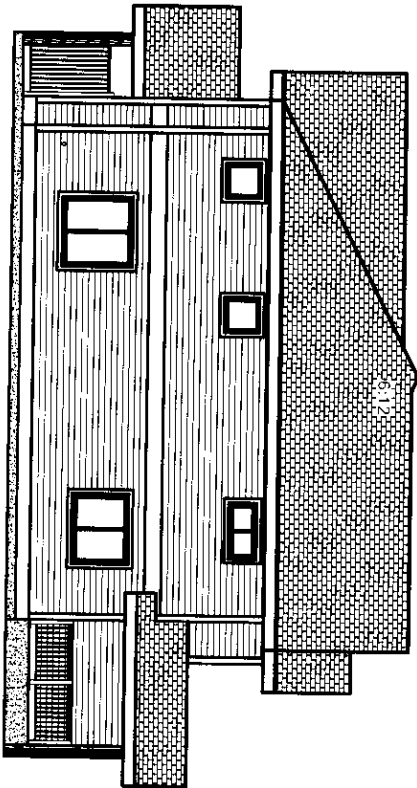
IMPACT
DRAFTING & DESIGN, INC.
Bretzold Professional Center
408 Westpark Dr.
Bozeman, MT 59710
408-922-9992
www.impactdrafting.com info@impactdrafting.com



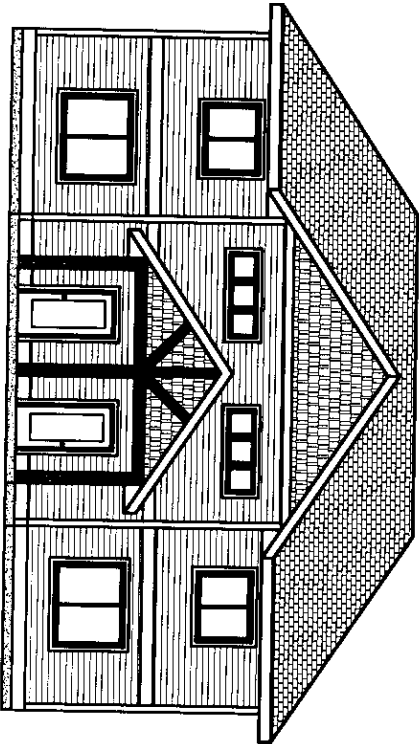
Shelley Vance-Gallatin Co MT MISC 321.00

LEGEND OF THE SYMBOLS USED:
 • NOT TO SCALE
 • WALL AND ROOF FINISHES
 • FLOOR FINISHES
 • SEE ATTENTION TO ARCHITECTURE

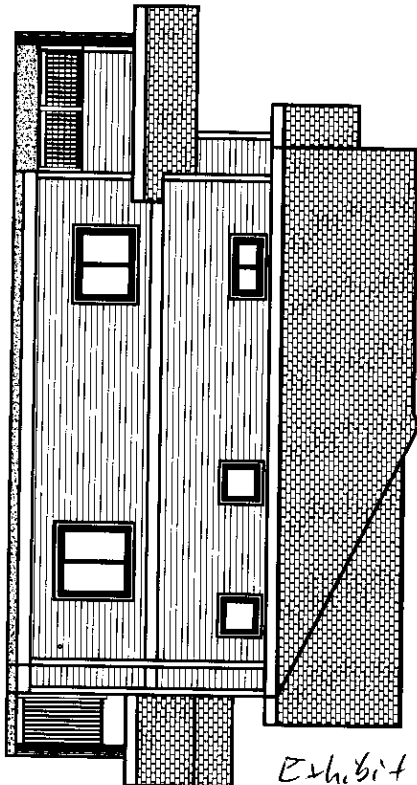
UNIT 3
 LEFT ELEVATION
 1/4" = 1'



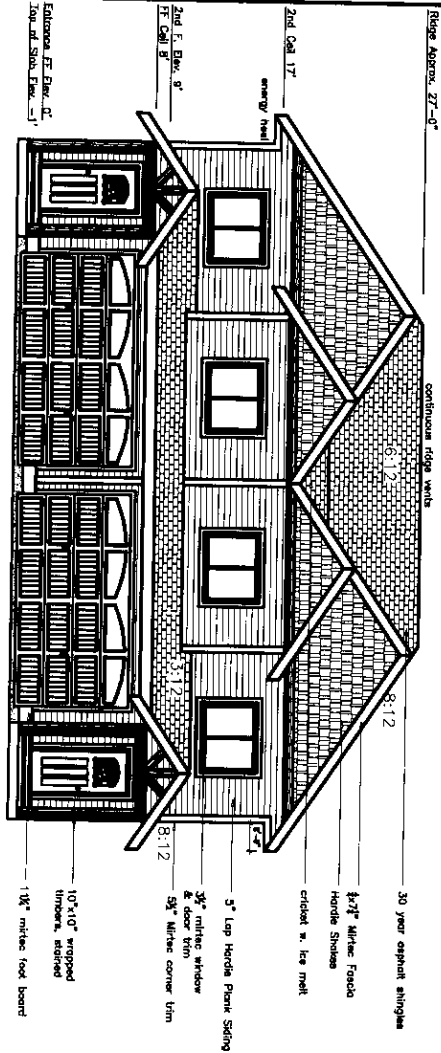
UNIT 3
 BACK ELEVATION
 1/4" = 1'



UNIT 3
 RIGHT ELEVATION
 1/4" = 1'



UNIT 3
 FRONT ELEVATION
 1/4" = 1'



PROJECT INFORMATION
 Project No. B06-0706-1
 Scale: 1/4" = 1'

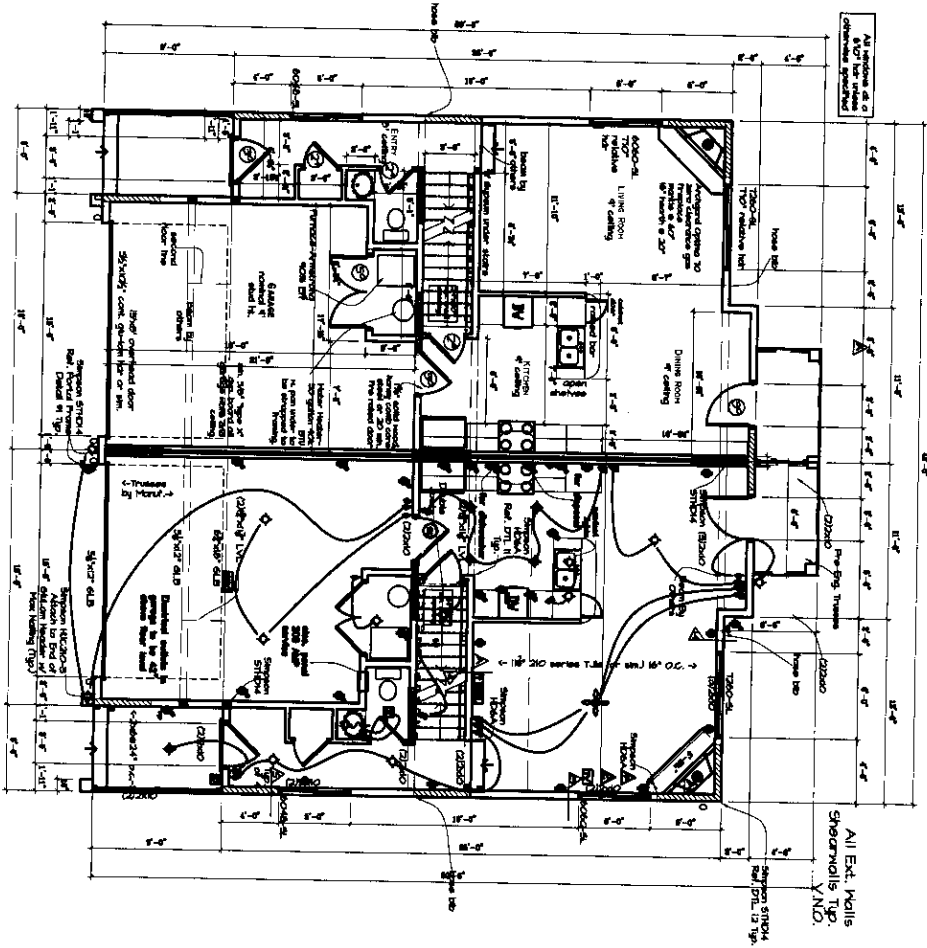
CLIENT INFORMATION
 STUART MILL PROPERTIES, LLC
 TODD HOUGH

DESIGNER INFORMATION
 IMPACT DRAFTING & DESIGN, INC.
 180 Skowhegan Dr.
 Bozeman, MT 59718
 406-552-8888
 www.impactdrafting.com info@impactdrafting.com

Exhibit B"



THIS PROJECT DESIGNED W. PANEL METHOD



ELECTRICAL LEGEND

- 220V outlet, 100 V.
- ground fault interrupting outlet (GFI)
- undervoltage outlet (UVO)
- one line direct interrupting outlet
- switched duplex outlet, 100 V.
- 11 Floor duplex outlet, 100 V.
- switch
- 3-way switch
- 4-way switch
- dimmer switch
- ceiling mounted light fixture
- wall mounted light fixture
- flush, wall mounted, door knob
- recessed ceiling mounted light fixture
- ceiling mounted fan fixture w/ light
- ceiling mounted fan fixture
- fluorescent light fixture
- recessed fan w/ light
- bi-level
- double door
- door jack
- ceiling 1' data port
- sensor / sound system jack
- garage door switch
- garage door opener
- doorbell station
- wall mounted doorbell

UNIT 5
FIRST FLOOR = 629 SQ. FT.
GARAGE = 357 SQ. FT.
1/4" = 1'

Exhibit B

GENERAL CONTRACTOR: STUART HILL PROPERTIES, LLC
TODD HOUGH

NOTES:

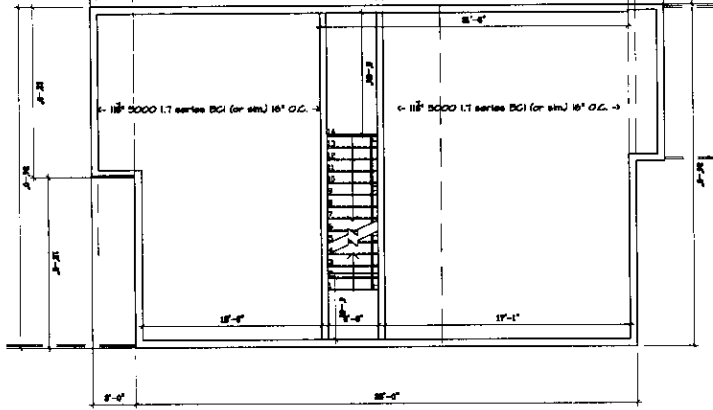
1. ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE (MEC).
2. ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE (MEC).
3. ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE (MEC).
4. ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE (MEC).
5. ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE 2005 NATIONAL ELECTRICAL CODE (NEC) AND THE 2005 MONTANA ELECTRICAL CODE (MEC).

GENERAL CONTRACTOR: STUART HILL PROPERTIES, LLC
TODD HOUGH

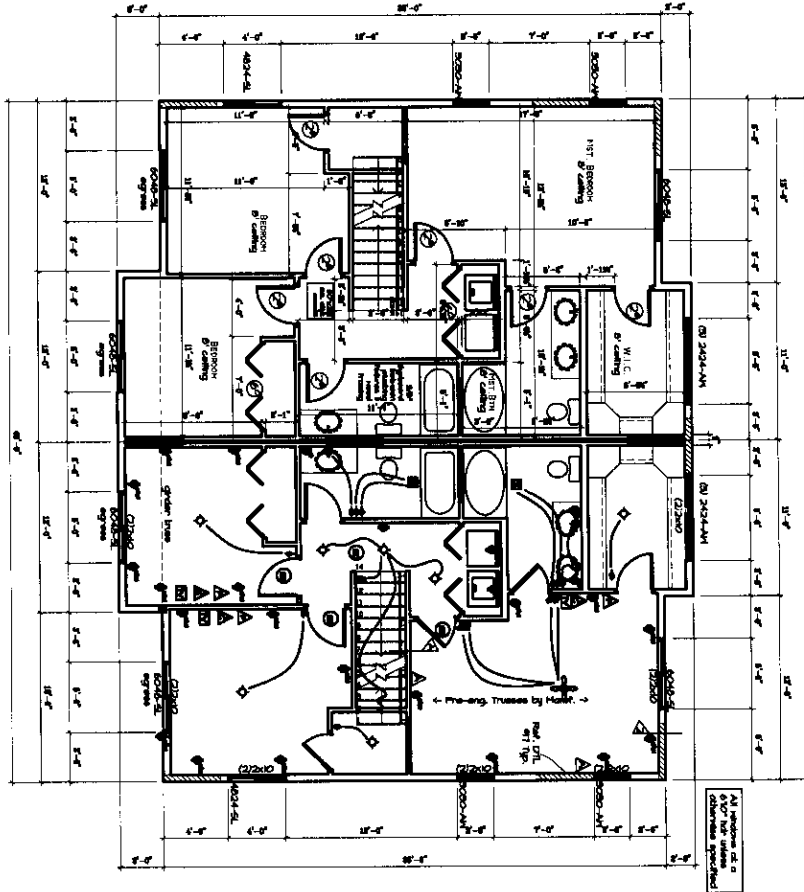
IMPACT
DRAFTING & DESIGN, INC.
Professional Center
2100 Broadway Dr.
Bozeman, MT 59710
406-552-5988
www.impactdrafting.com
info@impactdrafting.com

CATRON STREET
SANDPIPER
CATTAIL CREEK SUBDIVISION, PHASE I, BLOCK 1, LOT 1
BOZEMAN, MONTANA

Project No. 206-0706-1
Scale: 1/4" = 1'



SECOND FLOOR SYS
 1/4" = 1'



UNIT 1, 2, & 3 SECOND FLOOR = 888 SQ. FT.
 1/4" = 1'

ELECTRICAL LEGEND

- ◆ duplex outlet, 120 V.
- ◆ 320 outlet
- ◆ ground fault interrupting outlet (GFI)
- ◆ underground outlet (GFI)
- ◆ one touch outlet interrupting outlet
- ◆ switched duplex outlet, 120 V.
- ◆ 3 floor duplex outlet, 120 V.
- ◆ switch
- ◆ string switch
- ◆ dimmer switch
- ◆ ceiling mounted light fixture
- ◆ wall mounted light fixture
- ◆ flush, wall mounted, water resistant ceiling mounted light fixture
- ◆ ceiling mounted fan fixture w/ light
- ◆ ceiling mounted fan fixture
- ◆ fluorescent light fixture
- ◆ outdoor fan w/ light
- ◆ bi-level outlet
- ◆ smoke detector
- ◆ phone jack
- ◆ Category 5 data port
- ◆ television cable jack
- ◆ antenna / sound system jack
- ◆ groups door switch
- ◆ groups door opener
- ◆ doorbell fixture
- ◆ wall mounted thermostat

Final Printed Date:
 11/13/2006 12:58P
 11/13/2006 12:58P
 11/13/2006 12:58P

Exhibit "K"

REVISIONS

| NO. | DATE | DESCRIPTION |
|-----|----------|--------------------|
| 1 | 11/13/06 | ISSUED FOR PERMITS |
| 2 | 11/13/06 | ISSUED FOR PERMITS |
| 3 | 11/13/06 | ISSUED FOR PERMITS |
| 4 | 11/13/06 | ISSUED FOR PERMITS |
| 5 | 11/13/06 | ISSUED FOR PERMITS |
| 6 | 11/13/06 | ISSUED FOR PERMITS |
| 7 | 11/13/06 | ISSUED FOR PERMITS |
| 8 | 11/13/06 | ISSUED FOR PERMITS |
| 9 | 11/13/06 | ISSUED FOR PERMITS |
| 10 | 11/13/06 | ISSUED FOR PERMITS |

CATRON STREET
SANDPIPER
 CATTAIL CREEK SUBDIVISION, PHASE I, BLOCK 1, LOT 1
 BOZEMAN, MONTANA

Project No.
 B06-0706-1

Scale:
 1/4" = 1'

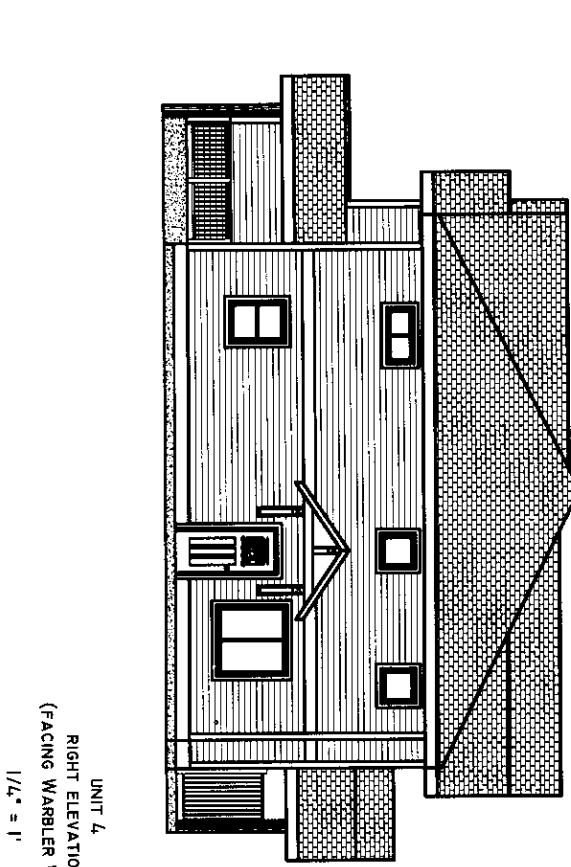
GENERAL CONTRACTOR:
 STUART HILL PROPERTIES, LLC
 TODD HOUGH

phone #
 406-592-4889 fax #624-6470

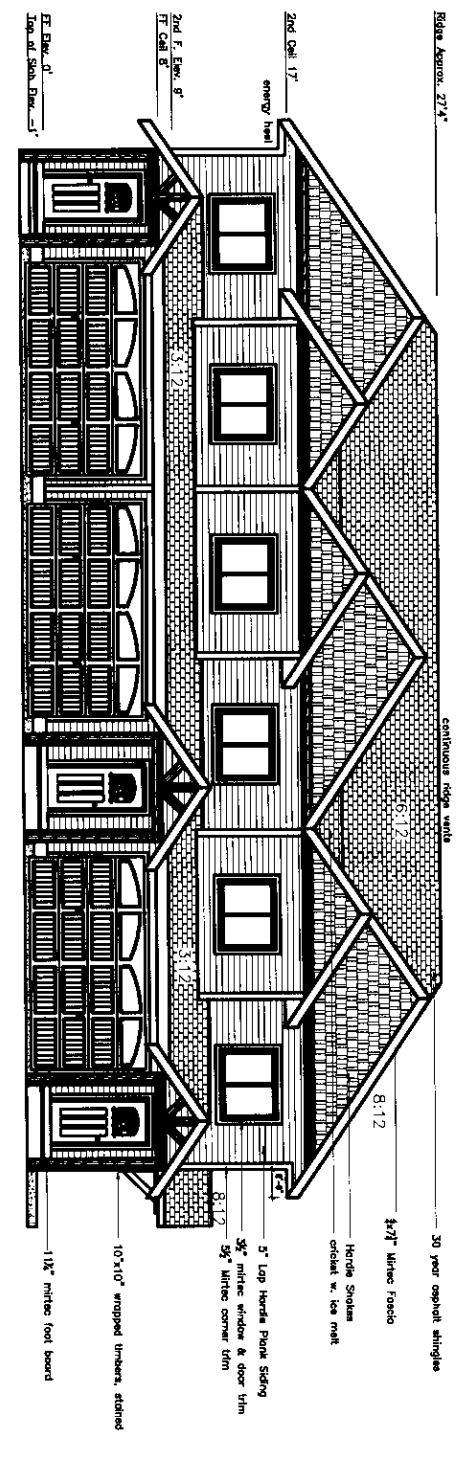
IMPACT
 DRAFTING & DESIGN, INC.
 Registered Professional Drafters
 1402 Stevenson Dr.
 Bozeman, MT 59719
 406-522-5882
 www.impactdrafting.com info@impactdrafting.com

2247943
 Page: 33 of 43
 11/13/2006 12:58P

Shelley Vance-Gallatin Co MT MISC 321.00



UNIT 4
 RIGHT ELEVATION
 (FACING WARBLER WAY)
 1/4" = 1'



UNIT 4
 FRONT ELEVATION
 1/4" = 1'

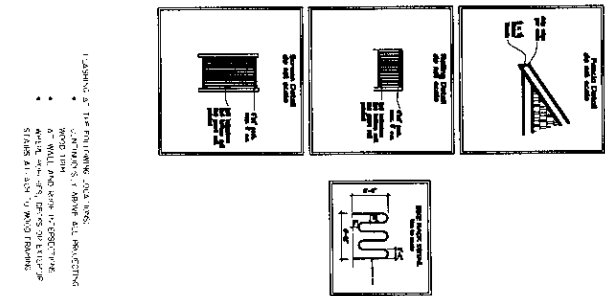


Exhibit "B"

12/10
 Project No. B06-0706-1
 Scale: 1/4" = 1'

CATRON STREET
SANDPIPER
 CATTAIL CREEK SUBDIVISION, PHASE 1, BLOCK 1, LOT 1
 BOZEMAN, MONTANA

Project No. B06-0706-1
 Scale: 1/4" = 1'
 GENERAL CONTRACTOR: STUART MILL PROPERTIES, LLC TOOD HOUGH
 phone 406-564-4753 fax 406-564-6476

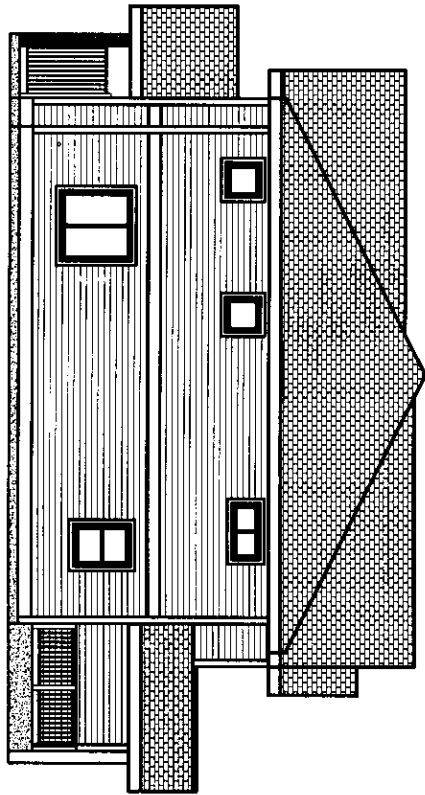
IMPACT
 DRAFTING & DESIGN, INC.
 Licensed Professional Engineer
 1903 Stonebridge Dr.
 Bozeman, MT 59718
 406-562-9982
 www.impactdrafting.com info@impactdrafting.com



Shelley Vance-Gallatin Co MT MISC 321.00

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UNIT 4
 LEFT ELEVATION
 1/4" = 1'



UNIT 4
 BACK ELEVATION
 1/4" = 1'

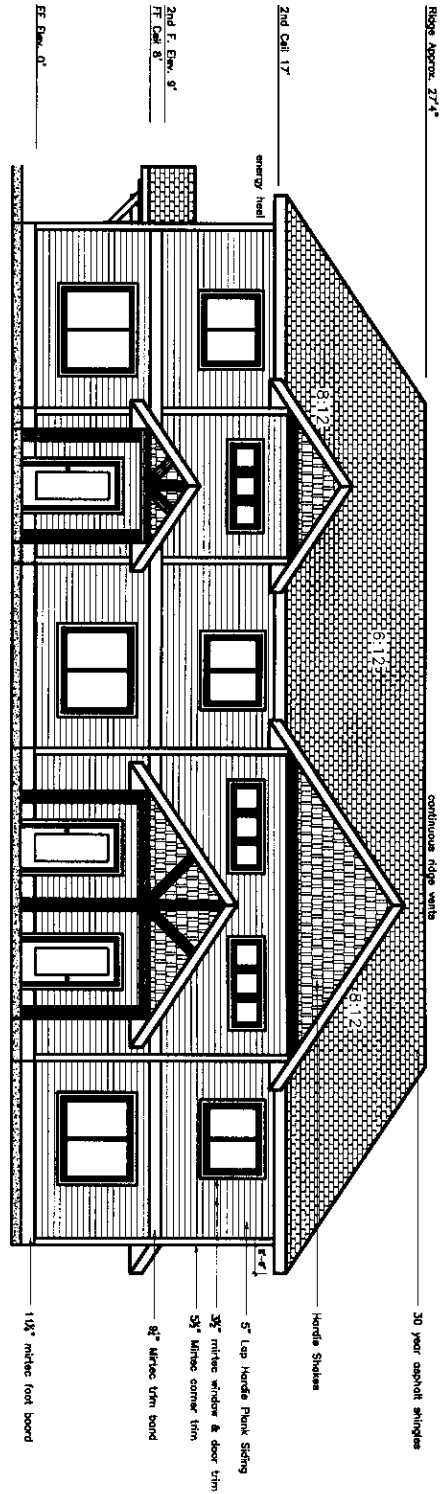


Exhibit B

PROJECT NO. 2006-0106-1
 SHEET NO. 34 OF 43
 DATE: 11/13/2006
 DRAWN BY: JVG
 CHECKED BY: JVG
 APPROVED BY: JVG
 IMPACT DRAFTING & DESIGN, INC.
 145 MEMPHIS DR.
 BOZEMAN, MT 59718
 406-552-2962
 www.impactdrafting.com

CATRON STREET
SANDPIPER
 CATTAIL CREEK SUBDIVISION PHASE I, BLOCK I, LOT 1
 BOZEMAN, MONTANA

Project No.
 2006-0106-1
 Scale:
 1/4" = 1'

GENERAL CONTRACTOR:
 STUARLY MILL PROPERTIES, LLC
 TODD HOUGH
 Phone #
 406-551-4125 Fax # 406-551-6416

IMPACT
 DRAFTING & DESIGN, INC.
 Structural Professional Center
 145 Memphis Dr.
 Bozeman, MT 59718
 406-552-2962
 www.impactdrafting.com info@impactdrafting.com

THIS PROJECT DESIGNED W. PANEL METHOD

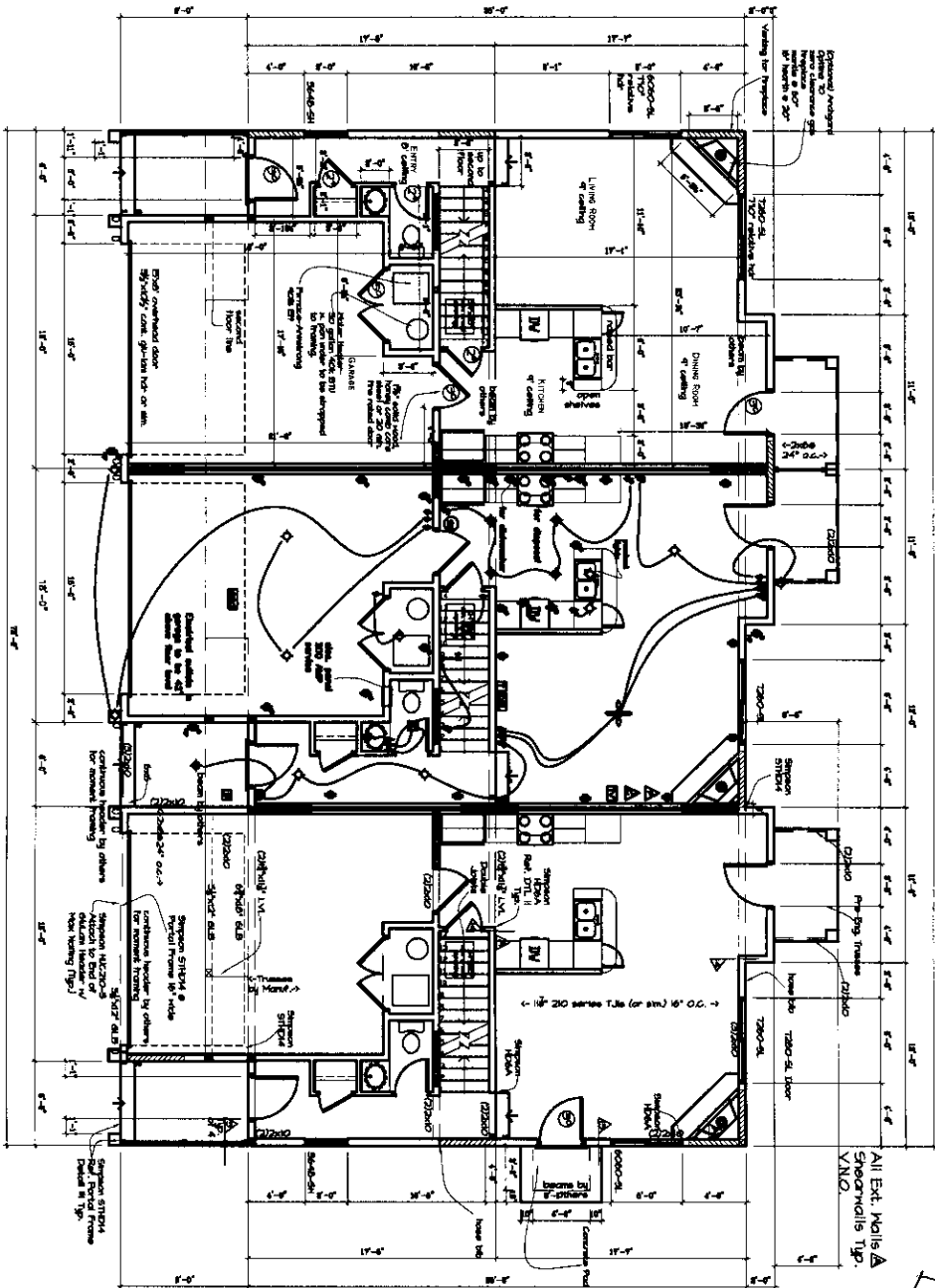


Exhibit 4 B

NOTES

- 1. All work shall be in accordance with the National Electrical Code (NEC) and all applicable local codes.
- 2. All wiring shall be in conduit or raceway unless otherwise specified.
- 3. All conduits shall be installed in a neat and workmanlike manner.
- 4. All electrical work shall be done in accordance with the manufacturer's instructions.
- 5. All electrical work shall be done in accordance with the applicable code requirements.
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| ELECTRICAL LEGEND | |
|-------------------|--|
| ○ | Outlet, 120 V. |
| ○ | Outlet, 220 V. |
| ○ | Ground fault interrupting outlet (GFI) |
| ○ | Indoor/outdoor outlet (I/O) |
| ○ | One touch circuit interrupting outlet |
| ○ | Outdoor duplex outlet, 120 V. |
| ○ | Indoor duplex outlet, 120 V. |
| ○ | Switch |
| ○ | 3-Way switch |
| ○ | 4-Way switch |
| ○ | Dimmer switch |
| ○ | Lighting installed light fixture |
| ○ | Hall installed light fixture |
| ○ | Recessed ceiling installed light fixture |
| ○ | Ceiling mounted fan fixture w/ light |
| ○ | Recessed light fixture |
| ○ | Recessed fan w/ light |
| ○ | Recessed |
| ○ | Smoke detector |
| ○ | Phone jack |
| ○ | Ceiling 3 data port |
| ○ | Network outlet jack |
| ○ | Network outlet jack |
| ○ | Garage door opener |
| ○ | Garage door opener |
| ○ | Well installed footcandle |

UNIT 4
FIRST FLOOR = 645 SQ. FT.
GARAGE = 333 SQ. FT.
1/4" = 1'

NOTES

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- 9. All electrical work shall be done in accordance with the applicable code requirements.
- 10. All electrical work shall be done in accordance with the applicable code requirements.

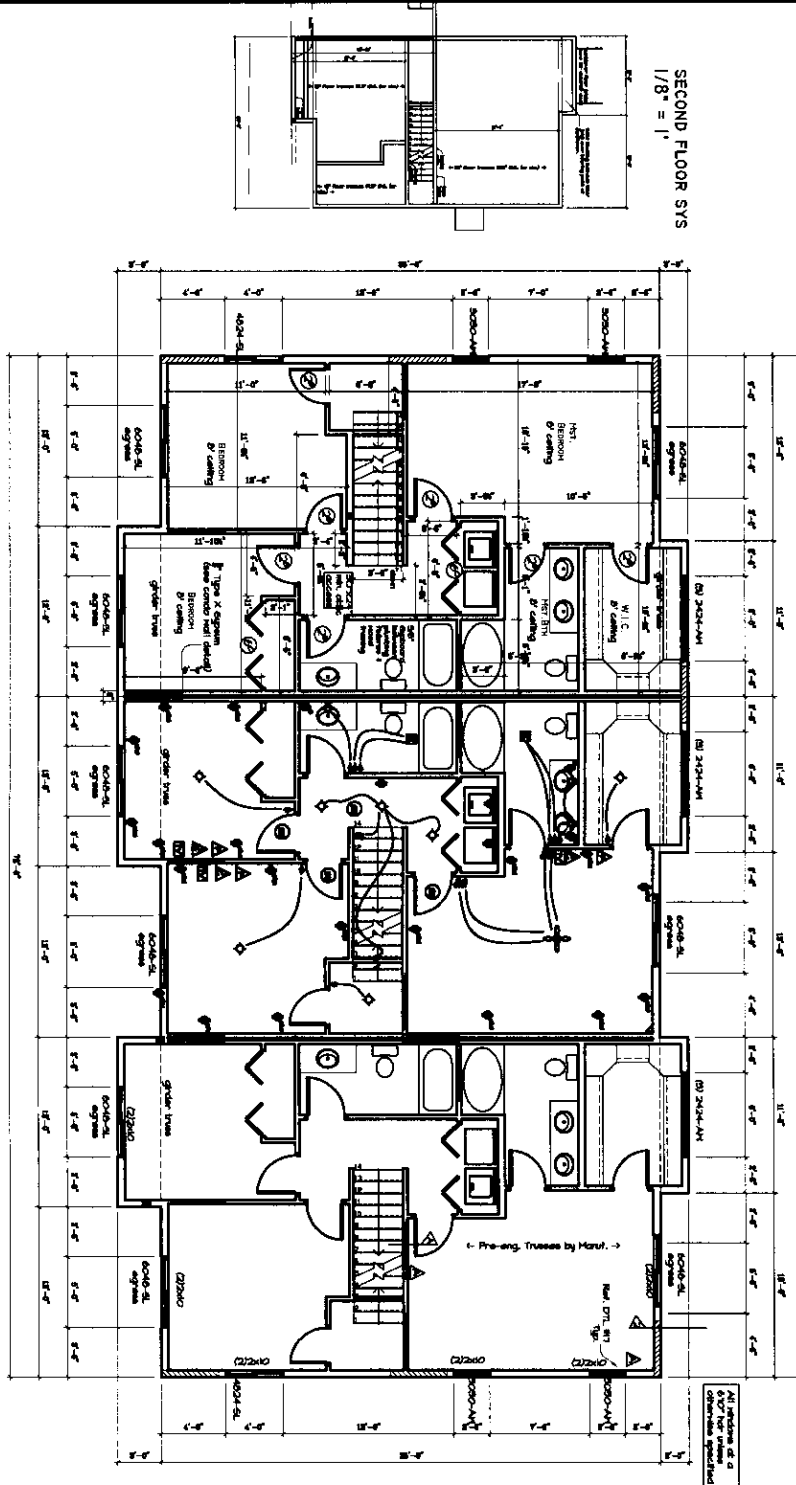
GATRON STREET
SANDPIPER
CATTAIL CREEK SUBDIVISION, PHASE I, BLOCK 1, LOT 1
BOZEMAN, MONTANA

Project No. B06-0706-1
Scale: 1/4" = 1'

GENERAL CONTRACTOR:
STUART MILL PROPERTIES, LLC
TODD HOUGH

phone to: 406-531-4923 Fax: 406-244-6478
www.stuartmillproperties.com

IMPACT
DRAFTING & DESIGN, INC.
Electrical Professional Center
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SECOND FLOOR SYS
 1/8" = 1'

UNIT 4, SECOND FLOOR = 888 SQ. FT.
 1/4" = 1'

ELECTRICAL LEGEND

- duplex outlet, 120 v.
- 200' outlet
- ground fault interrupting outlet (GFIU)
- receptacle outlet (RTO)
- one half duplex receptacle outlet
- receptacle duplex outlet, 120 v.
- 1/4 hour duplex outlet, 120 v.
- switch
- 3-way switch
- dimmer switch
- ceiling mounted light fixture
- wall mounted light fixture
- flush wall mounted light fixture
- recessed, ceiling mounted light fixture
- ceiling mounted fan fixture w/ light
- ceiling mounted fan fixture
- fluorescent light fixture
- standard 1/4" light
- thermostat
- smoke detector
- phone jack
- Category 5 data port
- television cable jack
- stereo / sound system jack
- garage door switch
- garage door opener
- doorbell button
- well protected doorbell

FIELD SYMBOLS:
 - SHALL BE SHOWN IN ALL CASES UNLESS OTHERWISE NOTED
 - ALL DIMENSIONS SHALL BE SHOWN UNLESS OTHERWISE NOTED
 - ALL DIMENSIONS SHALL BE SHOWN UNLESS OTHERWISE NOTED

Exhibit 10

Project No. B06-0706-1
 Scale: 1/4" = 1'

CATRON STREET
SANDPIPER
 GATTAUL CREEK SUBDIVISION, PHASE I, BLOCK 1, LOT 1
 BOZEMAN, MONTANA

GENERAL CONTRACTOR:
 STUART HILL PROPERTIES, LLC
 TODD HOUGH

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 www.impactdrafting.com info@impactdrafting.com

**BYLAWS
OF
SANDPIPER CONDOMINIUMS UNIT OWNERS ASSOCIATION**

TABLE OF CONTENTS

Purpose and Application..... 1
 Membership..... 1
 Obligations..... 2
 Meetings and Voting 2
 Voting Interest..... 2
 Board of Directors..... 3
 Officers of the Board of Directors..... 3
 Powers and Duties of the Board of Directors 3
 Vacancies and Removal..... 5
 Compensation 5
 Managers..... 5
 Amendment of Bylaws..... 6
 Assessments..... 6
 The Declaration..... 6

ARTICLE I. PURPOSE AND APPLICATION

These Articles are and shall be the Bylaws of the Sandpiper Condominiums Unit Owners Association ("Association"). These Bylaws shall, upon being recorded with the Clerk and Recorder of Gallatin County, Montana, govern and control the administration of Sandpiper Condominiums (the "Condominium"). All unit owners, their guests and any renters or sublessees, present and future, shall have the rights and responsibilities described in these Bylaws and shall be subject to the provisions thereof.

The acquisition of an ownership interest in a unit in the Condominium signifies that the unit owner accepts, ratifies and agrees to comply with these Bylaws.

ARTICLE II. MEMBERSHIP

Persons owning a unit in the Condominium or an interest in a unit, or owning a unit in any real estate tenancy relationship recognized by the State of Montana, shall be a member of the Association. An owner may not decline membership in the Association. Membership begins concurrently with the acquisition of an ownership interest and terminates at the time such ownership interest is terminated. Such termination shall not relieve any unit owner of liability for obligations incurred while a member of the Association. Membership in the Association shall not in any way negate or impair any unit

2247943
 Page: 37 of 43
 11/13/2006 12:58P
 321.00
 Shelley Vance-Gallatin Co MT MISC

owner's legal remedies, right to bring legal action, or assert defenses to any and all actions involving the Association, other unit owners, or the management, which may arise from or be incidents of unit ownership.

ARTICLE III. OBLIGATIONS

Each unit owner shall be obligated to comply with these Bylaws, the Declaration, any other covenants and restrictions affecting the Condominium property, and all applicable laws. Such obligations shall include but not be limited to paying of assessments levied by the Association and adherence to the protective covenants and restrictions that are a part of the Declaration. Failure of any owner to abide by these Bylaws, and all rules made pursuant to them, any other covenants and restrictions affecting the Condominium property, and all applicable laws, shall be grounds for appropriate legal action by the Association or by an aggrieved unit owner against such non-complying owner.

And shall pay 3 months of dues at closing to be held as a reserve.

ARTICLE IV. MEETINGS AND VOTING

There shall be a regular meeting of the Association annually on the first Monday in October of each year, commencing in the year the Condominium is established, or on such other date properly announced by the Association. Pursuant to these Bylaws, the Association may at any time hold special meetings. Such special meetings may be called on the initiative of the chairperson elected pursuant to Article VII, the board of directors, the written request of a manager, or a petition signed by the unit owners representing at least fifty percent (50%) of the total votes attributable to the Condominium units. Notice of any special meeting must specify the reason for such meeting and the matters to be raised. Only matters set forth in the petition or request may be brought before such meeting unless otherwise agreed by a majority of the votes present at the special meeting or voted by proxy.

- A. **Notice.** Notice of all meetings, regular or special, shall be mailed by the Association's secretary to every unit owner of record at his address of record at least ten (10) days prior to the time for holding such meeting. Such notice shall specify the date, time and place of the meeting and shall make provisions to allow for the voting of each unit owner's interest by proxy at the discretion of the unit owner. The mailing of a notice in the manner provided in this paragraph or the personal delivery of such notice by the Secretary of the Association shall be considered as notice served.
- B. **Quorum.** No meeting, regular or special, 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 total votes attributable to all of the Condominium units. At any meeting where a quorum is not present, such meeting shall be adjourned forthwith.

ARTICLE V. VOTING INTEREST

Each unit owner at Association meetings shall have the voting interest as set forth in the Declaration, a copy of which is being filed concurrently with the filing of these Bylaws with the Clerk and Recorder of Gallatin County, Montana.

Unit owners have an equal voting interest, on a one (1) vote per unit basis, on all matters pertaining to the general business of the Condominium, the common elements, and assessments for the common elements. The right to vote upon matters pertaining to limited common elements and assessments for limited expenses shall be limited to those unit owners having an interest in units to

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which such limited common elements are appurtenant, and voting shall occur on a one (1) vote per unit basis.

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 applicable laws direct otherwise.

ARTICLE VI. BOARD OF DIRECTORS

The governance of the Condominium shall be by a board of three (3) directors elected from the Association membership. The board of directors shall have all powers and responsibilities attendant to the general administration and control of the Condominium. Additionally, the board of directors shall have the authority necessary to carry into effect the powers and duties specified by these Bylaws.

ARTICLE VII. OFFICERS OF THE BOARD OF DIRECTORS

- A. **Officers.** The Association shall elect from its membership a board of directors of three persons, who shall all serve for a term of one (1) year, and who shall serve in the positions of Chairperson, Vice-Chairperson, Secretary/Treasurer.
- B. **Procedure for Election of Officers of the Board of Directors.** At the first and all subsequent annual meetings of the Association, nominations for positions on the board of directors shall be accepted from any of the unit owners present. Voting will be noncumulative, with each unit owner having a vote (on a one vote per unit basis) for as many persons as there are Directors to be elected. Board members shall be elected by majority vote of the interests present or voting by proxy at any annual or special meeting. The first board of directors consisting of one (1) person, named below, shall serve until the first annual meeting of the Association, at which time a new board shall be elected.

ARTICLE VIII. 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 conduct elections of the board of directors.
- C. To enforce the provisions of the Declaration and Bylaws by appropriate action.
- D. To promulgate and adopt rules and regulations for the use of the common elements and for the occupancy of the units so as not to interfere with the peace and quiet of all the residents. Such rules shall be approved by seventy-five percent (75%) of the total votes attributable to the Condominium units at any regular or special meeting of the Association.
- E. To provide for the management of the Condominium 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 and limited common elements.
- F. To levy assessments as allowed by the Declaration, these Bylaws and applicable law, and to provide for the collection, expenditure and accounting of said assessments.

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- G. To pay for the expenses of the maintenance, repair and upkeep of the general common elements and the limited common elements, and to approve payment vouchers either at regular or special meetings.
- H. To delegate authority to a manager for the routine conduct of Condominium business; provided, however, that such authority shall be precisely defined with ultimate authority at all time residing in the board of directors.
- I. To provide a means of hearing grievances of unit owners and to respond appropriately thereto.
- J. To meet at regularly scheduled times and to hold such meetings open to all unit owners or their agents.
- K. To prepare an annual budget for the Condominium in order to determine the amount of the assessments payable by the unit owners to meet the general common and limited common expenses, and allocate and assess such charges among the unit owners according to their respective interests in the general common and limited common elements.
- L. 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, costs, or additional capital expenses, or because of emergencies.
- M. 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 condominium, and to levy a penalty and to charge interest on unpaid amounts due and owing. However, other than for the collection of delinquent assessments or accounts, the board shall not initiate any litigation or lawsuit without prior approval of a majority of the voting interest of the unit owners in the condominium.
- N. To defend in the name of the Association any and all lawsuits wherein the Condominium is a party defendant.
- O. To enter into contracts necessary to carry out the duties herein set forth.
- P. To establish a bank account for the Condominium, 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.
- Q. To make repairs, alterations, additions, and improvements to the general common and limited common elements consistent with managing the Condominium in the best interests of the unit owners.
- R. To provide for the perpetual maintenance of the general common open area and landscaping, the parking areas and driving lanes, and to make any assessments necessary for such maintenance as provided herein. Such maintenance shall specifically include the control of county-declared noxious weeds.
- S. To arrange, keep, maintain and renew the insurance for the Association as set forth in the Declaration.
- T. 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 Condominium.

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ARTICLE IX. VACANCIES AND REMOVAL

Should a vacancy occur on the board of directors, the board, subject to the exception described below, shall appoint a member of the Association to serve for the unexpired term. Such vacancy shall be filled no later than the next regular board meeting after which it occurs. Should such vacancy not be filled by the board at the next regular meeting of the Association, the Association may fill such vacancy.

At any regular or special meeting of the Association, any member of the board may be removed by a majority of the voting interests in the Condominium. Such vacancy shall be filled by the Association. Such removal matter must be announced in the notice of such regular or special meeting. The personal delivery of such notice by the Secretary of the Association shall be considered notice served.

ARTICLE X. 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 a manager who is hired by the board of directors.

ARTICLE XI. MANAGERS

In the event that the board of directors elects to hire a manager, the manager shall be appointed, and may be subsequently removed by the board of directors. The manager (or any member of the board or Association handling Association funds or having power to withdraw or spend such funds) may be required to be bonded, and shall maintain records of the financial affairs of the condominium. Such records shall also detail all assessments made by the Association and the status of payments of said assessments by all unit owners. All records shall be available for examination during normal business hours to any unit owner or their assigned representative. All functions and duties herein provided for the manager may be performed by the board, or the chairperson, if the board should decide not to have a manager.

- A. **Accounts.** The receipts and expenditures of the Association shall be under the direction of the manager and be classified as appropriate into general common expenses and limited common expenses, and shall include a provision for current expenses 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 reserves or betterments. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year. Other budget items may be provided for in the discretion of the manager.
- B. **Budget.** The manager shall prepare and submit a proposed budget to the board each calendar year. An annual budget must be approved and adopted by the board. The budget shall include the estimated funds required to defray the general common and limited common 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 the annual meeting of the year 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. **Financial Report.** A compilation and financial report of the accounts of the Association shall be made annually. The compilation and financial report may be made either by the manager, the treasurer of the Association, or by an accountant or certified public accountant.

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The board of directors shall determine who shall complete the compilation and financial report. A copy of the financial report shall be furnished to each member on or before the annual meeting of each year for which the report is made.

The manager shall generally operate and manage the Condominium 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 his contract expires, the board shall perform all the duties of the manager.

ARTICLE XII. AMENDMENT OF BYLAWS

These Bylaws may be amended at any regular or special meeting of the Association providing that a copy of the proposed revision is included in the notice of such meeting. Upon the affirmative vote of seventy-five percent (75%) of the votes attributable to all of the units in the Condominium, the amendment shall be declared adopted. The secretary shall as soon as practicable after adoption, prepare a copy of the Bylaws, as amended, for certification by the chairperson and secretary of the Association. Such amended and certified Bylaws shall then be filed and recorded in the office of the Clerk and Recorder of Gallatin County, State of Montana. Bylaws as amended shall become effective at the time of such recording.

ARTICLE XIII. ASSESSMENTS

In accordance with the percentage of interest in the general common elements as set forth in the Declaration, each unit owner shall be assessed for general 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 amount of assessments described above and any other assessments allowed by these Bylaws, the Declaration, and by governmental authority, shall be fixed by the board of directors. Notice of each owner's assessments shall be mailed to said owner at such owner's address of record.

ARTICLE XIV. THE DECLARATION

The undersigned, as "Declarant", has filed, along with these Bylaws, a Declaration whereby the properties known as Sandpiper Condominiums are submitted to the Unit Ownership Act, Title 70, Chapter 23 of the Montana Code Annotated, as a condominium. The Declaration shall govern the acts, powers, duties and responsibilities of the Association, 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 the Declaration and these Bylaws, each unit owner has the right to membership in the Association, and any unit owner may be on the board of directors of the Condominium.

The Association and its board of directors shall have the primary and final authority on all matters solely affecting the Condominium, subject to all applicable laws.

IN WITNESS WHEREOF, the undersigned, as the owner of record of all of the Condominium units and 100% of the voting interests of Sandpiper Condominiums as of the date hereof, and hereby appoints the following persons to serve on the board of directors and as officers until the first annual meeting of the Association, to-wit:

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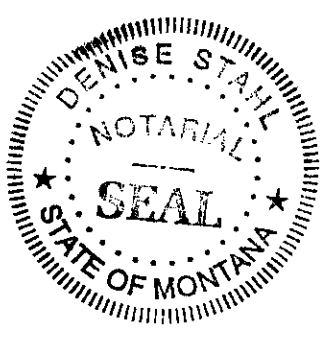
Todd Hough

and the Declarant hereby declares and affirms the adoption of the foregoing Bylaws on ^{November}~~August~~
8th, 2006.

Stuart Mill Properties, LLC,
a Montana limited liability company.
by: Todd Hough
Todd Hough, Member

STATE OF MONTANA)
: ss.
County of Gallatin)

This instrument was acknowledged before me on ^{November 8th}~~August~~, 2006, by Todd Hough as a Member of Stuart Mill Properties, LLC, a Montana limited liability company.



[Seal]

Denise Stahl
[signature]
Denise Stahl
[printed name]
NOTARY PUBLIC for the State of Montana
RESIDING AT Bozeman, Montana
My Commission Expires August 24, 2008

Denise Stahl
Notary Public for the State of Montana
Residing at Bozeman, Montana
My Commission Expires August 24, 2008

Preliminary declaration
File # 2247943

DECLARATION
OF
SANDPIPER CONDOMINIUMS

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CERTIFICATE OF NAME

The undersigned being the duly authorized agent of the Department of Revenue of the State of Montana with the County of Gallatin, herewith executes the following certificate relating to the Sandpiper Condominiums Declaration, Gallatin County, Montana, situated on the property described as follows:

Lot 1 Block 1 of the Plat of Cattail Creek Subdivision, Phase 1, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. (Plat Reference: J-340)

1. That the name Sandpiper Condominiums is not the same as, similar to or pronounced the same as any word in the name of any other property or subdivision within Gallatin County except for the word "Condominiums", and

2. All taxes and assessments due and payable for the land on which the Sandpiper Condominiums is situated and the improvements thereon have been paid to date.

Nov
Dated: ~~August~~ 8, 2006.

Nancy Fish (PVS)

County Assessor

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EXHIBIT C

CERTIFICATE OF FLOOR PLANS

The undersigned, being a duly registered professional engineer and land surveyor in the State of Montana, and having reviewed the site plan and floor plans for SANDPIPER CONDOMINIUM, attached to this Declaration herewith, certifies the following:

That the site plan and floor plans for Units 1, 2, 3, 4, 5, 6, 7, 8 and 9, of the SANDPIPER CONDOMINIUMS, as duly filed with the declaration and by-laws thereof, and situated on Lot 1, Block 1, CATTAIL CREEK SUBDIVISION, PHASE 1, City of Bozeman, Gallatin County, Montana, are an accurate copy of the plans filed with and approved by the officials and officers of the City of Bozeman, having jurisdiction to issue building permits.

The site plan and floor plans render a hand representation of the actual site and buildings, and show the layout, location, unit designation, areas and dimensions of each unit as built, and the common areas to which each unit has access.

Dated: June 26, 2007



by: Mark A. Chandler
Registered Professional Engineer and Land Surveyor
License No. 9518ES

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DECLARATION
OF
SANDPIPER CONDOMINIUMS

This Declaration is hereby made and entered into this _____ day of June 2007, by Stuart Mill Properties, LLC, 3309 Sundance Drive, Bozeman, Montana 59715, hereinafter referred to as the "Declarant" or, alternatively, as "Developer," whereby the lands and property hereinafter described are submitted and subject to the provisions of Title 70, Chapter 23 of the Montana Code Annotated, also known as the "Unit Ownership Act", as a condominium

The property subject to this Declaration shall be known as the SANDPIPER Condominiums (The Condominium), (hereinafter referred to as the "condominium" or the "premises"). The location of SANDPIPER Condominiums is 2831 Catron Street; 2845 Catron Street; 3215 Warbler Way; and 3201 Warbler Way, Bozeman, Montana.

SECTION I. DEFINITIONS.

Unless the context expressly provides otherwise, the following definitions shall pertain throughout this Declaration and the interpretation thereof:

- 1.2 **"Association"** means the Sandpiper Condominiums Unit Owners Association, an association of all of the unit owners as a group and in accordance with this Declaration and duly adopted bylaws.
- 1.3 **"Board of Directors"** shall mean the Board of Directors of the Association, as more particularly defined in the Bylaws.
- 1.4 **"Building"** or **"Buildings"** shall mean a multiple-unit the building or buildings, respectively, comprising a part of the Condominium property.
- 1.5 **"Bylaws"** means the bylaws promulgated by the Association under this Declaration and the Unit Ownership Act.
- 1.6 **"Common Elements"** means both general common elements and limited common elements.
- a. **General Common Elements** shall mean those common elements that are for the use of all unit owners and guests of unit owners of the Condominium. Without limiting the foregoing, the general common elements include grounds surrounding the

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buildings; the land on which the buildings are located; paths, sidewalks, and walkways; any parking spaces not specifically allocated to a particular unit; any irrigation system placed on the property for landscape maintenance; any area designated for garbage disposal, any portions of the buildings designated on the floor plans as common to all units, electrical, gas, telephone, cable, water and sewer lines and connections serving all of the units; landscaping, plants and other materials and improvements separate from and outside of the buildings containing the units; and other elements necessary for the safety, maintenance and existence of the Condominium in which each Unit Owner shall have his or her designated percentage of interest, as set forth in SECTION IV below, and as described in the "Unit Ownership Act".

b. **Limited Common Elements** as used in this Declaration shall mean those common elements that are reserved for the use of fewer than all of the residents and guests of residents of the condominium. Unless only one unit uses a particular limited common element, the percentage of a separate unit's interest in the limited common elements shall be computed by determining the number of units that have use of the limited common elements and prorating the interest equally between the interested owners. For example, if two owners have an interest in a limited common element, each shall have an interest.

1.7 **"Common Expenses"** means expenses of administration, maintenance, repair or replacement of general common elements, expenses agreed upon by the Association of all Unit Owners, and expenses declared common by the Unit Ownership Act.

1.8 **"Declaration"** means this document and all parts attached hereto or incorporated by reference.

1.9 **"Limited" expenses** means the expenses attributable to the maintenance, repair and replacement of limited common elements, and are expenses only of the unit owner(s) having or sharing an interest in such limited common elements for which the expenses are accrued.

1.10 **"Manager"** means the manager, the board of directors, manager, management agent, or any other person or group of persons retained or appointed by the Association for the purpose of conducting the day-to-day operations of the condominium.

1.11 **"Property"** means the land, buildings, improvements and structures thereon and all easements, rights and appurtenances belonging thereto, which are herewith submitted to the Unit Ownership Act.

1.12 **"Unit"** means each separate condominium unit of the Condominium and is a parcel of real property including and containing one or more rooms occupying one or more floors or a part or parts thereof, intending for any type of independent use, and with a direct exit to a public street or highway or to a common area or areas leading to a public street or highway.

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1.13 “Unit designation” means the combination of letters, numbers, or words that identifies the designated units.

1.14 “Unit Owner” means the person or persons owning a unit in fee simple absolute, or one who is a co-owner in any real estate relationship that is recognized under the laws of the State of Montana in one or more units of the Sandpiper Condominiums.

SECTION II. REAL ESTATE.

Description. The real property that is by this Declaration submitted and subject to the Montana Unit Ownership Act is described as follows:

Lot 1 Block 1 of the Plat of Cattail Creek Subdivision, Phase 1, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. (Plat Reference: J-340)

Condominium Units. The Condominium units will eventually consist of four (4) two story buildings, containing nine (9) separate units. One building shall have three units and three buildings shall have two units. The unit designations shall be by number 1-9. Each unit shall include a two-car garage. Each unit, together with the appurtenant undivided interest in the common elements of the Condominium, shall together comprise one condominium unit, shall be inseparable, and may be conveyed, leased, rented, devised or encumbered as a condominium unit.

Site and Floor Plans. The following exhibits are attached to this Declaration and by this reference are incorporated into and made a part of this Declaration:

- (a) Exhibit "A" showing the site plan of the Condominium and the location of the buildings containing the Condominium units on the property.
- (b) Exhibit "B" showing the floor plans and elevations for each of the units of the Condominium, the area of each, and the dimensions and the designation for each unit.

Construction Materials. The principal materials of construction of the units are concrete for the mono-slab foundations and footings, wood for the framing, structural and finish work, sheetrock, composite board, and plywood for the interior, carpet, wood, vinyl, or tile for the floors, concrete board or composite board siding for exterior wall surfaces, aluminum, wood, or composite wood soffits and fascia, and asphalt shingles for the roofs of the buildings.

Exclusion of Use. Any balcony or deck which is accessible from, associated with or joins a unit shall, without further reference thereto, be used in connection with such unit

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or units to the exclusion of the use thereof by the owners of the other units, and limited and general commons elements except by invitation.

Encroachment. If any portion of the general common elements or limited common elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist. If any portion of a Unit encroaches upon the general common elements or limited common elements or upon an adjoining Unit or Units, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the general common elements, the limited common elements or on the Units for the purpose of marketability of title. In the event that the building or any portion thereof is destroyed and then rebuilt, the Owners of the Unit or Units agree that minor encroachments of parts of the general common or limited common elements because of such construction shall be permitted and that an easement for such encroachment and the maintenance and repair of the same shall exist.

Driveways: Parking Areas. The limited common elements include a parking area on the driveway in front of each garage for automobiles of the respective unit owners. These areas will be initially laid out by the Declarant and shall be assigned to each unit. The right to use the parking spaces on the driveway in front of the garage for each unit shall be an appurtenance to that unit. Subsequent use and assignment of parking spaces shall be pursuant to regulation of the Association; provided that no change in designation of parking spaces shall be made for the benefit of a unit owner which discriminates against another unit owner without the latter's consent.

Unit Boundaries. Each unit shall include the part of the building containing the unit that lies within the boundaries of the unit, which boundaries are as follows:

- (a) **Upper and Lower Boundaries.** The upper and lower boundaries of the unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:
 - (i) Upper Boundary-the plane of the lowest surfaces of the upper floor or ceiling joists for all units;
 - (ii) Lower Boundary-the plane of the highest surface of the floor joists.
- (b) **Perimetrical Boundaries.** The perimetrical (vertical) boundaries of the unit shall be the following boundaries extended to an intersection with the upper and lower boundaries:
 - (i) **Exterior Building Walls.** The plane defined by the centerpoints of the exterior walls bounding a unit shall be a perimetrical boundary of that unit.

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- (ii) **Interior Building Walls.** The plane defined by the centerpoints of the interior walls bounding a unit, extended to an intersection with other perimetrical boundaries, shall be a perimetrical boundary of that unit. Where walls between units are of varying thicknesses, the plane of the boundary shall be the median line drawn between the two outermost boundaries of such wall.
- (c) **Apertures.** Where there are openings in any boundary, including without limitation windows, doors and skylights, the boundaries of the unit shall extend to the most exterior extrusion of the coverings of such openings, and the frameworks thereof. Therefore, windows, doors, screens and all framings, casings and hardware therefor, are included within the unit.

SECTION III. EASEMENTS, COMMON ELEMENTS.

Common Element Easements: A nonexclusive right of ingress and egress and support through the general or limited common elements within the buildings is appurtenant to each unit and all the general or limited common elements are subject to such rights.

Utility Easements—Reservation. Easements are reserved through the Condominium property as may be required for utility services, including heat, air conditioning, water, sewer, power, telephone, natural gas and cable television, in order to serve the Condominium adequately. However, such easements through the property or units shall be only according to the plans and specifications for the buildings, as set forth in the recorded plat, or as the building is constructed, unless approved in writing by the affected unit owner.

Easement for Inspection, Repair, etc. Each unit may have its air space penetrated by electrical wires and lines, gas lines, mechanical equipment including air handling ducts, hot and cold water lines, waste water lines and vents and other utility and mechanical lines, pipes or equipment. A non-exclusive easement shall exist through, over and across each unit for inspection, installation, maintenance, replacement and repair of such utility lines and mechanical equipment for the use of all of the unit owners or the unit owners being serviced by the air space being penetrated by such lines and/or equipment to a minimum, ingress and egress for the purpose of such inspection, installation, maintenance, replacement or repair of such easement rights shall only be done under the direction and approval and with the authority of the Association and/or the manager unless an emergency exists in which event any action may reasonably be taken which is justified under the circumstances to minimize damage which would otherwise occur as a consequence of such emergency.

Right of Access. The Association shall have the irrevocable right, to be exercised by the board of directors or manager, to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the limited common elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the general or limited common elements or to any other unit.

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Ingress and Egress. A non-exclusive easement shall exist in favor of each unit owner and occupant, their respective guests, tenants, licensees and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portion of the common elements as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portion of the common elements as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways.

SECTION IV. OWNERSHIP AND VOTING.

Percentile Interest. Each Unit Owner shall be entitled to the exclusive ownership, use and possession of his unit. Additionally, each Unit Owner shall have a percentile undivided interest in the general common elements which shall also control his liability for common expenses and his voting interest in all matters within the province of the Association of Unit Owners and this Declaration. The percentage of interest for the respective owners shall be computed in the approximate relation that the value of the unit at the date of the Declaration bears to the then combined value of all of the units having an interest in such common elements, and such percentile interest as are listed below:

| Unit No. | Square Footage | Percentage of Interest in General Common Elements |
|----------|----------------|---|
| 1-9 | 1517 | 11.11111% |

Use. The Condominium units shall be used for residential purposes only, except that an owner or occupant may use a portion of a unit for an office or studio, provided that such uses do not (i) interfere with the quiet enjoyment of any other owner or occupant, (ii) involve customers or clients coming into the Condominium, (iii) require the storage of equipment, products, or materials in the unit. and (iv) do not violate the provisions of any applicable laws, regulations or covenants affecting the Condominium property. Notwithstanding the foregoing, nothing shall prohibit a unit owner from leasing or renting such owner's unit to third persons or holding it out for lease or rental, or entering into an agreement or contract with others for the lease or rental of the unit for residential use. However, no unit may be leased for transient or hotel purposes, which shall be defined as rental for any period less than thirty (30) days, or any rental if the units occupants are provided customary hotel services, such as room service for food and beverage, maid service, laundry, and linen service or the like. The units and common elements shall be limited as follows:

- (a) There shall be no obstruction of the common elements nor shall anything be stored in or on the general common elements without the prior written consent of the association. Storage within or upon the general common elements shall not constitute a hazard to any unit or obstruct any easement for utility service, shall not violate any applicable law, regulation, or fire

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code, and shall not result in cancellation or rate increase of association insurance.

- (b) Nothing shall be done or kept in any unit or in the common elements that will increase the rate of insurance on the building or contents thereof, without the prior written consent of the Association. No owner shall permit anything to be done or kept in the owner's unit or in the common elements which will result in the cancellation of insurance on the building, or contents thereof, or which would be in violation of any law. No waste will be permitted on the common elements.
- (c) Unit owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of a building, and no sign, awning, canopy, shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior written consent of the Association. Seasonal decorations that are promptly removed after the season and reasonable nameplates or identification signs for individual units may be allowed. No basketball hoops or other permanent attachments may be made to the exterior of any unit. No other fixtures or attachments shall be permitted on the general or limited common elements.
- (d) No radio or television antennas, except for satellite dishes as provided below, shall be placed on the buildings or upon any portion of the common elements. Television satellite dishes may be installed, provided that they are no greater than 18" in overall size and installed in locations that are pre-approved by the association.
- (e) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to unit owners or which interferes with the peaceful possession and proper use of the property by its residents. No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.
- (f) Unit owners and occupants shall comply in all respects with the requirements of the Cattail Creek Subdivision-Phase I Declaration of Covenants and Restrictions filed August 20, 2002, in the office of the Clerk and Recorder, Gallatin County, Montana, under Document No. 2078633 and any subsequent amendments.
- (g) No unit or driveway shall be used for the storage of any inoperable vehicle, machinery or equipment, or other personal property of any quantity in excess of the immediate needs and personal use of the owner or occupants of a unit. All equipment and vehicles kept on the property, including recreational vehicles, campers, trailers, motor homes, boats, and all other

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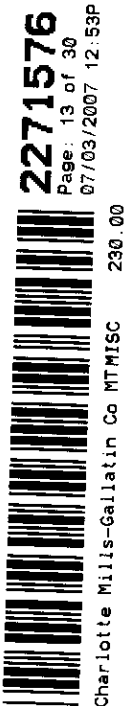
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recreational equipment, shall be enclosed in the garage. No one shall reside in such recreational vehicles, motor homes, campers, trailers or other recreational equipment stored on the property.

- (h) Nothing shall be done in any unit or in, on, or to the common elements which will impair the structural integrity of a building or which would structurally change a building, except as is otherwise provided in this Declaration.
- (i) No animals of any kind shall be raised, bred, or kept in any unit, except that dogs, cats, and other ordinary, household pets may be kept subject to rules and regulations from time to time adopted by the Association. All pets shall be subject to all applicable animal control laws and ordinances, including leash laws. Pet owners shall immediately clean up after their pet on Condominium property. No kennels, tethers, exercise pens or the like shall be permitted in any unit or common element.
- (j) Nothing shall be altered or constructed in or removed from the common elements, except upon the prior written consent of the Association.
- (k) Any owner wishing to construct a fence around his or her unit, regardless of whether such fence will encroach upon the common elements, shall submit plans for the fence to the Board, showing sufficient detail to adequately apprise the Board as to the design and materials contemplated, the proposed date for commencement of construction and the anticipated date of completion. In the event that an owner wishes to encroach upon the common elements, the Board may also require assurances that the common elements will not be subject to a construction lien.
- (l) Use by the Owners of the units in the Sandpiper Condominiums shall at all times be in compliance with all of the ordinances of the City of Bozeman, and the laws of the State of Montana. Such compliance shall also include and extend to any repair, remodeling or refurbishing of the units.
- (m) Although each Unit Owner shall have the exclusive use of the limited common elements next to such Owner's unit, such Owner may not use or occupy such area in a manner that adversely affects the value of the remaining units nor the use and enjoyment of such other Owners of their limited common elements.

SECTION V. THE ASSOCIATION.

Membership. An owner of a unit in Sandpiper Condominiums shall automatically upon becoming the owner of said unit, be a member of Sandpiper Condominiums Unit Owners Association, hereinafter referred to as the Association, and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his



membership in said Association shall automatically cease. The membership shall be limited to Unit Owners as defined in this Declaration.

Function. There shall be formed and Association of Unit Owners. Membership shall be limited to owners as defined in this Declaration. It shall be the function of the Association to:

- a) Adopt Bylaws of the governance of the Association.
- b) Make provision for the general management of the condominium.
- c) Levy assessments as provided for in this Declaration, the Bylaws and the Unit Ownership Act of Montana.
- d) Adopt and implement a policy for the affairs of the condominium.
- e) Enter into contracts or hire personnel for the management of the affairs of the Association and the maintenance and repair of the common areas.

Vote. Unless a Condominium unit's vote is expressly excluded in a particular matter by this Declaration, each of the nine (9) units of the Condominium shall have one (1) vote on all matters to be decided by the Association. If more than one person or an entity owns a unit, such persons or entity shall appoint a representative to cast the vote for that unit. Except as otherwise provided in the Unit Ownership Act, this Declaration, or the bylaws, a majority of the votes present at any meeting or by proxy shall be sufficient to act on matters brought before the Association. Meetings of the Association shall only be conducted when a quorum is present, as defined in the Association bylaws. Declarant shall retain one vote for each unit owned by the Declarant, regardless of whether or not such unit has been constructed or completed. Meetings of the Association shall only be conducted when a quorum is present, as defined in the Association Bylaws. A quorum shall consist of 50% of the unit owners.

Failure to Comply. Each owner shall comply strictly with the provisions of this Declaration, the Bylaws or the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may lawfully be amended from time to time. Failure to comply with any of the same shall be grounds for and action to recover sums due, for damages or injunctive relief or both, and for reimbursement to all attorneys' fees incurred in connection therewith, which action shall be maintainable by the manger in the name of the Association, on behalf of the owner, or in the proper case, by an aggrieved owner.

Levying Assessments. The Association of Unit Owners shall levy assessments upon the Unit Owners in the following manner and for the following reasons:

- a) Assessments shall be made as a part of the regular business of the Association at any regular or special meeting thereof. Notice of the assessment, the amount thereof, and the purpose for which it is made, including an annual budget for expenditures and

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operation, shall be served upon all Unit Owners affected by mailing a copy of the notice to said owners at their address of record, at least ten (10) days prior to the date of such meeting.

b) Assessments shall be made for the repair, replacement and general maintenance, management and administration of general common elements, fees, costs and expenses of the manager, taxes for common elements, and for the unit Owner's percentage share of any special improvement district assessments. Assessments shall be based upon and computed by using the percentile interest that each Unit Owner has in the general common elements.

c) Assessments may also be made for the payment of limited expenses such that the Unit Owners are chargeable only for the expenses relating to their respective units in accordance with the percentile interest a unit associated with such limited common elements bears to the combined percentile interest of the other unit or units sharing or having an interest in the limited common elements concerned. If only one unit is associated with the limited common elements involved, then the entire cost of such repair, maintenance or replacement shall be borne by that unit.

d) Assessments may also be made for any purpose contemplated by this Declaration and for any purpose set out in the Unit Ownership Act of Montana.

e) Common expenses and profits, if any, of Sandpiper Condominiums shall be distributed among and charged to the Unit Owners according to the percentile interest that each Unit Owner has in the general common elements.

f) In a voluntary conveyance of a unit the grantee of the unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the manager or Board of Directors of the Association, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association and such grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.

g) At the time the Association holds its first meeting a reserve account shall be set up to which initial assessments shall then be deposited and which assessment shall be a sum that is equal to two times the monthly assessment fee for that year multiplied by the number of units in the condominium project. Said amount shall be divided equally among all Unit Owners. If the Declarant still holds title to one or more units he shall pay the amount assessed against each and every unit so owned.

Payment of Assessments. All assessments shall be due thirty (30) days from the date of mailing of such assessment following the meeting at which time assessments are levied

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by the Association and may be payable in one annual payment or in quarterly installments, at the option of the owner. The amount of the common expenses assessed against such condominium shall be the personal and individual debt of the owner thereof. No owner may exempt himself from liability for his contribution toward the common expenses and the limited expenses by waiver of the use or enjoyment of any of the general common elements or limited common elements or by abandonment of his unit. All assessments that are not paid within fifteen (15) days from the date they are due and payable become delinquent and are subject to interest and penalty charges. The manager shall have the responsibility of taking prompt action to collect any unpaid assessment that becomes delinquent. In the event of delinquency in the payment of the assessment, the Unit Owner shall be obligated to pay interest at the then current legal rate of interest per annum on the amount of the assessment from due date thereof, together with all expenses, including attorneys' fees incurred, together with such late charges as provided by the Bylaws of the Association. Suit to recover a money judgment for unpaid common expenses and limited expenses shall be maintainable without foreclosing or waiving the lien securing the same.

Unpaid Assessments - Liens. All sums assessed but unpaid for the share of common expenses and limited expenses chargeable to any condominium unit shall constitute a lien on such unit superior to all other liens and encumbrances, except only for tax and special assessment liens on the unit in favor of any assessing authority, and all sums unpaid on a first mortgage or a first trust indenture of record, including all unpaid obligatory sums as may be provided by such encumbrance. To evidence such lien, the manager shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of the accrued interest and late charges thereon, the name of the owner of the condominium unit and a description of the condominium unit. Such notice shall be signed and verified by one of the officers of the Association or by the manger, or his authorized agent, and shall be recorded in the office of the Clerk and Recorder of Gallatin County, State of Montana. However, the manager will first serve a copy of said notice of lien on the owner of the unit by personal service on each owner or mail a copy of the notice of lien by certified or registered mail with return receipt requested to each owner's last known address and file a certification to that effect with the Clerk and Recorder of Gallatin County, Montana. Such lien shall attach from the date of recording of such notice. Such lien may be enforced by the foreclosure of the defaulting owner's condominium unit by the Association in like manner as a mortgage on real property upon the recording of a notice or claim thereof. In any such proceedings the owner may be required to pay the costs, expenses and attorneys' fees incurred for filing a lien and in the event of foreclosure proceedings, additional costs, all expenses and reasonable attorneys' fees incurred.

Unpaid Assessment – Mortgagee. Where the mortgagee of a first mortgage of record or other purchaser of a unit obtains title to the unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessments by the Association chargeable to such unit which became due prior to the acquisition of title to such unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common

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expenses collectible from all of the units including such acquirer, his successors and assigns.

Foreclosure. The Association shall have the power to bid on the unit at a foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same. Any lienholder holding a lien on a unit may pay, but shall not be required to pay, any unpaid general common expenses or limited common expenses payable with respect to any such unit, and upon such payment such lienholder shall have a lien on said unit for the amounts paid of the same priority as the lien of the lienholder's encumbrance without the necessity of having to file a notice or claim of such lien.

SECTION VI. DECLARANT'S RIGHT TO CHANGE.

1. Declarant reserves the right to change the interior design and arrangement of all units and alter the boundaries between units, so long as Declarant owns the units so altered. No such change shall alter the boundary of the general common elements without an amendment to this Declaration. Until seventy-five percent (75%) of the units have been built and sold, Declarant reserves the right to establish easements, reservations, exceptions and exclusions on undeveloped common elements consistent with the condominium ownership project.

2. Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration or the bylaws of the Association, Declarant reserves the right to exercise the rights, duties and functions of the board of directors of the Association until seventy-five percent (75%) of the condominium units have been sold. During the period of development and sale of the remaining condominium units, the monthly assessment for common expenses shall be based upon the estimate of the actual cost thereof, excluding therefrom any estimated amount for contingencies, reserves or sinking funds, and Declarant shall pay Declarant's pro rata share thereof only for those condominium units which have been completed. During the period when fewer than all of the units have been erected, the common expenses shall be allocated among the owners of existing, completed units, and during such period Declarant shall pay the real estate taxes and assessments on that part of the land described in SECTION II that remains undeveloped but on which condominium units will be subsequently constructed.

SECTION VII. AMENDMENT.

Amendment to this Declaration shall be made in the following manner:

At any regular or special meeting of the Association of Unit Owners, such amendment may be proposed as a resolution by any Unit Owner. Upon adoption of the resolution by majority vote of those present at the meeting or by proxy the amendment shall be made a subject for consideration at the next succeeding meeting of the Association with notice thereof, together with a copy of the amendment to be furnished to each owner no later than thirty (30) days in advance of such meeting. At such meeting

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the amendment shall be approved by receiving the favorable vote of seventy-five percent (75%) of the total percentile vote of all the Unit Owners. If so approved, it shall be their responsibility of the manager to file the amendment with the recording officer of Gallatin County and the County Assessor. The amendment shall become effective upon being filed with the recording officer. Each Unit Owner shall be sent a copy of the recorded amendment. Notwithstanding anything stated above, Declarant reserves the right to set the boundaries of the units of all subsequent buildings by filing an amendment hereto without the requirement of holding a meeting or receiving a vote of any other Unit Owner.

SECTION VIII. REMODELING, ALTERATIONS AND MAINTENANCE.

Interior Remodeling: Each Unit Owner shall have the exclusive right to paint, repaint, tile, wax, paper, panel, carpet, brick or otherwise maintain, refinish and decorate the inner surfaces of the walls, ceilings, floors, windows, and doors bounding his own unit, and the interior thereof, so long as such owner does not affect the structural integrity of the building.

Alterations by Unit Owners. The interior plan of a unit may be changed by its owner and the boundaries between units may be changed only by the owners of the units affected. An owner shall do no act, nor any work that will impair the structural soundness or integrity of the buildings or impair any easement. No units may be subdivided. The right of each owner to repair, alter and remodel is coupled with the obligation to replace any finishing or other materials removed with similar or other types or kinds of materials. All glass replacement shall be with similar quality, shade and design. No act or alteration, repairing or remodeling by any Unit Owner shall impair in any way the integrity of the units of adjoining owners or the integrity of limited common elements or general common elements. No change in the boundaries of units shall encroach upon the boundaries of the common elements. Boundary walls must be equal in quality of design and construction to the existing boundary walls. A change in the boundaries between units shall be set forth in an amendment of this Declaration. In addition to compliance with the provisions of SECTION VII above, such amendment must further set forth and contain plans of the units concerned showing the units after the change of boundaries, which plans shall be by an architect licensed to practice in Montana, and attached to the amendment as exhibits, together with the certificate of an architect or engineer required by the Unit Ownership Act. Such an amendment shall be signed and acknowledged by the owners of such units concerned and also approved by the Board of Directors of the Association and signed and acknowledged by all lienors and mortgagees of the units concerned.

Maintenance by Unit Owners. An owner shall maintain and keep in repair the interior of his own unit, including the fixtures thereof. All fixtures and equipment installed in the unit commencing at a point where the utilities enter the unit shall be maintained and kept in repair by the owner thereof. An owner shall also keep any balcony, entrance or deck area appurtenant to this unit in a clean and sanitary condition. Each owner shall be responsible for snow removal on the unit's driveway and walkways.

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Liens for Alterations. Labor performed or materials furnished and incorporated into a unit with the consent or at the request of the Unit Owner, his agent, his contractor or subcontractor shall be the basis for the filing of a lien against the units of the Unit Owner consenting to or requesting the same. Each owner shall indemnify and hold harmless each of the other owners from and against all liability arising from the claim of any lien against the unit or any other owner or against the general common elements, or limited common elements for construction performed or for labor, materials, services or other products incorporated into the owner's unit at such owner's request.

Exterior Alterations. No owner may change, alter or remodel the exterior of his unit without the prior written consent of the Association.

SECTION IX. INSURANCE.

Purchase. All insurance policies upon the condominium property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Montana.

a) Named Insured - The named insured shall be the Association individually and as agent for the Unit Owners without naming them. Such policies shall provide that payments for losses thereunder by the insurer shall be paid to the insurance trustee hereinafter designated, and all policies and endorsements thereon shall be deposited with the insurance trustee. Unit Owners may obtain insurance coverage, at their own expense, upon their own personal property and for their personal liability and living expense.

b) Copies to Mortgagees - One copy of each insurance policy and of all endorsements thereon shall be furnished by the Association to each mortgagee of a Unit Owner on request.

Coverage

(a) Casualty. All buildings and improvements upon the land shall be insured in an amount equal to the full insurable replacement value, and all personal property included in the common elements shall be fully insured, with all such insurance to be based on current replacement value, as determined annually by the board of directors. Such coverage shall afford protection against:

(i) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

(ii) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the building on the land, including but not limited to vandalism and malicious mischief.

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The policies shall state whether heating, ventilation, air conditioning, other service equipment, interior fixtures and carpets are included within the coverage in order that unit owners may insure themselves if the items are not insured by the Association. Each unit owner shall be responsible for insuring personal property located within such owner's unit. Each unit owner shall also be responsible for insuring ceiling, floor and wall coverings, electrical fixtures, appliances, air conditioning and heating equipment, water heaters, built-in cabinets, and other improvements to the extent these items are located within the unit boundaries and are not covered by the Association policy.

- (b) Liability Insurance. The Association shall obtain and maintain public liability insurance covering all of the common elements and Association property and insuring the Association and the unit owners as their interest may appear in such amount and with such coverages and endorsements as the board of directors may deem appropriate. The board of directors shall have authority to compromise and settle all claims against the Association or upon insurance policies held by the Association. The unit owners shall have no personal liability upon such claims, except as may be otherwise provided by law, and nothing herein contained shall in any way be construed as imposing upon the Association a duty to assess unit owners for the purpose of raising sufficient funds to discharge any liability in excess of insurance coverage. Each unit owner will be responsible for procuring and maintaining liability insurance covering losses that may occur in and about the owner's unit, as the owner may deem appropriate.
- (c) Worker's Compensation. The Association shall obtain and maintain such worker's compensation coverage as may be required by law.
- (d) Other Insurance. The Association may obtain and maintain such other insurance as the board of directors may from time to time deem to be necessary or as may be required by applicable law, including but not limited to errors and omissions insurance for officers, directors, and managers, flood insurance, and insurance for the benefit of Association employees.

Premiums. The Association shall pay premiums for insurance policies purchased by the Association as a common expense, except that the amount of increase in the premium occasioned by use, misuse, occupancy, or abandonment of the unit or its appurtenances or of the common elements by a Unit Owner shall be assessed against the owner. Not less than ten (10) days prior to the date when a premium is due, the Association shall furnish evidence of such payment each mortgagee listed in the roster of mortgagees.

Insurance Trustee. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to such bank in Montana with trust powers as may be designated as insurance trustee by the

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Board of Directors of the Association, which trustee is herein referred to as the insurance trustee. The insurance trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the insurance trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated in this instrument and for the benefit of the Unit Owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the insurance trustee:

a) Unit Owners - An undivided share for each Unit Owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

b) Mortgagees - In the event a mortgagee endorsement has been issued as to a unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions thereof made to the Unit Owner and mortgagee pursuant to the provision of this Declaration.

Distribution of Proceeds. Proceeds of insurance policies received by the insurance trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

a) Miscellaneous Expenses - Miscellaneous expenses of administration, insurance trustee and construction or remodeling supervision shall be considered as part of the cost of reconstruction or repair.

b) Reconstruction or Repair - If the damage for which the proceeds are paid is to be repaired or reconstructed by the Association, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to the Unit Owners and their mortgagees being payable jointly to them.

c) Failure to Reconstruct or Repair - If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them.

d) Certificate - In making distribution to Unit Owners and their mortgagees, the insurance trustee may rely upon a certificate of the Association made by its representative or manager as to the names of the Unit Owners and their respective shares of the distribution.

Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a suit and for each owner of

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any other interest in the condominium prepay to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

Benefit to Mortgagees. Certain provisions in this paragraph entitled "insurance" are for the benefit of mortgagees of condominium parcels, and all of such provisions are covenants for the benefit of any mortgagee of a unit any be enforced by such mortgagee.

SECTION X. RECONSTRUCTION AFTER CASUALTY.

Repair After Casualty. If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired, shall be determined in the following manner:

a) Lesser Damage - If a unit or units are found by the Board of Directors of the Association to be tenantable after the casualty, the damaged property shall be repaired.

b) If a unit or units are found by the Board of Directors to be not tenantable after the casualty, the damaged property will reconstructed or rebuilt.

c) Certificate - The insurance trustee may rely upon a certificate from the Association made by its president and secretary to determine whether or not the damaged property is to be reconstructed or repaired.

Plans and Specifications. Any reconstruction or repair must tie substantially in accordance with the plans and specifications for the original improvements or if not, then according to plans and specifications approved by the Board of Directors of the Association and by more than seventy- five percent (75%) of the Unit Owners, including the owners of all units the plans for which are to be altered. Any such reconstruction not in accordance with the original plans and specifications must be set forth in an amendment to this Declaration, which amendment shall be prepared and filed of record in accordance the provisions of such amended filing, more particularly set forth in paragraph VII hereinabove.

Responsibility. The responsibility for reconstruction or repair after casualty shall be the same as for maintenance and repair in the condominium property.

Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair for which the Association is responsible, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such cost. Such assessments shall be in proportion to the owner's percentile interest.

Construction Funds. The funds for payment of costs of reconstruction or repair after casualty, which shall consist of proceeds of insurance held by the insurance trustee and

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funds collected by the Association from assessments against Unit Owners, shall be disbursed in the sound discretion of the trustee and according to the contract of reconstruction or repair, which contract must have the approval of the Board and the Unit Owners involved.

Surplus. It shall be presumed that the first monies disbursed in payment of costs or reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which this fund is established shall be paid to the Association for the use and benefit of the Unit Owners.

SECTION XI. REMOVAL OR PARTITION – SUBDIVISION.

Sandpiper Condominiums may only be removed from condominium ownership and may only be partitioned or sold upon compliance with each of hereof:

a) The Board of Directors of the Association must approve the plans of removal, partition or sale, including the details of how any partition or sale and the distribution of the property or funds shall be accomplished.

b) The plan of removal, partition or sale must be approved as provided in the Montana Unit Ownership Act. If approval for removal, partition, or sale is not required by the Unit Ownership Act, then approval shall be evidenced by the affirmative vote of at least seventy-five percent (75%) of the votes attributable to all Condominium units. Upon obtaining such approval, the board of directors shall be empowered to implement and carry out the plan of removal, partition, or sale.

c) No unit may be divided or subdivided into a smaller unit, nor any portion thereof sold or otherwise transferred, except as provided above.

d) This section shall not apply to the sale of individual condominium units and shall not be considered as a right of first refusal.

e) The common elements of SANDPIPER Condominiums shall not be abandoned, partitioned, subdivided, encumbered, sold or transferred without compliance with all of the above requirements.

SECTION XII. INTERPRETATION.

The provisions of the Declaration and of the Bylaws to be promulgated and recorded herewith, shall be liberally construed to effectuate the purposes of the said Declaration and Bylaws and to create a building or buildings subject to and under the provisions of the Unit Ownership Act.

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SECTION XIII. REMEDIES.

All remedies provided for in the said Declaration and are exclusive of any other remedies which may now be or are hereafter available to the parties hereto as provided for by law.

SECTION XIV. SEVERABILITY.

The provisions hereby shall be deemed independent, severable and the invalidity or unenforceability of any one or more provisions shall not effect the validity or enforceability of any other provision hereof.

SECTION XV. MISCELLANEOUS.

Service of Process. The name of the person to receive service of process for Sandpiper Condominiums until other designation is filed of record shall be Todd Hough, 3309 Sundance Drive, Bozeman, MT 59715.

Irrevocable Right. The Association shall have the irrevocable right, to be exercised by the manager, to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of the limited common elements therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the general or limited common elements or to another unit. Damage to the interior or any part of the unit resulting from the maintenance, repair, emergency repair or replacement of any of the general or limited common elements or as result of any emergency repair within another unit at the instance of the Association, shall be designated either limited or common expenses by the Association and assessed in accordance with said designation.

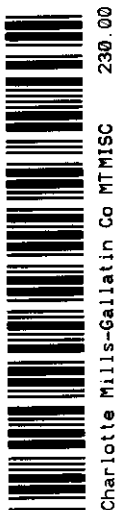
Expenditures. No expenditures or debts in excess of \$1,000.00 may be made or incurred by the Association or manager without the prior approval of seventy-five (75%) of the Unit Owners, according to percentile interest.

Benefit. Except as otherwise provided herein, this Declaration shall be binding upon and shall inure to the benefit of the Declarant, the Association and each Unit Owner and the heirs, personal representatives, successors and assigns of each.

Disclaimer. Except as expressly provided in this Declaration, the bylaws, or in agreements or instruments pertaining to conveyance of the units, Declarant does not intend by this Declaration to make, and hereby expressly negates and disclaims, any warranties and representations regarding the value, nature, quality, physical condition, suitability, compliance with laws, or any other aspect of the Condominium property or the units. Estimates of common expenses made by Declarant are reasonably believed to be accurate at the time they are made, but Declarant makes no warranty or representation that such estimates are either correct or may be relied upon by any person

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Legal Description

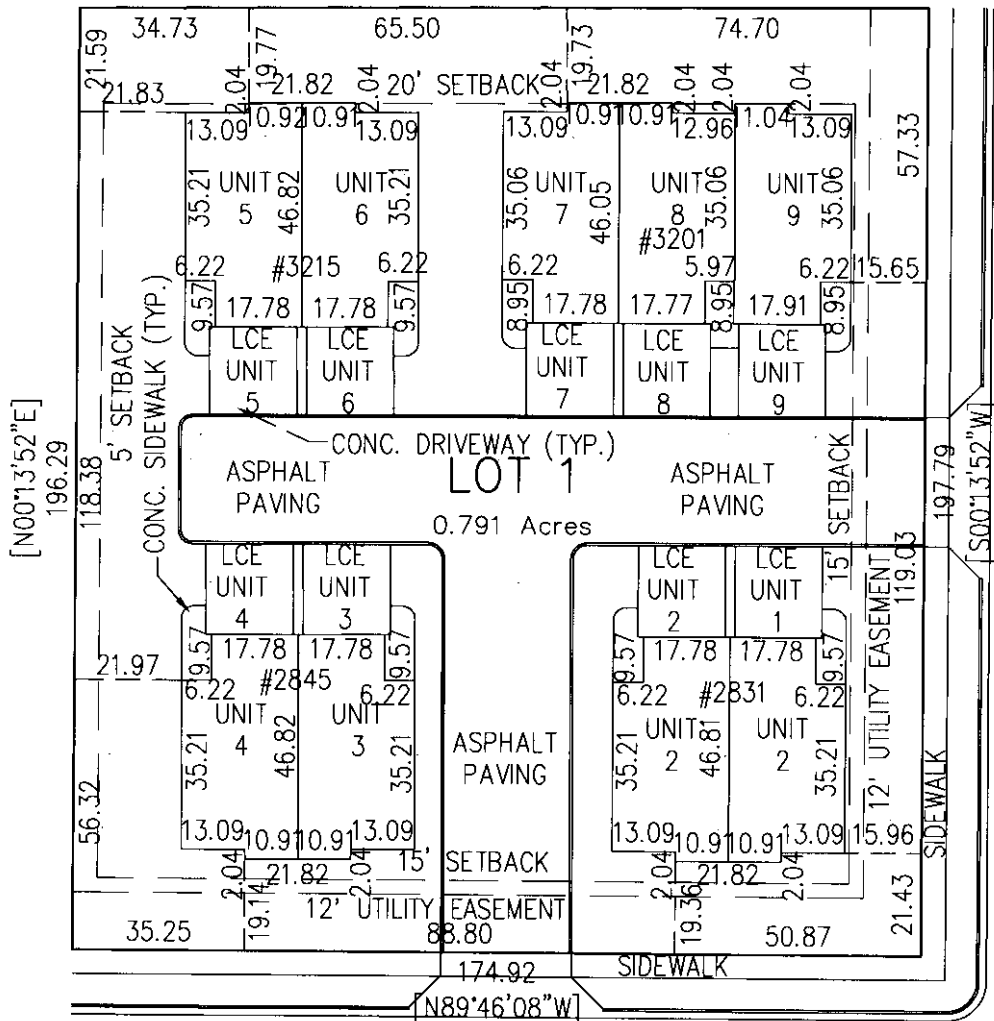
Lot 1, Block 1, CATTAIL CREEK
SUBDIVISION, PHASE 1, located
in the NE 1/4 of Sec 35, T. 1
S., R. 5 E. of P.M.M., Gallatin
County, Montana

EXHIBIT A

SITE PLAN

SANDPIPER CONDOMINIUM

[N89°44'23"E]
174.93

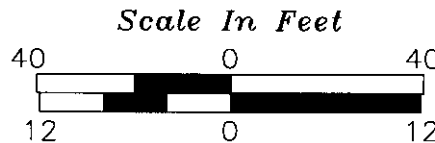


Address

- 2831 Catron Street (UNITS 1 & 2)
- 2845 Catron Street (UNITS 3 & 4)
- 3215 Warbler Way (UNITS 5 & 6)
- 3201 Warbler Way (UNITS 7, 8 & 9)



Engineering and Surveying Inc.
1091 Stoneridge Drive • Bozeman, MT 59718
Phone (406) 587-1115 • Fax (406) 587-9768
www.chengineers.com • info@chengineers.com



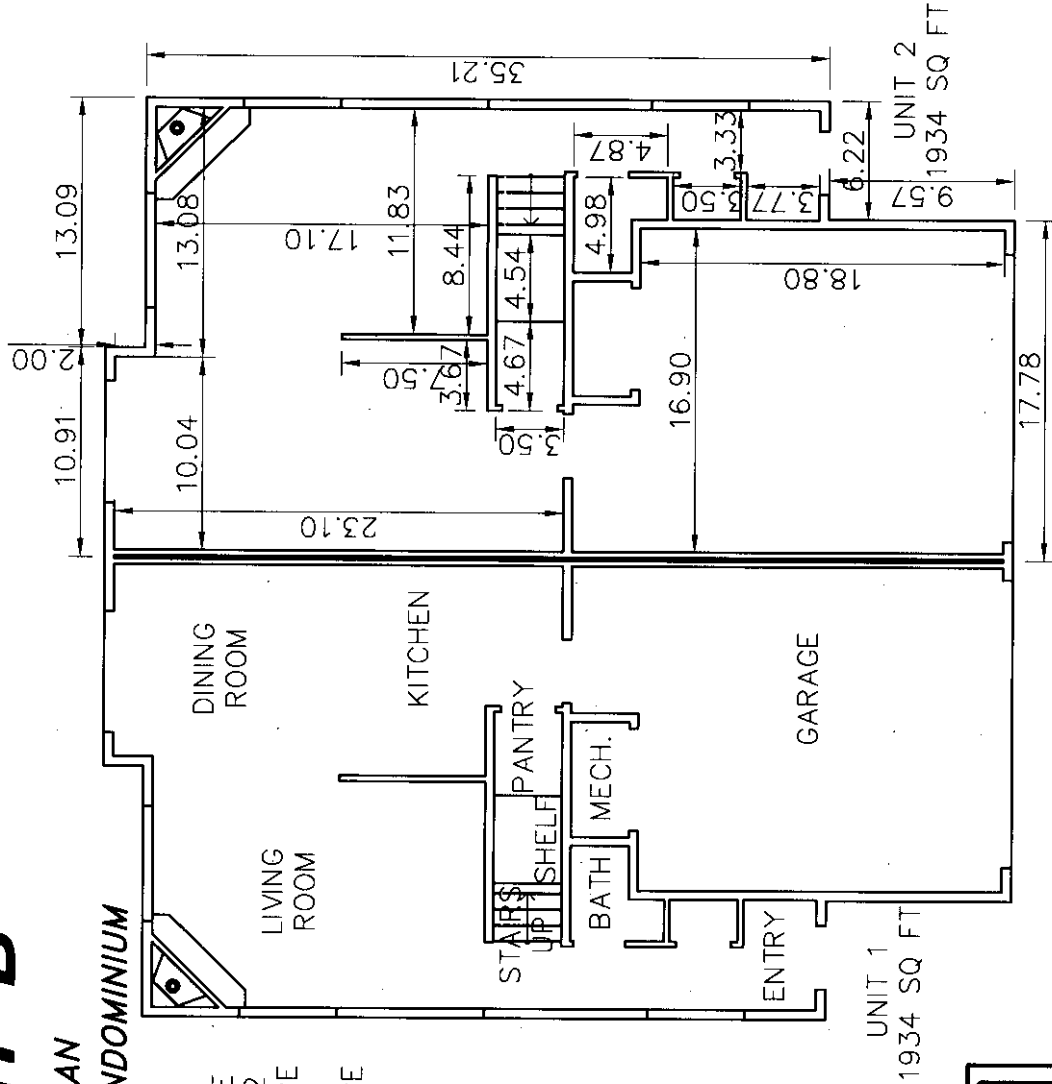
Warbler Way



EXHIBIT B

SITE PLAN SANDPIPER CONDOMINIUM

UNIT 1 DIMENSIONS ARE
 MIRRORED FROM UNIT 2
 UNIT 3 AND UNIT 5 ARE
 THE SAME AS UNIT 1
 UNIT 4 AND UNIT 6 ARE
 THE SAME AS UNIT 2



UNIT 1
 1934 SQ FT

UNIT 2
 1934 SQ FT

FIRST FLOOR PLAN

SCALE: 1" = 10'

Sheet 1 of 4

IN

#06504(EB)

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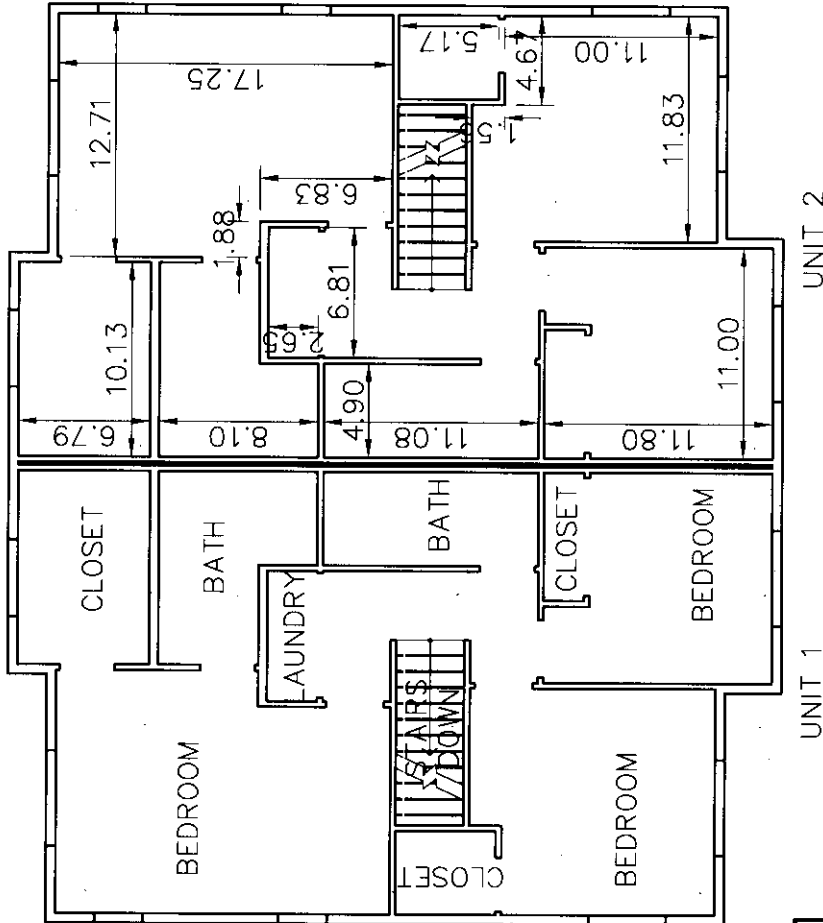
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EXHIBIT B

SITE PLAN
SANDPIPER CONDOMINIUM

UNIT 1 DIMENSIONS ARE
MIRRORED FROM UNIT 2
UNIT 3 AND UNIT 5 ARE
THE SAME AS UNIT 1
UNIT 4 AND UNIT 6 ARE
THE SAME AS UNIT 2



SECOND FLOOR PLAN

SCALE: 1" = 10'

Sheet 2 of 4



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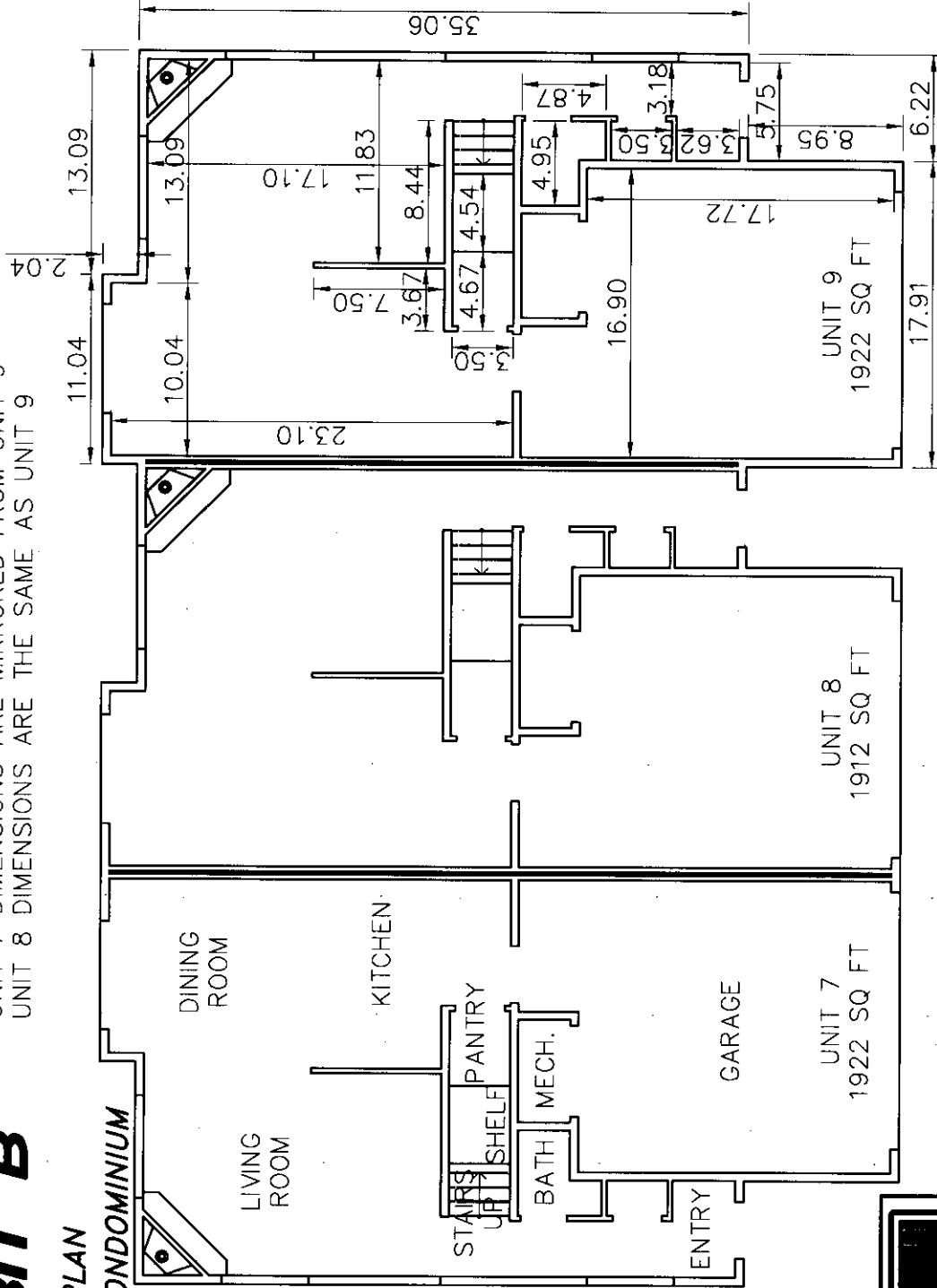


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EXHIBIT B

SITE PLAN SANDPIPER CONDOMINIUM

UNIT 7 DIMENSIONS ARE MIRRORED FROM UNIT 9
UNIT 8 DIMENSIONS ARE THE SAME AS UNIT 9



FIRST FLOOR PLAN

SCALE: 1" = 10'

Sheet 3 of 4

#06504(EB)



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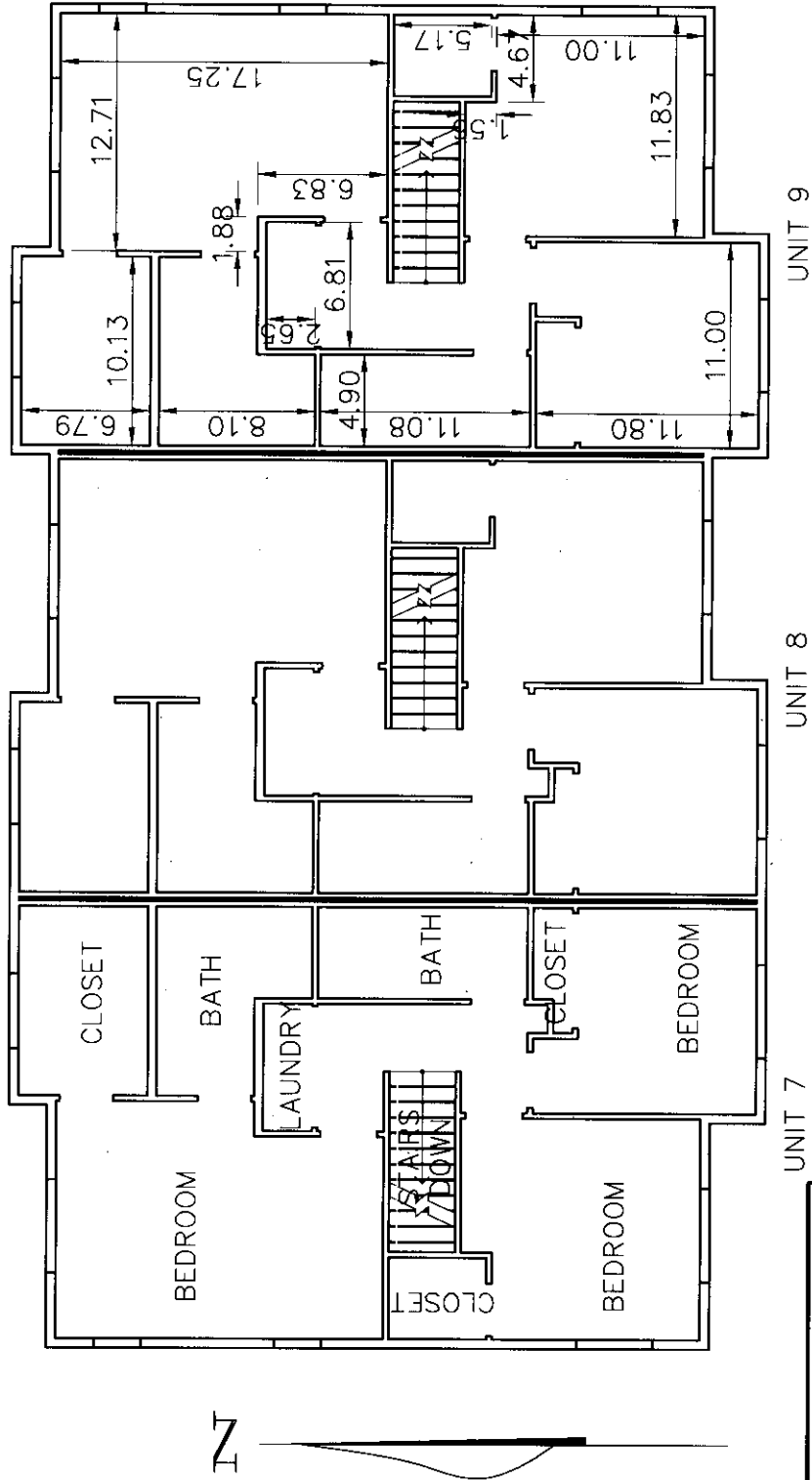
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Charlotte Mills-Gallatin Co MTMISC 230.00

EXHIBIT B

SITE PLAN SANDPIPER CONDOMINIUM

UNIT 7 DIMENSIONS ARE MIRRORED FROM UNIT 9
UNIT 8 DIMENSIONS ARE THE SAME AS UNIT 9



SECOND FLOOR PLAN

SCALE: 1" = 10'

Sheet 4 of 4

#06504(EB)



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June 21, 2002 FINAL DRAFT

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**CATTAIL CREEK SUBDIVISION – PHASE I
DECLARATION OF COVENANTS AND RESTRICTIONS**

This Declaration, made this 9th day of Aug 2002 by SANDAN, LLC, authorized to do business in the State of Montana whose principal place of business and post office address is PO Box 1254, hereinafter referred to as the “Declarant”.

Declarant is the owner of land in Bozeman, county of Gallatin, State of Montana described in Exhibit “A” attached hereto and made a part hereof. Declarant intends to develop the land with single family residences, multi-family residences, neighborhood commercial enterprises, compatible light industrial uses, parks, private open space and a variety of uses by means of a planned unit development, and the purpose of this declaration is to create and keep the community area desirable, attractive, beneficial and suitable in architectural design, materials and appearance; and to guard against unnecessary interference with the natural beauty of the community area; for all the mutual benefit and protection of owners within the community area.

Declarant hereby declares that all land described in Exhibit “A” shall be held, sold, conveyed, encumbered, leased, occupied and improved, subject to the Cattail Creek covenants meaning the limitations, covenants and restrictions set forth in this declaration and any subsequent amendments hereto, all of which are intended to enhance the desirability and attractiveness of the land. These limitations, covenants and restrictions shall run with the land and shall be binding upon all person having or who acquire any right, title or interest in and to the land, and shall inure to the benefit of the Declarant, the Association and each person who becomes an owner of the land.

**ARTICLE I
DEFINITIONS**

SECTION 1. The following words when used in this declaration or any supplemental declaration (unless the context shall prohibit) shall have the following meanings.

- a. “Architect” shall mean a person registered to practice architecture in the State of Montana.
- b. “Association” shall mean the Cattail Creek Community Association, and its successors and assigns which shall serve and may be referred to as the Homeowners’ Association.
- c. “Board” shall mean the board of directors of the Association.



- e. "Parkland and Linear Trail System" shall mean all land and interest therein which has or may be conveyed to the Association, including but not limited all lands identified as common open space, park, or private open space as delineated on the final plat of Cattail Creek Subdivision, Phase I. Private open space shall remain in the ownership and control of the Association. Any portion of the Parkland and Linear Trail System not designated as private open space may be transferred to an appropriate organization subject to the restriction that the land remain as park land and / or open space. Parkland and Linear Trail System shall include all land designated as common open space on the Cattail Creek final plat, including but not limited to the detention / retention ponds.
- f. "Cattail Creek Design Committee", also referred to as CCDC, shall mean the committee of three members who review building proposal for conformance to the provisions of these covenants and approves, conditionally approves or rejects the same.
- g. "Declarant" shall mean SANDAN, LLC or such other person entity or corporation who SANDAN, LLC may be, by a recorded document, designated as the Declarant.
- h. The term "lot" shall mean and refer to only that land so divided into a lot, tract or parcel that is (a) described in Exhibit "A" or hereafter annexed subject to the Cattail Creek and (b) designated as the Declarant for residential, commercial or industrial use. The term lot does not include any portion of the Parkland and Linear Trail System.
- i. "Cattail Creek" shall include all land described in Exhibit "A", together with such other land as may be annexed pursuant to the provisions of these Covenants.
- j. "Owner" also referred to as lot owner, member and home owner, shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to or leasehold interest in any land which is a part of Cattail Creek, including contract purchasers, but excluding those having such interest merely as security of the performance of an obligation.

**ARTICLE II
LAND SUBJECT TO THIS DECLARATION**

SECTION 1. The land described in Exhibit "A" attached hereto shall be held, sold, conveyed, leased, encumbered, occupied and improved subject to this Declaration.

SECTION 2. The Declarant may, pursuant to the following provisions of the section, from time to time and in Declarant's sole discretion, annex to Cattail Creek all or any part of the land described in future exhibits (not then constituting a part of Cattail Creek) owned by Declarant at the time of such annexation.



- a. The annexation of such land shall be effectuated by Declarant recording a declaration describing the land to be annexed; setting forth such additional limitations, restrictions, covenants and conditions as are applicable to such land; and declaring the land is to be held, sold, conveyed, encumbered, leased, occupied and improved subject to the Cattail Creek covenants.
- b. Upon the annexation becoming effective, the annexed land shall become a part of Cattail Creek.
- c. The declaration described in Section 2a above may include, but is not limited to, providing for the following:
 - (1) A designation of land classifications as provided for by the Declarant;
 - (2) A declaration of restrictions applicable exclusively to a specified area.
- d. Only the land described in Exhibit "A" and that specifically annexed as provided for in this section shall be deemed subject to the Cattail Creek covenants, whether or not shown on any subdivision map filed by Declarant or described or referred to in any document executed or recorded by Declarant. Nothing herein or in any amendment hereto shall be deemed to be a representation, warranty or commitment that the Declarant will commit or subject to the Cattail Creek covenants any land Declarant may now own or hereafter acquire except that land described in Exhibit "A" or an annexed thereto.

**ARTICLE III
LAND CLASSIFICATIONS AND RESTRICTIVE COVENANTS**

SECTION 1. All lots within Cattail Creek shall be classified into the following City of Bozeman Zone Code designations and carry their associated allowable uses, lot areas, widths and coverages, yards, setbacks and heights:

- A. R-3 (Residential Medium-Density District).
- B. R-O (Residential Office District).
- C. M-1 (Light Manufacturing District).

SECTION 2. All M-1 Lots and R-0 lots fronting North 27th Avenue shall be subject to the City of Bozeman General Design Objectives and Guidelines section of the Entryway Corridors Design Objectives Plan.

All non M-1 lots within Cattail Creek Phase I, except as specifically noted, shall be subject to the following limitations and restrictions:



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A. Foundations

Foundation walls shall be exposed a maximum of 18" above the ground unless they are integral with an approved design scheme. Concrete foundations exposed more than 24" above grade must have an architectural finish (texture, pattern and/or color).

B. Windows and Doors

Windows shall not exceed 50% of the wall area, and not less than 10%, measured on each elevation. Elevation calculations shall include exterior window trim.

Windows shall be placed such that:

1. Single window units shall be no closer to another window than the width of the window
2. A window unit is no closer to a corner than $\frac{1}{2}$ the width of the window unit
3. For multiple attached window units, the space between groups shall be no less than a single window unit width

Windows shall be made of painted or stained wood or clad in vinyl or metal. Higher-grade vinyl window packages will be considered on a case-by-case basis.

Glass shall be clear and free of color.

Window muntins shall be or appear to be true divided lights. (If snap-ins are used, only exterior models are acceptable).

Buildings with wood exteriors shall have all openings trimmed in wood bands of minimum 4" nominal width.

Shutters are not permitted.

Sliding doors may only be used in walls facing the backyard.

Garage doors are encouraged to be built of wood, steel, or fiberglass with a wood veneer. Whenever alleys are not available, it is encouraged that garage doors do not face the street. Garage doors shall be separated for each vehicle.



C. Roof

Pitched roofs shall be clad with cedar shingles, natural slate, artificial slate, asphalt/fiberglass shingles with materials and complimenting color approved by the CCDC.

The principal roof shall be a symmetrical hip or gable form with a pitch between 4:12 and 10:12. Steeper roofs are permitted when complimentary to the overall design and approved by the CCDC.

Flat roofs comprising less than 30% of the total roof area are permitted on all buildings. Flat roofs used as balconies on street facades shall be enclosed with solid railings and integrated with the design.

Skylights shall be flat in profile (no bubbles or domes).

Skylights and solar panels shall be applied parallel and flat to the roof and are not to be on any roof parallel to the street.

Roof protrusions other than chimneys and plumbing vent stacks shall not be placed on a roof facing a street or public space.

Shed dormers shall have a pitch of at least 3:12. Hip dormers shall have the same pitch as the main roof volume.

Overhanging eave depth shall be no less than 30", except in the case of eaves overhanging gable ends, which must protrude at least 18" (or at least 12" on accessory structures.)

The eave may be encroached by a bay window or windows for no more than half of the running length of each façade, cumulatively.

Closed soffits shall be of material other than vinyl or aluminum.

Gutters shall be built of painted metal or copper of a color and finish that blends with the finish color scheme. Gutters shall be half-round or rectangular and downspouts shall be circular or rectangular.

Chimneys shall be constructed of stone, brick or stucco.

Prefabricated metal flues shall be concealed within a chimney. Chimney caps may extend no more than 16" above the chimney top.

It is strongly encouraged that chimneys emerge from the highest roof volume.

All roof-mounted equipment shall be integrated into overall design and screened. Vents projecting from the roof shall be painted to match overall roof material color. Roof top equipment and vents shall not face a public street.

Exterior antenna and/or satellite receiver dish or aerial shall be screened or landscaped and approved by the CCDC. Such facilities on commercial lots will be considered on a case by case basis.

D. Walls

All facades of a building shall be made of the same materials and similarly detailed.

Facades may change their primary material only at a band change. The intent of the regulation is that facades appear to have heavier materials on the bottom and lighter materials above (i.e., concrete and masonry shall be below wood or stucco).

Building walls shall be clad in smooth cut cedar shingles, wood clapboard, wood board and batten, cement board siding, brick or stone approved by the CCDC. Stucco or EIFS, preferably as a secondary material, with a smooth or roughcast (pebbled) finish, is also permitted upon approval based on design merit.

Siding shall be run horizontally. Maximum lap siding exposure is 5" unless approved otherwise.

The color palette of the body of the house shall be from white, cream, earth tones or as approved by the CCDC based on color scheme merit or historical precedent. All trim, frames, doors, and windows shall be in a compatible accent color. Residential color schemes must be varied from 2 the adjacent properties, in each direction. Attached dwelling units exempted from each other.

Exterior wood shall be painted or stained (wood front doors excluded).

Stone shall be set in an un-coursed pattern with a horizontal orientation.

E. Porch

Front porches are required on residential structures.

The first floor elevations shall be a minimum of 2 feet and a maximum of 5 feet above the average fronting street elevations measured on the property line. Variances may be granted on a case-by-case basis. The intent is to create a defining edge and a street friendly appearance, with an open porch raised to enhance privacy.

Main entry doors are required to be either composed with the porch design and/or recessed a minimum of 5' from the primary façade of the house.

Porch supports shall be stone, masonry or concrete piers no less than 16" x 16" square, or wood piers no less than 10" x 10" square. Column groupings must have a min. outer dimension of 10". Tapered columns may not be smaller than 7" x 7" at the top.

In any case, no building height shall exceed those specified by the Bozeman Zoning code.

F. Residential Decks

1. Decks must face only rear yards. Decks may continue in side yards but may not extend more than 36" from the side yard-facing facade.
2. The space below first floor elevated decks visible from nearby streets or public spaces shall be wood lattice with a maximum of 1-1/2" space between strips. Said lattice shall be applied in a non-diagonal design, between and not concealing deck supports. Upper level decks must be integral to the design and over first floor space

G. Signs

No signs, placards, or notices shall be erected, placed, maintained or permitted to remain on any part of any land in Cattail Creek, except such commercial signs as have been approved by the Committee for identification of residences, streets, parks or areas, places of business, or other commercial uses. Signs must also be constructed to comply with the developmental guidelines and the Bozeman sign ordinance.

H. Lighting

1. General

All exterior lighting must be free of glare and shall be fully shielded or shall be indirect lighting. No lighting shall shine beyond a property's lot line.

Mercury vapor and high-pressure sodium lights are prohibited.

2. Residential (Single Family / Multi-family) Lighting

All exterior residential lighting must be incandescent.

All exterior lighting of all lots shall be limited to maximum 60-watt incandescent bulbs and of such focus and intensity so as to not cause disturbance of adjacent lots.

Obtrusive flood lighting is prohibited.

Clear glass or exposed bulb (non-cutoff) fixtures are prohibited.

3. Parking Lot Lighting (M-1 lots included)

Kim Lighting “Archetype” outdoor cutoff luminaries with metal halide bulbs are required, with a maximum fixture height of 20’. Fixture locations and wattages as approved by the CCDC and City of Bozeman.

4. Street Lighting

The Cattail Creek Subdivision will light street and significant pedestrian intersections with Kim Lighting “Archetype” outdoor cutoff luminaries with metal halide bulbs. Special Improvement Lighting Districts will be formed for each phase. Pole heights will vary as conditions warrant, with a maximum pole height of 30’ at collectors and main intersections and 25’ on local streets. Streetlight fixtures will be spaced approximately 300’ o.c. between intersections on longer local street blocks.

5. Lighting Definitions

Fully Shielded lights: Outdoor residential light fixtures shielded or constructed so that no light rays are emitted by the installed fixture at angles above the horizontal plane.

Indirect Light: Direct light that has been reflected or has scattered off to other surfaces.

Glare: Light emitting from a Luminare with an intensity great enough to reduce a viewer’s ability to see.

I. Site Design

1. Single Family and Multi-Family Lots

Buildings shall be located on lots relative to the set back lines as shown on the land plat for each lot.

The front façade of a single family house or duplex must be built on the front yard setback line (“built-to” line). The width of the house on the build-to line must occupy a minimum of 25% of the width of the lot measured along the build-to line. Consideration will be given for 5’ maximum setback from the build-to line, based on design merit. Houses located on lots with curved property lines at the street may substitute for that line, a straight line, located at the average depth of the curved line segment fronting the building.

A 12-foot minimum distance shall separate outbuildings from the main structure.

The face of an alley-accessed garage must be built 5 feet from the alley property line. Variances for stated alley build-to lines may be granted by the CCDC based on design merit. It is the intent of these regulations to create a defined edge along the alley.

Street accessed garages must be located a minimum of 20 feet back from the front yard set back, at the primary street façade.

Attached garages shall be clearly subordinate to the dwelling. A subordinate garage has the following characteristic: The area of the garage vehicle door(s) comprises 30% or less of the total square footage, exclusive of any exposed roof areas, of the principal façade of the dwelling.

The maximum distance allowed for parking from an alley accessed property line is 35 feet.

Trash containers shall be located adjacent to or within the parking area and shall be screened from public view.

2. M-1 & R-0 Lots

On-site parking spaces shall be provided only at the rear of the lot and be screened from any residential adjacencies. Exception: Warbler Way R-O lots adjacent to the Cattail Creek Parkway or east trail corridor shall have parking at the front of the lots

J. Landscaping/Yards:

1. Definitions

Front Yard: The areas from the set back (build-to) line to the property line, and from side lot line to side lot line.

Side Yard Corridor: The area from the side of the house to the side lot line, less front yard and rear yard.

Rear Yard: The area from the back of the structure extending to the rear property line.

2. Yards

Each site owner will be required to meet minimum landscape specifications consistent with the overall plan. These will include, but are not limited to: street trees, large canopy trees in specified yards, shrubs, mixed planting beds and turf lawns. Townhouse and commercial lots are subject to City of Bozeman zone code requirements for landscaping and screening in parking areas and around structures.

The Owner is encouraged to plant native species (shrubs and trees). Wildlife-friendly shrubs, preferably planted in an informal or mixed hedge at the yard perimeters. Planting at least three minimum 2" dia. caliper trees (one front yard, two rear yard) and at least three appropriately sized planting beds (two front, one rear) at the house perimeter containing mixed shrubs is required.

Unless prevented by a utility easement or garage access, the Owner shall plant a minimum of one minimum 2" dia. caliper deciduous tree (in addition to the rear yard requirement) for each lot near the alley.

Individual lot owners shall be responsible for landscaping of the adjacent boulevard area at the time of occupancy and maintenance thereafter. Min. 2" dia. caliper trees shall be planted to follow City of Bozeman regulations for species and spacing.

Planting beds shall have a top layer of mulch or earth tone stone (non-white). Deciduous canopy trees and evergreen trees are encouraged in the side yard corridor. Deciduous trees must be planted a minimum of 20 feet from the eaves.

Property owners determine their own gardens, perennials, native grasses and/or ground covers in the rear yard.

When selecting from provided species list, it is the responsibility of the property owner to check the appropriateness of that species with specific site conditions.

Windbreaks consisting of a row of evergreen trees are encouraged for the north and northwest side and rear lot lines, but must be held back a minimum of 8 feet from the lot line when adjacent to a neighbor and out of utility easements.

It is the responsibility of the Owner to contact the appropriate utility companies before digging.

Commencing with the transfer of any land in Cattail Creek from Declarant, the Owner shall cause all the land to be maintained in a neat appearance at all times. Grass shall be cut not less than every two weeks and trees, bushes and hedges shall be trimmed at such intervals as are necessary to maintain the attractiveness of Cattail Creek.

There shall be no incineration or burning of garbage, trash or other waste or debris on any lot. No junk, garbage, trash, equipment, unworking or out of use vehicles, parts, metals, lumber, debris or other waste shall be allowed to accumulate on any lot. All garbage and trash requirements of the City of Bozeman shall be observed. Garbage containers shall be kept in the garage or other enclosures except on garbage pick-up day. Each lot owner shall maintain the alley right-of-way adjacent to the owner's property. Such maintenance shall include, but not be limited to, picking up and appropriately disposing of debris and garbage, mowing and trimming of the alley right-of-way.

3. Fences

Fence design and location must be approved by the CCDC. Fences and gates must be made of wood (excluding split rail). Fence designs should have a cap board or if a picket fence, have a flat top or dog-ear cut. No chain link or vinyl fencing allowed. All wood fences must have a sealer, stain or paint applied in order to protect the wood from moisture and UV rays.



Maximum fence height is 5'-0" unless a variance is requested and granted from the City Commission. Maximum height for fences in corner side yards shall be 4'-0". No fences are allowed in required vehicle vision triangles. No fences are allowed in front yards unless approved by the CCDC.

4. Weed Control

The owner of each lot shall control the weeds and all noxious plants on their lot; provided, however, that the owner shall not use spray or killing materials in such a way as to be harmful to humans or animals or to the other owners' vegetation.

In the event an owner shall not control the weeds and noxious plants, the Association, after ten days written notice to an owner to control the same, may cause the weeds or noxious plants to be controlled, and may assess the lot owner for the costs thereof.

SECTION 3. General Notes for all Cattail Creek Phase I Lots

Single family residential houses shall be a minimum of 1400 gross square feet in area, excluding garages or out buildings.

The maximum size of an attached garage shall be 650 gross square feet.

The maximum size of a detached garage or outbuilding shall be 750 gross square feet on the first floor and 550 gross square feet on the second floor.

Each building or other structure shall be constructed, erected and maintained in strict accordance with the approved plans and specifications.

No animals, livestock or poultry of any kind shall be raised, bred, or kept on any land in the subdivision, except that a reasonable number of cats, dogs or other common household pets may be kept; provided, however that they are not kept, bred or maintained for any commercial purpose. All pets shall be on a leash at all times when off the owner's property.

No boat, trailer or recreational vehicle shall be parked on any street, road or any part of the right of way of any street or road in Cattail Creek at any time. All recreation vehicles shall be stored within enclosed or covered parking or offsite.

No snowmobiles, ATV's, trail bikes shall be operated within Cattail Creek Subdivision.

Section 4. Each Owner grants to Declarant and reserves to Declarant, a lien upon the lot of the owner to secure the faithful performance by the Owner of the requirements and restrictions contained in these Covenants. If any Owner shall fail to comply with Article III or any other requirement for building location, setback, design, landscaping or construction within 10 days after Declarant shall have deposited in the United States postal system a notice to the Owner of the failure to comply. Declarant shall have the right to cause the necessary work to be done and



to have a lien upon the land of the noncomplying Owner for the reasonable cost of such work plus an additional amount equal to 10% of the cost of such work. If within 30 days the noncomplying Owner does not pay to Declarant the sum secured by the lien, then Declarant may foreclose the lien in compliance with the mortgage foreclosure laws of the State of Montana for the aggregate of (I) the reasonable cost of such work (II) a sum equal to 10% of such work, and (III) all cost incurred by Declarant in foreclosing the lien, including a reasonable attorney's fee. Declarant is in no way precluded from seeking any remedy available to Declarant pursuant to the laws of Montana, including but not limited to immediate, temporary and permanent injunctive relief.

Enforcement of these covenants by Declarant, CCDC, Board, Owner or any party having standing, shall include for the party seeking enforcement and prevailing in such enforcement, an award of costs, fees and reasonable attorney's fees.

**ARTICLE IV
DESIGN REVIEW PROCESS**

SECTION 1. Submission of Plans Before Construction.

No residence, fence, wall, garage, outbuilding or other structure shall be made, erected, altered or permitted to remain upon the properties until written plans and specifications showing the design, nature, kind, color, dimensions, shape, elevations, material, use and location of the same shall have been submitted and approved, in writing, by a majority of the CCDC as to compliance with these Covenants, as well as appropriate City of Bozeman review & permitting.

SECTION 2. General Requirements.

Submit two copies of the required documents for each design review to:

Cattail Creek Design Committee (CCDC)
P.O. Box 1254
Bozeman, Montana 59771-1254

The design review cycle begins on Monday of each week. Submittals must be received by noon on Friday of the previous week. All documents must be dated and labeled with "Cattail Creek Design Committee" and specific project title and address.

Upon CCDC review, the owner will be notified within ten (10) business days after the start of the review cycle date that the design has been approved, approved with stipulations or disapproved. Submittals deemed incomplete will be returned.

The reasons for approval with stipulation and disapproval will be clarified for the owner in writing and/or with drawings. If the CCDC does not contact the owner within ten (10) business days of the review commencement date, the application shall not be deemed "approved".



Request for withdrawal of an application may be made without prejudice, provided the request for withdrawal is made in writing to the CCDC.

If an application has been denied, or the approval is subject to conditions that the owner feels are unacceptable, the owner may request a hearing before the CCDC to justify his/her position. The CCDC will consider the arguments and facts presented by the owner and notify the owner of its final decision within ten (10) days of the hearing.

SECTION 3. Twelve Months to be Completed.

Any structure to be erected in accordance with an approval so given must be erected and completed within one year from the date of approval. If any structure is commenced and is not completed in accordance with the plans and specifications within one year, the Directors of the Association, at their option, may take such action as may be necessary, in their judgment, to improve the appearance so as to make the property harmonious with other properties and to comply with these Covenants, including completion of the exterior or the combination thereof, or removing the uncompleted structure or similar operations. The amount of any expenditure made in so doing shall be an obligation of the owner. A lien on the property may be recorded and shall be enforceable by an action at law. In lieu thereof, the Association may take such action as is available by law, including an injunction, or for damages. If construction of a structure is not commenced within one year after approval shall be deemed denied and a new approval must be obtained prior to the commencement of construction.

SECTION 4. Liability and Variances.

In passing upon all such plans and specifications, the CCDC shall take into consideration the suitability of the proposed building or other structure and the materials of which it is to be built to the lot upon which it is to be erected, its harmony with the surroundings and the effect of the building on other structures, as planned, as viewed from adjacent or neighboring lots. The committee shall use reasonable judgment in passing upon all such plans and specifications, but shall not be liable to any person for its actions in connection with submitted plans and specifications, unless it is shown that the committee acted with malice or wrongful intent.

Neither the Association, the Declarant, the Board of Directors, the CCDC nor the individual members thereof, may be held liable to any person for any damages for any action taken pursuant to these Covenants, including but not limited to, damages which may result from correction, amendment, changes or rejection of plans and specifications, the issuance of approvals, or any delays associated with such action on the part of the Board of Directors.

Further, the Committee may, upon application, grant a variance from the Architectural Regulations, provided that the spirit of these Covenants is complied with, and provided that notice of the nature of the variance is mailed (certified) to adjacent lot owners within a 100' radius of the subject property, at least seven days before the variance is approved in order to give the other owners a chance to comment and have input to the CCDC. All variance requests pertaining to the CCDC approvals must be made in writing to the CCDC. Any variance granted shall be considered unique and will not set any precedent for future decisions. The Committee,

in reviewing and considering an application for a variance, shall consider the nature of the hardship claimed, the impact on the adjacent lot owners, the impact on Cattail Creek and an proposed mitigations for the impacts. The Committee shall have the duty and power to make the final decision on the granting of the variance, without any liability being incurred or damages being assessed due to any decision of the Committee.

SECTION 5. Procedure.

STEP 1. SKETCH DESIGN REVIEW

In addition to verifying the required setbacks, this review checks the designs for correct interpretation of the Architectural Regulations.

Form Required: Form A - Sketch Review Application.
Minimum Drawings Required on 18" x 24" (maximum size) sheets:

Site Plan (1/16" = 1'-0" scale or larger) showing:

North arrow.

Property lines, setback lines, sidewalks, drives and easements with dimensions.

Building footprints with entries, porches and balconies delineated, and overhangs as dashed lines.

First floor elevation.

Landscape concept plan including boulevard tree(s) located.

Adjacent property structures and landscaping within 20' of property line

Floor Plans (1/8" = 1'-0" scale or larger) showing:

All windows and doors.

All overhangs of floors and roofs as dashed lines.

Overall dimensions.

Gross square footage, excluding garage.

Elevations (1/8" = 1'-0" scale or larger) showing:

Porches, balconies, doors and windows.

Principal materials and colors specified.

Overall height from average grade.

Roof pitches.

Roof Plan (1/8" = 1'-0") showing:

Overhangs.

Slope directions.

STEP 2. CONSTRUCTION DESIGN REVIEW.

This review checks the construction documents for compliance with the CCDC and verifies that the previous CCDC recommendations have been incorporated. Conformity to applicable local



regulations and building codes, as well as obtaining appropriate permits is the responsibility of the architect and/or builder.

Form Required: Form B - Construction Design Review Application

Minimum Drawings Required:

Site Plan (1/8" = 1'-0" scale or larger) showing:

North arrow.

Property lines and setback lines with dimensions.

Building footprints with entry area delineated and overhangs shown as dashed lines.

Garden walls/fence lines: location, height and materials.

Water, electric and sewer service.

Location of adjacent streets/alleys.

Site contours beginning at the curb.

Location, dimensions and materials for walks and drives.

Exterior light locations, type and bulb size.

Location of external equipment (electric meter, location of waste bins, etc.)

Floors Plans (1/4" = 1'-0" scale or larger) showing:

Foundation plan dimensioned.

Room use labeled.

Wall, window and door openings dimensioned.

All overhangs of floors and roofs as dashed lines.

Overall exterior dimensions.

Gross square footage, excluding garage.

Roof Plan (1/8" = 1'-0") showing:

Overhangs.

Slope directions.

Penetrations.

Elevations (1/4" = 1'-0" scale or larger) showing:

All elevations (colors rendered of fronting street elevation).

Roof penetrations located.

Landscape Plan (1/8" = 1'-0" or larger) showing:

A landscape plan including plant listing, planting and mature sizes and their respective locations.

STEP 3. CONSTRUCTION COMMENCEMENT

Construction may not commence without the approval of the City of Bozeman Building Division, necessary permits obtained and fees collected. A copy of Form B - Construction Design Review Application bearing the CCDC approval letter must accompany City of Bozeman building permit applications.



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Shelley Vance-Gallatin Co MT MISC 198.00

The CCDC reserves the right to inspect in the field for compliance during any stage of construction. The CCDC is empowered to enforce its policy as set forth in the Architectural Regulations and Neighborhood Association's Declaration of Covenants, Conditions & Restrictions by any action, in law or equity, to ensure compliance.

STEP 5. MINOR CHANGES

It is anticipated that owners may wish to make improvements or modifications to their buildings or property during initial construction or at a future date. A change may be executed upon receipt of Form C - Application for Change(s) bearing the CCDC stamp of approval.

FORM A
SKETCH DESIGN REVIEW APPLICATION

LOT NUMBER: _____

Owner: _____

Address: _____

Telephone: _____ FAX: _____

BUILDER: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

ARCHITECT/DESIGNER: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

LANDSCAPE ARCHITECT: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

INFORMATION

1. Are any variances from the Cattail Creek Covenants being requested under this application? Yes No

If yes, please describe the variance and the reason for it (attach additional pages as necessary):



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2. Drawings submitted (please check):

- Site Plan
- Floor Plans
- Roof Plan
- Elevations
- Landscape Concept Plan

Submitted by: _____ Date: _____

Signature: _____

**FORM B
CONSTRUCTION DESIGN REVIEW APPLICATION**

LOT NUMBER: _____

Owner: _____

Address: _____

Telephone: _____ FAX: _____

BUILDER: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

ARCHITECT/DESIGNER: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

LANDSCAPE ARCHITECT: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

Drawings submitted (please check):

- Site Plan
- Floor Plans
- Roof Plan
- Elevations
- Landscape Plan

Submitted by: _____ Date: _____

Signature: _____

**FORM C
APPLICATION FOR CHANGE (S)**

LOT NUMBER: _____

Owner: _____

Address: _____

Telephone: _____ FAX: _____

BUILDER: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

ARCHITECT/DESIGNER: _____

Firm: _____

Address: _____

Telephone: _____ FAX: _____

Change Description: (attach sketch of proposed change)

Reason for Change:

Submitted by: _____ Date: _____

Signature: _____



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198.00

**ARTICLE V
CATTAIL CREEK DESIGN COMMITTEE**

SECTION 1. Function of the Cattail Creek Design Committee (CCDC)

To encourage the architectural harmony of CCDC the developer and all Owners are bound by regulations defined in the Cattail Creek Covenants, Conditions and Restrictions and the design review process. To that end, no structure shall be erected or altered until Municipal, CCDC and any other required approvals have been obtained.

SECTION 2. Scope of Responsibilities

The CCDC has the right to exercise control over all construction in the Cattail Creek Subdivision. It will also review all Owner's alterations and modifications to existing structures (including but not limited to additions, renovations, and landscaping).

SECTION 3. Enforcing Powers

Should a violation occur, the CCDC has the right to an injunctive relief, which requires the owner to stop, remove, and/or alter any improvements in a manner that complies with the standards established by the CCDC. Approval by the CCDC does not relieve an owner of his/her obligation to obtain any government approvals. If such approvals are required and are not obtained by the owner, the CCDC and/or the applicable government agency may take whatever actions are necessary against the owner to force compliance.

SECTION 4. Committee Members

The CCDC shall consist of individuals appointed by the President of the Association. The CCDC will consist of a Declarant's representative, an architect and an at-large member of the Association. At such time as 80% of the lots are held in individual ownership other than that of the Declarant, the Declarant's representative shall be replaced by a member duly appointed by the Board of Directors.

SECTION 5. Limitation of Responsibilities

The primary goal of the CCDC is to review the submitted applications, plans, specifications, materials, and samples in order to determine if the proposed structure conforms to the Cattail Creek Subdivision covenants. The CCDC does not assume responsibility for the following:

The structural adequacy, capacity, or safety features of the proposed structure or improvement.

Soil erosion, ground water levels, non-compatible or unstable soil conditions.



Compliance with any or all building codes, safety requirements, and governmental laws, regulation or ordinances.

**ARTICLE VI
CATTAIL CREEK COMMUNITY ASSOCIATION**

SECTION 1. The Cattail Creek Community Association is charged with the duties and empowered with the rights set forth herein and By-Laws that may be adopted for governing the Board of Directors

SECTION 2. Every owner or contract purchaser of a lot shall be a member of the Association. Membership shall be appurtenant to and may not be separate from the ownership of any lot. Each owner shall be responsible for advising the Association of their acquisition of ownership, of their mailing address, and of any changes of ownership or mailing address. The initial address of the Association shall be P.O. Box 1254 Bozeman, Montana 59771-1254. The address of the Association may be changed by the Board of Directors upon notice to the owners.

SECTION 3. The Association, acting through its Board of Directors, shall have the power and authority to take such actions as shall be necessary or reasonable to care for, protect and maintain the easements, parkways, boundary fences, drainage easements, open space; to enforce these Covenants; to collect assessments; to set annual and/or special meetings; and to act in any other matters set forth herein or which may serve the development, including the formation of special improvement districts, either public or private, for such improvements as the Association shall approve.

The Association shall hold an annual meeting each year at such date, place and time as shall be set by the Board of Directors. At the annual meeting, the members shall review and approve a budget for the next year, shall elect Directors to fill any expired term or vacant position, and shall conduct such other business as shall be reasonable or necessary to carry out the purpose of the Association. The members shall have the authority to set the number of Directors, which number shall not be less than three nor more than seven.

SECTION 4. The annual meeting of the Board of Directors shall be held immediately after the annual meeting of the members. At the annual meeting, the Directors shall elect a President, Vice-President and Secretary-Treasurer for the Association from among the Directors, except that the Secretary-Treasurer may be a member who is not a Director.

SECTION 5. For the purpose of determining membership, at any meeting a person or entity shall be deemed to be a member upon the recording of a duly executed deed to that owner, or upon the recording of a Notice of Purchaser's Interest or an Abstract of Contract for Deed showing a contract purchase by an owner. The legal title retained by the vendor selling under contract shall not qualify such vendor for membership.

Foreclosure of a mortgage, trust indenture or the termination or foreclosure of a contract for deed wherein title is vested in the mortgage, beneficiary or original seller on a contract, or repossession for any reason of a lot or unit sold under a contract shall terminate the vendee's membership, whereupon all rights to such membership shall vest in the legal owner.

SECTION 6. The Board of Directors shall serve for a term to be set by a simple majority of the membership, which shall not be for less than one year. Each director shall serve until replaced by his or her successor. Any vacancy on the Board of Directors occurring before the next annual meeting of the members shall be filled by the remaining directors.

SECTION 7. The Board of Directors shall have the power and responsibility of acting on behalf of the Association and its members as shall be reasonably necessary to carry out the purposes of the Association and enforce these Covenants. The Directors shall act by majority vote.

SECTION 8. The Board of Directors shall serve as officers which shall be designated by a simple majority of the members at the annual meeting unless and until a majority of the members vote to have officers elected separate and apart from the directors.

SECTION 9. The duties of each of the offices shall be as follows:

A. President. The President shall preside over all meetings of the Association. He or she shall call the membership together whenever necessary. The President shall be the general administrative and executive officer of the Association, and shall perform such duties as may be specified, and exercise such powers as may be delegated to the office of President by the Board of Directors.

B. Vice-President. The Vice-President shall exercise the powers of the President in the absence of the President.

C. Secretary-Treasurer. The Secretary shall give notice of all meetings of the Association, and shall keep a record of the proceedings of the meetings of the Association. The Secretary shall be authorized to sign on behalf of the Association, all records, documents and instruments when such are authorized to be signed by the Association.

The Treasurer shall keep and maintain adequate and correct accounts of the accounts, properties, and business of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains and losses of the Association. The Treasurer shall prepare and report such periodic accountings as shall be required by the Association.



SECTION 10. A vacancy in any office of the Association shall be filled by appointment by the Board of Directors until the next annual meeting or the successor is duly appointed or elected.

SECTION 11. The annual meeting of the Association shall occur on or before the 2nd Tuesday of July of each year. Any special meetings may be called by the President, or in the absence of the President, by the Vice-President. In addition, a special meeting shall be held upon call of 25% of the owners. Special meetings shall require 48 hours' notice, in writing. Notice of annual and special meetings shall be mailed to owners at the address for each owner which is listed as such on the official plats and records at the office of the Clerk and Recorder, Gallatin County, Montana, or at such address as shall be designated, in writing, by any owner. The presence of members, in person or by written proxy, representing 60% of the total votes of the membership shall constitute a quorum.

SECTION 12. If proposed action is favored by a majority of the votes cast at a meeting, but such vote is less than the requisite 60% of the members, members who were not present in person or by proxy may give their assent to any action in writing, provided the same is received by the Secretary of the Association not later than thirty (30) days from the date of such meeting wherein the action was voted upon.

SECTION 13. The Associations shall have the rights, obligation and duties, subject to the Cattail Creek Covenants, to do and perform each and every one of the following for the benefit of the Owners and for the maintenance and improvement of Cattail Creek.

- a. The Association shall accept title to all Parkland and Linear Trail Systems and other land from time to time conveyed to it. The Association may also acquire and accept title to any other property, real, personal or mixed.
- b. The Association shall maintain or provide for the maintenance of Parkland and Linear Trail Systems and improvements located on the Parkland and Trail Systems. All maintenance and/or improvement of Parkland or Linear Trail System shall be consistent with and in conformance with the written approval of the park land implementation plan, which outlines the installation of landscaping improvements, trail/bike path improvements and maintenance and upkeep of the park lands and trails approved by the City of Bozeman in conjunction with Cattail Creek Subdivision Phase I.

All common open space areas identified on the final plat of Cattail Creek Subdivision Phase I are included in the Parkland and Linear Trail Systems. These lands are available for the enjoyment and use of the residents, guests and public visiting Cattail Creek. The Parkland and Trail Systems are dedicated to the public.

- c. The Association shall pay all real property taxes and assessments levied upon any portion of the Parkland and Linear Trail Systems.



- d. Unless provided by a municipal, county or other governmental agency, and unless the cost thereof is assessed directly or indirectly against the Owners by such party, the Association may contract for, employ or otherwise provide for operation and maintenance of the park areas.
- e. The Association may obtain and maintain in force such insurance policies, as the Board may deem appropriate.
- f. The Association shall have all powers set forth in Cattail Creek Covenants including, without limitation, the power to levy assessments, to make contracts and to acquire and dispose of property, and shall take such action, whether or not expressly authorized by Cattail Creek Covenants as may reasonable be necessary to enforce the Cattail Creek Covenants, limitations, covenant conditions and restrictions of Cattail Creek Covenants, Sandan, L.L.C. rules and the Committee rules.
- g. The Association shall have the power and authority at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter upon any lot, for the purpose of maintaining and repairing any lot, if for any reason the Owner fails to maintain and repair the lot as required by the Covenants or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such area in violation of these Covenants. The Association may maintain and repair any roads, sidewalks, parks, linear trail or public areas in or adjoining Cattail Creek including landscaping and planting the same and repairing improvements thereon when public authorities, in the opinion of the Board have failed to do so in a manner befitting the standards of the community. The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of Cattail Creek Covenants, or to enforce by mandatory injunction or otherwise all of the provisions of the Cattail Creek Covenants.
- h. In fulfilling any of its duties under the Cattail Creek Covenants, including its duties for the maintenance, repair, operation or administration of the Parkland and Linear Trail Systems, and to the extent necessary by the failure of the Owners of private areas, or in exercising any of its rights to construction improvements of other work upon any Parkland and Linear Trail System, the Association shall have the power and authority:
 - (1) To contract and pay for, or otherwise provide for, construction, maintenance and repair of all improvements upon Parkland and Linear Trail Systems on such terms and conditions as the Association, shall deem appropriate and to pay and discharge all liens arising out of any work;



- (2) To obtain, maintain and pay for such insurance policies or bonds as the Board may deem to be appropriate for the protection or benefit of Cattail Creek, the Association, the members of the Board, the members of the Committee, or the Owners;
 - (3) To contract and pay for, or otherwise provide for, such utility services including, but without limitation, water, sewer, trash, electrical, telephone and gas services as may from time to time be required;
 - (4) To contract and pay for, or otherwise provide for the services of architects, engineers, attorneys and certified public accountants or such other professional or nonprofessional services as the Board may deem necessary;
 - (5) To contract and pay for, or otherwise provide for, fire, police and such other protection services as the Board deems necessary for the benefit of Cattail Creek, any property located with Cattail Creek, or the Owners;
 - (6) To contract and pay for, or otherwise provide for, such materials, supplies, furniture, equipment and labor as and to the extent the Board deems necessary, and to pay and discharge any and all liens placed upon any Parkland and Linear Trail System on account of any work done or performed by the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration.
- i. The Board shall be required to grant and convey to any third parties easements or rights-of way in, on, over or under any Parkland and Linear Trail System without payment to the Association when requested by Declarant. The Board shall also have the power and authority to grant and convey to any third parties, on such terms as the Board may approve, parcels or strips of land from any Parkland and Linear Trail System. The Board may not grant or convey land from any Parkland or Linear Trail which would jeopardize the land required by the subdivision, planned unit development or zoning approvals for the land described in Exhibit A.
 - j. The Board may from time to time employ the services of a manager to manage the affairs of the Association. The Board may delegate to the manager any of its powers under the Cattail Creek restrictions, provided, however, the Board cannot delegate to such manager the power to execute any contract binding on the Association for a sum in excess of \$1,000.00; nor for the performance of any work or services, which work or services are not to be completed within 60 days; nor the power to sell, convey, mortgage or encumber any property of the Association.
 - k. The Board shall have the right to pay, compromise or contest any or all taxes and assessments levied against all or any part of the Parkland and Linear Trail System, or upon any personal property belonging to the Association.



Enforcement of these covenants by Declarant, CCDC, Board, Owner or any party having standing, shall include for the party seeking enforcement and prevailing in such enforcement, an award of costs, fees and reasonable attorney's fees.

SECTION 14. The Board from time to time and subject to the provisions of Cattail Creek may adopt, amend and repeal rules and regulations to be known as Cattail Creek Rules governing:

- (1) The use of Parkland and Linear Trail Systems, including without limitations the recreational facilities;
- (2) The use of roads;
- (3) The collection and disposal of refuse;
- (4) The burning of open fires;
- (5) The maintenance of animals within Cattail Creek.

SECTION 15. No member of the Board shall be personally liable to any Owner, guest, leasee or to any other persons, including the Declarant, for any error or omission of the Association, its representatives and employees, Committee or the manager, provided, however, that such member according to the actual knowledge possessed by him, acted in good faith.

**ARTICLE VII
ASSESSMENTS**

SECTION 1. The Declarant for each lot owned by it within Cattail Creek hereby covenants, and each Owner of any lot by acceptance of a purchase and sale agreement, deed or lease therefore, whether or not it shall be so expressed in any such deed, lease or any other conveyance, shall be deemed to covenant and agree to pay to the Association the Owner's proportionate share of assessments established and collected from time to time as hereinafter provided.

SECTION 2. The Owner's proportionate share of the assessments and special assessments shall be assessed in the following manner:

Each owner or member will be assessed a proportionate share based on the number of dwelling units built per lot for residential lots and on a dwelling unit equivalent on commercial properties.

Each single-family dwelling will be assessed one share.

Each multi-family lot will be initially assessed on the basis of 3 dwelling units per acre. This will continue until completion of all construction of each dwelling unit on the lot. Subsequent to completion, the lot will be assessed a number of shares equal to the actual number of dwellings constructed.

Commercial lots will be assessed three dwelling unit shares per acre.

Assessments to Owners will commence immediately after the transfer of title from the Declarant to the Owner. No assessments will be levied against lots owned by the Declarant.

The Board shall have the right to determine and refine the specifics and timing of assessments within the parameters of the preceding statements.

SECTION 3. At least 30 days prior to the commencement of each fiscal year, the Board shall fix the amount of the assessment for such fiscal year and shall, at that time, prepare a roster of the lots and assessments applicable thereto. Written notice of the assessment shall be sent to every Owner subject thereto.

SECTION 4. The assessments levied by the Board on behalf of the Association shall be used exclusively for the purpose of financing the Association functions and duties. Assessments shall include, but not be limited to, maintenance of fences, trails, linear park, weed control and other improvements.

SECTION 5. If at any time and from time to time during any fiscal year, the assessment proves inadequate for any reason, including nonpayment of any Owner's share thereof, the Board may levy a further assessment in the amount of such actual or estimated inadequacy which shall be assessed to the Owners in the manner set forth herein.

SECTION 6. In addition to the assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Parkland and Linear Trail System, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who vote in person or by proxy at a meeting duly called for this purpose. For the purpose of this section an Owner will be allowed a number of votes equal to the number of dwelling units assessed to the Owner's lot at the time of the proposed election.

SECTION 7. The Board shall also levy an assessment against any Owner, as a direct result of whose acts or failure or refusal to act or otherwise to comply with the Cattail Creek Covenants for monies expended by the Association in performing its functions under Cattail Creek covenants and Board By-Laws. Such assessment shall be in the amount so expended and shall be due and payable to the Association when levied. Monies so expended shall include, without limitation, reasonable engineers' architects', attorneys' and accountants' fees incurred by the Association.

SECTION 8. Each assessment shall be a separate, distinct and personal debt and obligation of the Owner against who it is assessed, and each Owner by acceptance of a purchase and sale agreement, deed or lease, shall be deemed to covenant and agree to pay

the same to the Association. If the Owner does not pay such assessment or any installment thereof when due, the Owner shall be deemed in default and the amount of the assessment not paid, together with the amount of any subsequent default, plus interest at 12% per annum and costs, including reasonable attorney's fees, shall be and become a lien upon the lot of such Owner upon recordation by the Association of a notice of default. The Association assessment lien may be foreclosed through suit by the Association in like manner as a mortgage of real property, and the Association shall have power to bid on the lot at foreclosure sale and to acquire and hold, lease, mortgage or convey the lot. A suit to recover a money judgment of unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same. The foregoing remedies shall be in addition to any other remedies provided by law for the enforcement of such assessment obligation.

SECTION 9. The Parkland and Linear Trail System as defined herein and such portions of Cattail Creek as may be conveyed or dedicated to and accepted by a municipality, public utility, State of Montana, the County of Gallatin shall be exempt from assessments.

SECTION 10. When requested by an Owner, the Association shall execute a certificate stating the indebtedness secured by the Association lien upon the lot of the Owner, and such certificate shall be conclusive upon the Association and the Owners in favor of such persons who rely therein in good faith as to the amount of such indebtedness as of the date of the certificate. The Association shall be entitled to a reasonable fee as a condition to issuing the certificate.

ARTICLE VIII MISCELLANEOUS PROVISIONS

SECTION 1. In addition to the rights reserved to the Declarant to modify or supplement the Cattail Creek Covenants with respect to land annexed to Cattail Creek, the Cattail Creek Covenants, may, at any time, be amended or replaced upon the happening of all the following events:

A. The vote of Owners having not less than three-quarters (3/4) of the total votes of each class of Owners of lots then within Cattail Creek Covenants at a meeting of the Association duly held. For the purposes of this section, an Owner will be allowed a number of votes equal to the number of dwelling units assessed to his/her lot at the time of the proposed election. The notice of the meeting shall state that the purpose of the meeting is to consider the amendment or repeal of the Cattail Creek Covenants, giving the substance of any proposed amendments or indicating the provisions to be repealed, as the case may be; and

B. The recordation of a certificate of the Secretary or an Assistant Secretary of the Association setting forth in full the amendment or amendments to the Cattail Creek so approved, including any portion or portions thereof repealed, and certifying that said

amendment or amendments have been approved by vote of the Owners pursuant these covenants.

SECTION 2. All the limitations covenants, conditions of Cattail Creek Covenants are to run with the land and shall be binding on all parties and persons claiming under them for a 10 year period beginning at the date of filing of this document, at which time the same shall be automatically extended for successive periods of 10 years, unless the record Owners of lots then within Cattail Creek having not less than three-fourths (3/4) of the total votes record an instrument terminating the Cattail Creek Covenants within 1 year prior to the commencement of any such period. Any such termination shall take effect upon expiration of the period during which it is given. Prior to the expiration to these covenants, the Association may vote, pursuant to the provisions allowing amendment hereto, to extend these covenants.

SECTION 3. In addition to the remedy provided herein, if the Owner of any lot in Cattail Creek or any part thereof or interest therein violates any provisions hereof, Declarant, the Association or the Owner of any lot or part thereof or interest therein may bring an appropriate civil action against the defaulting party in such proceedings or action; provided however, that Declarant or the Association shall have no duty under any circumstances to enforce compliance with Cattail Creek Covenants. Failure by Declarant, the Association or any property Owner or Owners or their representatives, heirs, successors, or assigns to enforce any of the limitations, covenants, restrictions, reservations, easements, or charges herein contained shall, in no event be deemed a waiver of the right to do so thereafter, provided, however, any structure which has been completed for a period of 1 year without any suit having been commenced concerning such structure, shall not thereafter be subject to suit of initial noncompliance with the requirements of the building design portion of these Covenants.

Failure to enforce any provision of these Covenants in no way waives or diminishes the enforceability of the Covenants at a future date.

SECTION 4. All the limitations, covenants, conditions of and restrictions of Cattail Creek Covenants shall be liberally construed together to promote and effectuate, the fundamental concepts of Cattail Creek.

Any covenant that is included herein as a condition of the preliminary plat approval and required by the governing body 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.

SECTION 5. In the event any limitation, covenant, restriction, or reservation of Cattail Creek Covenants is held to be invalid or unenforceable in whole or in part, by any order, judgment or decree of any court, then such decision shall in no way affect the validity of the other limitations, covenants, restrictions or reservations therein contained, and they shall remain in full force and effect.

SECTION 6. The Association shall accept as a Parkland and Linear Trail System, all land conveyed to it by the Declarant.

SECTION 7. At anytime and from time to time following conveyance of Parkland and Linear Trail System by the Declarant to the Association, the Declarant may construct, reconstruct, refinish or alter any improvement upon or make or create any excavation on or fill upon or change the natural or existing drainage of or remove or plant any trees; shrubs or ground cover upon such Parkland and Linear Trail System if the Declarant shall determine that any such work is reasonably necessary for any utility installation serving any property within Cattail Creek, is reasonably necessary for the construction of any facility for use by the Owners, is desirable in order to provide or improve access to or to enhance the use and enjoyment of such Parkland and Linear Trail System or is desirable to protect, support or preserve any land which constitutes a part of Cattail Creek.

SECTION 8. Any and all of the rights and powers vested in the Declarant pursuant to the Cattail Creek Covenants may be delegated, transferred, assigned, conveyed or released by the Declarant to the Association and the Association shall accept the same effective upon the recording by the Declarant of a notice of such delegation, transfer, assignment, conveyance or release.

SECTION 9. If at any time or from time to time all or any portion of the Parkland and Linear Trail System is taken by the right of eminent domain or by purchase in lieu of eminent domain, the entire award and compensation shall be paid the Association. No Owner shall be entitled to any portion of such award and no Owner shall be entitled to participate as a party or otherwise in any proceedings relating to such condemnation, such right to participation being herein reserved exclusively to the Association which shall in its name alone represent the interest of all Owners.

SECTION 10. No Owner through the Owner's non-use of any Parkland and Linear Trail System, or by abandonment of Owner's lot, may avoid the burdens or obligation imposed on Owner by these Covenants, the Board's By-laws and Cattail Creek Subdivision.

SECTION 11. Any notice or other document permitted or required by the Cattail Creek Covenants may be delivered either personally or by mail. If delivery is to be made by mail, it shall be deemed to have been delivered to the Association twenty-four (24) hours after having been deposited in the United States mail, postage prepaid, addressed to Cattail Creek at the address designated by the Association from time to time, and shall be deemed to have been delivered to the Committee twenty-four (24) hours after having been deposited in the same manner addressed to the Committee in care of Cattail Creek at the latter's then current address.

Delivery by mail shall be deemed complete to an Owner twenty-four (24) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the Owner at his address filed with the Association or the Declarant.



Where there is more than one Owner of a lot, the delivery personally or by mail to any one Owner of the lot shall be effective delivery to all Owners of such lot.

IN WITNESS WHEREOF, Declarant has hereunto set its hand as of this 9th day of August, 2002

Sandra Hamilton
~~Christy Harte~~ SA
Sandan, LLC
Title: Partners

STATE OF Montana)
County of Gallatin) :SS.

On this 9th day of August, 2001, before me, the undersigned, a Notary Public of the State of Montana, personally appeared Sandra Hamilton known to me to be the person that executed the within instrument and acknowledged to me she executed the same.

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



Lisa L. Cochran
NOTARY PUBLIC for the State of Montana
Printed name: Lisa L Cochran
Residing at Willow Creek, MT
My Commission expires 5/7/2003

EXHIBIT A

DESCRIPTION OF CATTAIL CREEK - PHASE I

A parcel of land being Lot B of Minor Subdivision No. 45B, said parcel being located in the Northwest Quarter of Section 35, Township 1 South, Range 5 East, Principal Meridian Montana, City of Bozeman, Gallatin County, Montana and being more particularly described as follows:

Beginning at the southeast corner of said Northwest Quarter of Section 35, said corner being marked by a found 2" brass cap; thence South 89°41'58" West, along the south line of Lot 2A of Minor Subdivision No. 145A, a distance of 1126.15 feet; Thence in generally northwesterly and northerly directions through the following 10 courses:

- North 30°22'19" West, 483.25 feet;
- North 59°37'41" East, 87.36 feet;
- North 30°22'19" West, 65.00 feet;
- South 59°37'41" West, 87.36 feet;
- North 30°22'19" West, 236.99 feet;
- North 00°13'52" East, 893.36 feet;
- South 89°46'08" East, 58.43 feet;
- North 00°13'52" East, 60.00 feet;
- North 89°46'08" West, 58.43 feet;
- North 00°13'52" East, 194.08 feet

to a point on the south line of Tract 1 of Certificate of Survey No. 2050; thence North 89°44'23" East, along said south line, a distance of 1525.91 feet to a point on the east line of said Northwest Quarter of Section 35; thence South 00°13'52" West, along said east line, a distance of 1825.94 feet to the Point of Beginning.

The described parcel is along with and subject to any existing easements and contains 60.650 acres, more or less.

Mail Original to:
Cattail Creek Community Association
P.O. Box 11842
Bozeman MT 59719



CATTAIL CREEK
*A Community Development
by Sandan, L.L.C.*

**Amended & Restated Covenants
Phases 1, 2 & 3**

Prepared By:
Intrinsik Architecture, Inc.

Prepared For:
Sandan, LLC & the Cattail Creek
Community Association (CCCA)

Date: 14 MAY 2008

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**CATTAIL CREEK
Covenants
Phases 1, 2 & 3**

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**DECLARATION OF AMENDED & RESTATED PROTECTIVE COVENANTS &
RESTRICTIONS FOR CATTAIL CREEK PHASES 1, 2 & 3**

THIS DECLARATION OF THIS AMENDED AND RESTATED PROTECTIVE COVENANTS is made this 14th day of May, 2008, by Sandan, LLC and the Cattail Creek Community Association, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, Sandan, LLC and the Cattail Creek Community Association (hereinafter referred to as Declarant) are, or represent, the owners of the real property located in Cattail Creek Subdivision for the lands more particularly described in Exhibit A, which are located in the City of Bozeman, Gallatin County, Montana; and

WHEREAS, on August 20, 2002, Declarant Sandan, LLC recorded Covenants Cattail Creek Subdivision, Phase 1 as Document Number 2078633 in the office of Gallatin County Clerk and Recorder. With the recording of said covenants, Phase 1 established the Community Association for Cattail Creek Subdivision Phase 1; and

WHEREAS on November 12, 2003, Declarant Sandan, LLC recorded Covenants Cattail Creek Subdivision, Phase 2 as Document Number 2131569 in the office of Gallatin County Clerk and Recorder. With the recording of said covenants, Phase 2 established the Community Association for Cattail Creek Subdivision Phase 2; and

WHEREAS on October 20, 2005, Declarant Sandan, LLC recorded Covenants Cattail Creek Subdivision, Phase 3 as Document Number 2206253 in the office of Gallatin County Clerk and Recorder. With the recording of said covenants, Phase 3 established the Community Association for Cattail Creek Subdivision Phase 3; and

WHEREAS, on March 26, 2008, Phases 1, 2 and 3 of Cattail Creek Community Associations conducted an election and received ballots by more than 75% of their respective members affirmatively voting to consolidate the covenants for each phase of Cattail Creek Subdivision, the Bylaws for each phase of Cattail Creek subdivision and determining for the betterment of all Phases of Cattail Creek Subdivision, the governing Community Associations should be consolidated into one Community Association; and

WHEREAS, Declarant intends to continue to develop the land with single family residences, multi-family residences, neighborhood commercial

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enterprises, compatible light industrial uses, parks, private open space and a variety of uses, and the purpose of this declaration is to create and keep the community area desirable, attractive, beneficial and suitable in architectural design, materials and appearance; and to guard against unnecessary interference with the natural beauty of the community area for all the mutual benefit and protection of owners within the community area; and

WHEREAS, Declarant affirms and further re-declares that all land described in Exhibit "A" shall be held, sold, conveyed, encumbered, leased, occupied and improved, subject to these amended and restated Cattail Creek Covenants meaning the limitations, covenants and restrictions set forth in this declaration and any subsequent amendments hereto, or related documents authorized by the filing of these Covenants, all of which are intended to enhance the desirability and attractiveness of the land. These limitations, covenants and restrictions shall run with the land and shall be binding upon all persons having or who acquire any right, title or interest in and to the land, and shall inure to the benefit of the Declarant, the Association and each person who becomes an owner of the land; and

WHEREAS, Declarant desires to continue to subject all of said real property, together with the lots, phases and subdivisions contained therein, to the covenants, conditions, restrictions and reservations herein set forth and referred to as "Covenants"; and

WHEREAS, the Declarant now records the Amended and Restated Protective Covenants for Cattail Creek Subdivision, Phases 1, 2 and 3; and

NOW THEREFORE, Declarant does hereby amend the previously recorded Covenants for each Phase of Cattail Creek Subdivision as more particularly described above, and impose upon the property the following Amended and Restated Covenants, which shall run with the land and shall be binding upon and be for the benefit and value of the Declarant and persons claiming under them, their grantees, successors and assigns, and shall be for the purpose of maintaining a uniform and stable value, character, architectural design, use and development of the property. The Amended and Restated Protective Covenant shall apply to the entire property and to all improvements placed or erected thereon unless otherwise specifically excepted and shall have perpetual existence, unless terminated by law or amended as herein provided.

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Article 1: Purpose

The purpose of these Covenants is to protect and enhance the Cattail Creek neighborhood and to provide for the maintenance of shared common areas.

Article 2: Property Subject to Covenants

The land described in Exhibit "A" attached hereto shall be held, sold, conveyed, leased, encumbered, occupied and improved subject to this Declaration. The Covenants shall inure to and pass with each and every parcel, tract, lot or division.

Article 3: Relationship to other Documents

3.1 Local Land Use Regulations

All zoning, land use regulations and other laws, rules and regulations of any governing body or agency with jurisdiction over Cattail Creek shall be in full force and effect, including amendments thereto, in addition to these Covenants. All owners of land in Cattail Creek shall be subject to those regulations, laws, rules and regulations. The Bozeman Unified Development Ordinance (UDO) can be found online at www.bozeman.net.

In the event there is a conflict between the Covenants or Design Regulations and any land use regulations, the most restrictive provision shall control.

3.2 Cattail Creek Community Association Bylaws

The procedures and processes for the Cattail Creek Community Association are outlined in a separate document entitled "Cattail Creek Community Association Bylaws" which is authorized by the filing of these Covenants. The Association Bylaws have a separate provision for amendments.

3.3 Cattail Creek Design Regulations

The procedures and processes for the Cattail Creek Design Committee (CCDC) and for all development within Cattail Creek are outlined in a separate document entitled "Cattail Creek Design Regulations" which is authorized by the filing of these Covenants. The Design Regulations have a separate provision for amendments.

No commercial or industrial building, residence(s), fence, wall, parking lot, garage, shed, outbuilding or other structure shall be made, erected, altered or permitted to remain upon the properties until written plans and

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specifications showing the design, nature, kind, color, dimensions, shape, elevations, material, use and location have been submitted and approved, in writing, by the CCDC, as well as appropriate City of Bozeman review, permitting and fee payment. All plans submitted to the City of Bozeman Planning Department or Building Division must have the Cattail Creek Design Committee Form B stamp of approval. It is the responsibility of the property owner to ensure that he/she has the most recent copy of the Design Regulations. An application shall be processed consistent with the Designs Regulations that are in effect thirty (30) days prior to CCDC receipt of a complete Form A submittal as outlined in the Design Regulations.

Article 4: Cattail Creek Community Association

4.1 Function

The Cattail Creek Community Association is charged with the duties and empowered with the rights set forth herein and in the Cattail Creek Community Association Bylaws.

The Association, acting through its Board of Directors, shall have the power and authority to take such actions as shall be necessary or reasonable to care for, protect and maintain the parks, open spaces, common areas and facilities, ponds, watercourses, easements, and boundary fences; to enforce these Covenants; to adopt a development review fee schedule; to collect assessments and fines; to adopt a fine schedule; to set annual and/or special meetings; and to act in any other matters set forth herein or which may serve the development, including the formation of special improvement districts, either public or private, for such improvements as the Association shall approve.

4.2 Membership

The Community Association, which may be incorporated, is hereby established known as "Cattail Creek Community Association" hereinafter referred to as the "Association." The Association shall elect a nine-member Board of Directors whose duties are described in detail in the Bylaws.

Every owner or contract purchaser of a lot or unit shall be a member of the Cattail Creek Community Association. Membership shall be appurtenant to and may not be separate from the ownership of any lot or unit. Each Owner shall be responsible to advise the Association of the Owner's current mailing address and any changes to that address. Upon transfer of any Cattail Creek lot, the Owner is responsible for advising the Association of the name and address of the new Owner. The address of

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the Association shall be: **P.O. Box 11842, Bozeman, Montana 59719**. The address of the Association may be changed by the Board of Directors upon notice to the owners.

For the purpose of determining membership, at any meeting a person or entity shall be deemed to be a member upon the recording of a duly executed deed to that owner, or upon the recording of a Notice of Purchaser's Interest or an Abstract of Contract for Deed showing a contract purchase by an owner. The legal title retained by the vendor selling under contract shall not qualify such vendor for membership. Nothing contained herein shall grant multiple owners of a single lot more than one vote per lot.

Foreclosure of a mortgage, trust indenture or the termination or foreclosure of a contract for deed wherein title is vested in the mortgage, beneficiary or original seller on a contract, or repossession for any reason of a lot or unit sold under a contract shall terminate the vendee's membership, whereupon all rights to such membership shall vest in the legal owner.

Voting and membership interest is addressed in Article 6 of the Cattail Creek Community Association Bylaws.

4.3 Board of Directors

The Cattail Creek Community Association shall elect a Board of Directors. The Board shall be comprised of nine members of the Cattail Creek Community Association, including three (3) members from each phase. The Declarant shall have the option to be a member of the Board of Directors so long as he or she owns property in any phase of Cattail Creek.

The Board of Directors shall have the power and responsibility of acting on behalf of the Association and its members as shall be reasonably necessary to carry out the purposes of the Association, including but not limited to take such actions as shall be necessary or reasonable to care for, protect and maintain the parks, open spaces, common areas and facilities, ponds, watercourses, easements, and boundary fences; to enforce these Covenants; to adopt a development review fee schedule; to collect assessments and fines; to adopt a fine schedule; to set annual and/or special meetings; and to act in any other matters set forth herein or which may serve the development, including the formation of special improvement districts, either public or private, for such improvements as the Association shall approve.

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The Directors shall act by majority vote.

The Board of Directors shall serve for a term as set by the Bylaws and which may be modified according to the amendment procedures set forth in the Bylaws. The staggering of terms shall be accomplished as set forth in the Bylaws.

Any vacancy on the Board of Directors occurring before the next annual meeting of the members shall be filled by the remaining directors nominating a replacement director (who must be from the same phase as the open position) and the nomination being ratified by a simple majority vote from the corresponding phase of the Community Association. A vacancy in any office of the Association (President, Vice President, Secretary, or Treasurer) shall be filled by appointment by the Board of Directors until the next annual meeting or the successor is duly appointed or elected. In the event that the Board of Directors is unable to replace the vacancy for a specific phase of Cattail Creek, the Board, in its discretion and after a documented attempt to fill the vacancy from the specific phase, may appoint a person from any phase of Cattail Creek Subdivision to fill the vacancy until the term expires. This filling of the vacancy does not require ratification.

4.4 Meetings

The Association shall hold annual meetings. Meeting times, locations, formats and voting shall occur as specified in the Cattail Creek Community Association Bylaws.

4.5 Voting & Membership Interest

Voting and membership interests shall be as specified in the Cattail Creek Community Association Bylaws.

4.6 Annual & Special Assessments

The purpose of annual and specials assessments levied by the Association are to promote the recreation, health, safety, convenience and welfare of the owners, including but not limited to the improvement, repair, operation, and maintenance of easements, parks and common areas, community and park street lights, and for any other purposes, expressed or implied, in these Covenants.

Each owner, whether or not it shall be so expressed in any deed or contract, is deemed to have agreed to these Covenants, and to pay to the Association:

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- Annual assessments or charges and fines as may be adopted by the Board of Directors; and
- Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land, and shall be a continuing lien upon the property against which each such assessment is made. Each assessment, together with the interest, costs and reasonable attorney's fees, shall be the personal obligation of the owner of such property at the time when the assessments are due. Assessments shall begin to accrue upon closing on the purchase of a lot.

The following subsections address the details of assessments:

- (a) The Declarant for each lot owned by it within Cattail Creek hereby covenants, and each Owner of any lot by acceptance of a purchase and sale agreement, deed or lease therefore, whether or not it shall be so expressed in any such deed, lease or any other conveyance, shall be deemed to covenant and agree to pay to the Association the Owner's proportionate share of assessments established and collected from time to time as hereinafter provided.
- (b) Each owner or member will be assessed a proportionate share based on the number of dwelling units built per developed residential lot and on a dwelling unit equivalent on vacant, commercial and industrial properties as specified below:

| Zone | Assessment(s) |
|--------------------|--|
| R-1 Lot | 1 share |
| R-2 Lot | 1 share (if undeveloped) -OR- 1 share per unit (if developed) |
| R-3 Lot | 8 shares per acre (if undeveloped) -OR- 1 share per unit (if developed) |
| R-O Lot | 10 shares per acre (if undeveloped) -OR- 1 share per unit (if developed) |
| B-1 Lot M-1 Lot | 4 shares per acre |

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Assessments to Owners will commence immediately after the transfer of title from the Declarant to the Owner. No assessments will be levied against lots owned by the Declarant.

The Board shall have the right to determine and refine the specifics and timing of assessments within the parameters of the preceding statements.

- (c) At least 30 days prior to the commencement of each fiscal year, the Board shall fix the amount of the assessment for such fiscal year and shall, at that time, prepare a roster of the lots and assessments applicable thereto. Written notice of the assessment shall be sent to every Owner subject thereto.
- (d) The assessments levied by the Board on behalf of the Association shall be used exclusively for the purpose of financing the Association functions and duties.
- (e) If at any time and from time to time during any fiscal year, the assessment proves inadequate for any reason, including nonpayment of any Owner's share thereof, the Board may levy a further assessment in the amount of such actual or estimated inadequacy which shall be assessed to the Owners in the manner set forth herein.
- (f) In addition to the assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Parks, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of members who vote in person or by proxy at a meeting duly called for this purpose.
- (g) The Board shall also levy an assessment against any Owner, as a direct result of whose acts or failure or refusal to act or otherwise to comply with the Cattail Creek Covenants for monies expended by the Association in performing its functions under Cattail Creek Covenants and Board Bylaws. Such assessment shall be in the amount so expended and shall be due and payable to the Association when levied. Monies so expended shall include, without limitation, reasonable engineers', architects', attorneys' and accountants' fees incurred by the Association.
- (h) Each assessment shall be a separate, distinct and personal debt and obligation of the Owner against who it is assessed, and each Owner

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by acceptance of a purchase and sale agreement, deed or lease, shall be deemed to covenant and agree to pay the same to the Association. If the Owner does not pay such assessment or any installment thereof when due, the Owner shall be deemed in default and the amount of the assessment not paid, together with the amount of any subsequent default, plus interest at 12 percent per annum and costs, including reasonable attorney's fees, shall be and become a lien upon the lot of such Owner upon recordation by the Association of a notice of default. The Association assessment lien may be foreclosed through suit by the Association in like manner as a mortgage of real property, and the Association shall have power to bid on the lot at foreclosure sale and to acquire and hold, lease, mortgage or convey the lot. A suit to recover a money judgment of unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same. The foregoing remedies shall be in addition to any other remedies provided by law for the enforcement of such assessment obligation.

- (i) The Parks as defined herein and such portions of Cattail Creek as may be conveyed or dedicated to and accepted by a municipality, public utility, State of Montana, the County of Gallatin shall be exempt from assessments.
- (j) When requested by an Owner, the Association shall execute a certificate stating the indebtedness secured by the Association lien upon the lot of the Owner, and such certificate shall be conclusive upon the Association and the Owners in favor of such persons who rely therein in good faith as to the amount of such indebtedness as of the date of the certificate. The Association shall be entitled to a reasonable fee as a condition to issuing the certificate.

Article 5: General Restrictions & Notices

5.1 General Use Restrictions

The following general use restrictions shall apply to Cattail Creek:

- (a) No construction, development, excavation, landscaping, or like activities shall occur on any lot within Cattail Creek without prior written approval from the Cattail Creek Design Committee (CCDC).
- (b) Each building or other structure shall be constructed, erected and maintained in strict accordance with the plans and specifications approved by the CCDC.

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- (c) No animals, livestock or poultry of any kind shall be raised, bred, or kept on any land in the subdivision, except that a reasonable number of cats, dogs or other common household pets may be kept; provided, however that they are not kept, bred or maintained for any commercial purpose. Exterior Dog kennels are strongly discouraged. If needed, kennels must be in an inconspicuous location and screened from neighbor's property.
- (d) All pets shall be on a leash at all times when off the owner's property. Cattail Parkway contains considerable wildlife habitat, and all pets must be restrained and controlled when near ponds, creeks, in open space, in parks or on the trail system. NO dogs are allowed in creeks or ponds.
- (e) No hunting of, shooting at or harassing of birds, animals or any wildlife will be permitted. Skunks, gophers and rodents may be trapped; however, poison may not be used.
- (f) With ongoing construction and permanent residents occupying finished projects, it is imperative to keep construction materials covered and/or tied down, and debris and trash contained until properly disposed of. Violations will be subject to cleanup fees and/or fines of up to \$500 per occurrence.
- (g) No building materials, trash, gravel, excess soils, job trailers, or dumpsters are allowed to obstruct the public rights-of-way unless necessary permits are obtained from the City of Bozeman Engineering Office and the required barricades/safety markers are in place. Violations will be subject to fines of up to \$500 per occurrence.
- (h) No snowmobiles, recreational ATV's, or trail bikes shall be operated within Cattail Creek Subdivision. ATV's used on an owner's property for the purpose of snow removal are acceptable.
- (i) Recreational vehicles, boats, trailers, snowmobiles, and other rolling equipment other than automobiles and pick up trucks shall not be stored in open view on any residential lot, driveway, or road. Parked cars shall not obstruct pedestrian traffic. Vehicles parked in violation of these Covenants will be notified by means of a verbal notice to the vehicle owner or verbal notice to the lot owner, or by written notice from the CCDC stating that the

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vehicle is in violation of these Covenants and requesting immediate removal of the vehicle. If the violation is not corrected within twenty-four (24) hours of notification, the CCDC may cause the vehicle to be towed and impounded at the expense of the vehicle's owner. The Homeowner's Association may cause a vehicle to be towed immediately without notification if the CCDC determines the vehicle impedes emergency vehicles or, in any way, represents a threat to health and safety.

- (j) The Owners, Declarant and Association are hereby prohibited and precluded from engaging in any activity that would affect or impact any downstream water user facilities and irrigation ditches for downstream water rights.
- (k) All properties and existing waterways are subject to City of Bozeman applicable ordinances pertaining to watercourse setbacks.
- (l) There is "No Parking" along Davis Lane and Catamount Street. See Final plat for additional information.
- (m) City sewer and water lines, power, natural gas, cable television, and telephone primary service lines are provided to each lot. However, each lot owner is responsible for the costs of connecting to the main utility lines to his or her improvements from the primary line near his or her lot, including any additions to the primary line that may be required by location of the improvements on the lot. All utility lines shall be underground.
- (n) No signs shall be erected on the property or lot thereof, except to identify the owner of the property. Typical "For Sale" signs shall be allowed during the sale of a lot. Additional signage details are addressed in the Design Regulations.
- (o) There are reserved, as shown in the plat and as may otherwise be reserved, easements for the purposes of constructing, operating, maintaining, enlarging, reducing, removing, laying or relaying lines and related facilities and equipment for utilities, including, but not limited to, those providing gas, communication and electrical power. Fencing, hedges and other items allowed by the Covenants may be placed along and in the easements, with permission from the City of Bozeman

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Engineering Division, as long as the intended use of such easements are not prevented.

5.2 Restricted Size Lots (RSL) & Units (RSU)

Lots 5 and 6, Block 21, Phase 3 are designated "RSL" must comply with appropriate City restrictions for square footage restrictions.

5.3 Notice of Adjacent Agricultural Uses

Property owners and residents of Cattail Creek are informed that adjacent uses may be agricultural. Lot and unit owners accept and are aware that standard agricultural and farming practices can result in dust, animal odors and noise, smoke, flies, and machinery noise. Standard agricultural practices feature the use of heavy equipment, chemical sprays and the use of machinery early in the morning and sometimes late into the evening. All new fences bordering agricultural lands shall be maintained by the property owners in accordance with state law.

5.4 Notice of Water Features

- (a) Notice: Each owner of property within Cattail Creek, as individuals and as members of the Association, acknowledges the presence of water features within the subdivision. Each owner of property within Cattail Creek, as individuals and as members of the Association, acknowledges that water could pose a danger to humans, animal life and property. By this acknowledgment, each owner of property within Cattail Creek, as individuals and as members of the Association assumes the normal and ordinary consequences of their actions when in, next to or in the vicinity of water features within Cattail Creek.
- (b) Hold Harmless: Each owner of property within Cattail Creek, as individuals, agrees by acceptance of this covenant to hold harmless Covenant Investments, Inc., its officers and directors, and successors in interest, the Community Association, adjacent property owners, and the Farmer Canal Company and its successors in interest for any water related injury to persons, property and animals and damage due to acts of God and nature, including but not limited to a flood from the canal and other water features resulting from circumstances beyond the control of the parties listed herein.
- (c) Insurance: Each owner of property within Cattail Creek acknowledges that it is advisable to seek insurance to protect the owner's property in the case of a water event relating to the water features.

5.5 Weed Control

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The control of noxious weeds by the Community Association on those areas for which the Community Association is responsible and the control of noxious weeds by individual owners on their respective lots shall be as set forth and specified under the Montana Noxious Weed Control Act (MCA 7-22-2101 through 7-22-2153) and the rules and regulations of the Gallatin County Weed Control District.

The landowner shall be responsible for the control of the state and county declared noxious weeds on his or her own lot. Both unimproved and improved lots shall be managed for noxious weeds, In the event a landowner does not control the noxious weeds, after ten (10) days notice from the Community Association, the Community Association may cause the noxious weeds to be controlled. The cost and expense associated with such weed management shall be assessed to the lot and such assessment may become a lien if not paid within thirty (30) days of the mailing of such assessment.

The Community Association is responsible for control of state and county declared noxious weeds in the subdivision parks, open spaces, community areas, trails, and roadways.

5.6 Garbage

Property owners and residents of the neighborhood are informed that all garbage must be promptly removed from the property. There shall be no incineration or burning of garbage, trash or other waste or debris on, or coming from any lot. No junk, garbage, trash, equipment, non-working or out-of-use vehicles, parts, metals, lumber, debris or other waste shall be allowed to accumulate on any lot or originate from any lot during construction. All garbage and trash requirements of the City of Bozeman shall be observed. Garbage containers shall be kept in the garage or other enclosures except on garbage pick-up day. Each lot owner shall maintain the alley right-of-way adjacent to the owner's property. Such maintenance shall include, but not be limited to, picking up and appropriately disposing of debris and garbage, mowing and trimming of the alley right-of-way.

All construction dumpsters must be protected from wind. Owners with unsecured dumpsters or building materials will be subject to fines.

In the event an owner shall not control waste on or coming from their property, the Association, after ten (10) days written notice to an owner to control the same, may cause the waste to be controlled or collected, and will assess the lot owner for the costs thereof and or fined.

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Refuse within the parks and open space will be collected by a service retained by the Community Association.

5.7 Sidewalks

All lot owners are required to install city standard concrete sidewalks, along all lot street frontages, at the time of construction (prior to occupancy) or by July 1, 2008, whichever occurs first.

Every lot owner shall be responsible for maintenance of the sidewalk located on, adjacent to and between the owner's lot and the nearest right-of-way. Maintenance shall include, but not be limited to snow and ice removal.

The Community Association shall be responsible for maintenance of the sidewalks located on and adjacent to parks and open space. Maintenance shall include, but not be limited to snow and ice removal.

Article 6: Common Areas

6.1 Use

Each property or unit owner has the right to use and enjoy the common properties or facilities. No property owner shall have the right to occupy or possess any of the open space and common area by reason of owning a lot in Cattail Creek. No Owner, guest or invitee may use or occupy the common area, trails, roads, open space, parking area or any lot in such a manner as to disturb or interfere with the peaceful use, occupancy or enjoyment of any other owner, guest or invitee. General use restrictions are listed in Article 5. In addition to the other restrictions stated herein, no motorcycles, snowmobiles or similar means of transportation are permitted in parks or common areas. Motorized vehicles are allowed exclusively for snow removal.

Violations shall be enforced as provided for in Article 7 of these Covenants.

The Open Space within Cattail Creek as designated on a final plat or approved site plan shall be preserved in perpetuity. Open space shown on the approved final plan or plat shall not be used for the construction of any structures not shown or approved in the final parks plan. The Board, among its other duties, shall establish assessments for the taxes, insurance, and maintenance of all open spaces, parks, trails, roads, medians and easements.

6.2 Control and Management

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The Association shall have the exclusive right and obligation to manage, control and maintain the Open Spaces and Common Areas.

6.3 Maintenance

Parks and open space shall be maintained as specified in the Cattail Creek Parks Master Plan.

The Community Association shall be responsible for liability insurance, local taxes and maintenance of recreation and other facilities in the common space areas. The assessments levied by the Board for the maintenance, upkeep, repair and operation of common areas like all other assessments, become a lien on each lot within the Cattail Creek. The Board may, in its discretion, adjust the assessments to meet the changing needs of the community and the areas serving the community.

The Community Association will be responsible for park maintenance until such time a City wide Park Maintenance District is created. The Community Association shall also be responsible for the maintenance of all common properties, paths and trails, facilities, centers, and adjacent sidewalks and/or landscaping in street boulevards.

6.4 Maintenance Guarantee

In the event the organization or any successor organization established to own and maintain commonly owned open spaces, recreational areas, facilities, private streets, and parking lots common areas and facilities, shall at any time fail to maintain the common areas or facilities in reasonable order and condition in accordance with the approved plan, the City Commission may cause written notice to be served upon such organization or upon the owners of property in the development. The written notice shall set forth the manner in which the common areas or facilities have failed to be maintained in reasonable condition. In addition, the notice shall include the demand that the deficiencies noted be cured within thirty days thereafter and shall state the date and place of a hearing to be held within fourteen days of the notice. At the time of hearing, the City Commission may modify the terms of the original notice as to deficiencies and may extend the time within which the same may be cured. If the deficiencies set forth in the original notice or modifications are not cured within the time set, the City may enter upon such common facilities and maintain the same for a period of one year, in order to preserve the taxable values of properties within the development and to prevent the common facilities from becoming a public nuisance. Such entry and maintenance shall not vest in the public any right to use the common facilities not dedicated to public use. Before the one year period expires, the Commission shall, upon its own initiative or upon written

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request of the organization theretofore responsible for maintenance, call a public hearing and give notice of such hearing to the organization responsible for maintenance or the property owners of the development. At the hearing, the organization responsible for maintenance and/or the residents of the development may show cause why maintenance by the City should not be continued for a succeeding year. If the City Commission determines that it is not necessary for the City to continue such maintenance, the City shall cease such maintenance at the time established by the City Commission. Otherwise the City shall continue maintenance for the next succeeding year subject to a similar hearing and determination at the end of each year thereafter.

- (a) The cost of maintenance by the City shall be a lien against the common facilities of the development and the private properties within the development. The City Commission shall have the right to make assessments against properties in the development on the same basis that the organization responsible for maintenance of the facilities could make such assessments. Any unpaid assessment shall be a lien against the property responsible for the same, enforceable the same as a mortgage against such property. The City may further foreclose its lien on the common facility by certifying the same to the County Treasurer for collection as in the case of collection of general property taxes.
- (b) Should the property owners association request that the City assume permanent responsibility for maintenance of facilities, all facilities shall be brought to City standards prior to the City assuming responsibility. The assumption of responsibility must be by action of the City Commission and all costs to bring facilities to City standards shall be the responsibility of the property owners association. The City may create special financing mechanisms so that those properties within the area affected by the property owners association continue to bear the costs of maintenance.
- (c) These common areas and facilities shall include but are not limited to commonly owned open spaces, recreational areas, facilities, private streets and parking lots. These common areas and facilities shall also include but are not limited to public parks, squares, open space, recreation areas, trails, as well as any public streets, avenues and alleys not accepted by the City for maintenance.
- (d) The City shall assume permanent responsibility for maintenance of public areas and facilities when a dedicated funding mechanism is adopted.

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Article 7: Disputes, Enforcement, & Fines

7.1 Enforcement

Each Owner grants to Declarant and reserves to Declarant, a lien upon the lot of the Owner to secure the faithful performance by the Owner of the requirements and restrictions contained in these Covenants and in the Design Regulations and Bylaws. If any Owner shall fail to comply with these Covenants, the Design Regulations, or the Bylaws within ten (10) days after Declarant shall have deposited in the United States postal system a notice to the Owner of the failure to comply, Declarant shall have the right to cause the necessary work to be done and to have a lien upon the land of the non-complying Owner for the reasonable cost of such work plus an additional amount equal to ten (10) percent of the cost of such work.

If within thirty (30) days the non-complying Owner does not pay to Declarant the sum secured by the lien, then Declarant may foreclose the lien in compliance with the mortgage foreclosure laws of the State of Montana for the aggregate of (I) the reasonable cost of such work (II) a sum equal to ten (10) percent of such work, and (III) all cost incurred by Declarant in foreclosing the lien, including a reasonable attorney's fee. Declarant is in no way precluded from seeking any remedy available to Declarant pursuant to the laws of Montana, including but not limited to immediate, temporary and permanent injunctive relief.

Enforcement of these Covenants by the Declarant, CCDC, Board of Directors, Owner or any party having standing, shall include for the party seeking enforcement and prevailing in such enforcement, an award of costs, fees and reasonable attorney's fees.

Should any lawsuit or other legal proceeding be instituted by the Association or an owner against an owner alleged to have violated one or more of the provisions of these Covenants and should the Association or owner enforcing the provisions of the Covenants be wholly or partially successful in such proceedings, the offending owner shall be obligated to pay the costs of such proceeding, including reasonable attorney's fees for all time associated with the action.

The failure of Declarant, the Association or an owner, to enforce any Covenant or restriction contained herein shall not be deemed a waiver or in any way prejudice the rights to later enforce that Covenant, or any other Covenant thereafter, or to collect damages for any subsequent breach of Covenants.

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The waiver or approval of a variance of a Covenant provision by the Board of Directors or the Cattail Creek Review Committee, or non-action of the Association or Declarant in the event of a violation of a Covenant by a particular owner or lot, shall not be deemed to delete or waive the Covenant or enforcement thereof as it pertains to other owners or lots.

Invalidation of any one of these Covenants, Design Regulations, or Bylaws by judgment or by Court order shall in no way affect any of the other provisions, all of which shall remain in full force and effect.

In any conveyance of the above described real property or of any lot thereon, it shall be sufficient to insert a provision in any deed or conveyance to the effect that the property is subject to protective or restrictive Covenants without setting forth such restrictions and Covenants verbatim or in substance in said deed nor referring to the recording data. All of the above described real property and lots shall be subject to the restrictions and Covenants set forth herein, whether or not there is a specific reference to the same in a deed or conveyance.

A breach of any of the foregoing restrictions or Covenants shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value upon any lot or portion of the real property or any improvements thereon. However, the Covenants shall be binding upon and shall inure to the benefit of any subsequent owner whose title thereto was acquired by foreclosure, trustee sale or otherwise.

7.2 Fine Schedule

For any Violation of the terms, conditions, restrictions and protections contained within the Covenants, and upon written complaint signed by the author.

Upon receipt of complaint and the finding of violation, the Association has the authority to assess fines. The Association shall notify the Owner upon receipt of a complaint of violation and allow a reasonable time for response by the Owner. The Association's agent may determine if a violation occurred. Upon determination of a violation, the Association shall notify the Owner of the violation, the fine and the date of payment for the fine and the ability of the Association to file a lien against the Owner's property without further notice.

Failure to pay the fine when due shall subject the Owner to interest on the unpaid portion of the fine at a rate of not less than ten (10) percent per

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annum. Said rate may be amended without an amendment of this Declaration.

In addition to the fine schedule set forth above, the Homeowner's Association may assess fines of up to \$50,000.00 (note that this is in addition to the terms outlined for unfinished structures against any Owner who constructs, remodels or modifies a structure without written approval from the CCDC.

7.3 Dispute Resolution

If a dispute still exists after all proper procedures outlined in this document and in the Design Regulations have been exhausted, mediation should be the next step in dispute resolution before any lawsuits are filed.

Article 8: Term

All the limitations, conditions, and restrictions contained in these Covenants of Cattail Creek shall run with the land and shall be binding on all parties and persons claiming under them for a 10 year period beginning at the date of filing of this document, at which time the same shall be automatically extended for successive periods of 10 years, unless the record Owners of lots then within Cattail Creek having not less than three-fourths (3/4) of the total votes record an instrument terminating the Cattail Creek Covenants within one (1) year prior to the commencement of any such period. Any such termination shall take effect upon expiration of the period during which it is given. Prior to the expiration of these Covenants, the Association may vote, pursuant to the provisions allowing amendment hereto, to extend these Covenants.

Article 9: Amendments

Any covenant which is required as a condition of the preliminary plat approval and required by the City Commission may not be amended or revoked without the mutual consent of the owners in accordance with the amendment procedures in the Covenants, and the City Commission.

The Cattail Creek Covenants, may, at any time, be amended or replaced upon the happening of all the following events:

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- A. The vote of Owners having not less than two-thirds (2/3) of the total votes within Cattail Creek at a meeting of the Association duly held. The notice of the meeting shall state that the purpose of the meeting is to consider the amendment or repeal of the Cattail Creek Covenants, giving the substance of any proposed amendments or indicating the provisions to be repealed, as the case may be; and
- B. The recordation of a certificate of the Secretary or an Assistant Secretary of the Association setting forth in full the amendment or amendments to the Cattail Creek Covenants so approved, including any portion or portions thereof repealed, and certifying that said amendment or amendments have been approved by vote of the Owners pursuant these Covenants.
- C. The President or Vice-President shall execute and record the amendment, change or addition with the Clerk and Recorder of Gallatin County, Montana.

Any change of these Covenants shall be effective upon the filing and recording of such an instrument in the office of the Gallatin County Clerk and Recorder. No improvements that were constructed and approved in accordance with the Covenants shall be required to be changed because such standards are thereafter amended. All lots within all phases of Cattail Creek shall be required to adhere to these Covenants.

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Article 10: Definitions

The words and terms used in this document shall be defined as in the latest edition of the City of Bozeman Unified Development Ordinance unless defined below. If not defined below or in the Unified Development Ordinance, words and terms shall have their customary dictionary definitions.

- **Architect** shall mean a person registered to practice architecture in the State of Montana.
- **Association** shall mean the Cattail Creek Community Association, and its successors and assigns which shall serve and may be referred to as the Homeowners' Association. The Association may be incorporated as a Montana nonprofit corporation, with its members as the lot owners.
- **Board** shall mean the Board of Directors of the Association. (Also see "Directors" definition below.)
- **Bylaws** shall mean the bylaws of the Association.
- **Cattail Creek Design Committee**, also referred to as CCDC, shall consist of the Design Liaison (from the Board of Directors), an at-large member of the Association appointed by the Board of Directors and an architect. The CCDC has the right to exercise control over all construction in the Cattail Creek Subdivision. The architect member of the committee shall conduct all design reviews (Form A, Form B & Form C) with consultation, as desired or necessary, from the other members of the CCDC.
- **Cattail Creek** shall include all land described in Exhibit "A."
- **Contract purchaser** shall mean a person buying a lot pursuant to a contract for deed, Montana Trust Indenture or mortgage.
- **Declarant** shall mean SANDAN, LLC or such other person entity or corporation who SANDAN, LLC may be, by a recorded document, designated as the Declarant.
- **Development** shall mean any building, construction, renovation, or material change in the use or appearance of structures or land. Development includes the construction of fences and paving and significant landscape changes.
- **Directors** shall mean the Board of Directors of the Association, comprised of nine members of the Cattail Creek Community Association, including

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three (3) members from each phase. The Declarant shall have the option to be a member of the Board of Directors so long as he or she owns property in any phase of Cattail Creek. Directors shall be elected at the annual meeting by a simple majority of the members of the Association. Power and Duties of the Board of Directors.

- **Lot** shall mean and refer to only that land so divided into a lot, tract or parcel that is (a) described in Exhibit "A" and (b) designated as the Declarant for residential, commercial or industrial use. The term lot does not include any portion of the Parks or open space.
- **Member** shall mean any owner or lot owner. Each member or owner agrees to abide and be bound by these Covenants, the Articles of Incorporation, Design Regulations, Bylaws and the Resolutions of the Community Association, if any.
- **Open space** means those areas set aside for the use of all of the owners and the public, including roads, trails, easements, parks, open spaces, and medians. The terms "open space" and "common area" or "common open space" are used interchangeably.
- **Owner** also referred to as lot owner, member and home owner, shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to or leasehold interest in any land which is a part of Cattail Creek, including contract purchasers, but excluding those having such interest merely as security of the performance of an obligation.
- **Parks** shall mean all land and interest therein which has or may be conveyed to the Association or City of Bozeman, including but not limited to all lands identified as common open space, trails, public park, park, private open space, and detention / retention ponds as delineated on the final plats Phases 1, 2 and 3. The word park when used herein in the singular form may be referring a portion of the total parks delineated on the final plats of Cattail Creek Subdivision. Any portion of the designated parks not specifically designated as common open space may be transferred to an appropriate organization subject to the restriction governing the maintenance and improvements of parks contained herein. Common open space, including the detention / retention ponds, shall remain in the ownership and control of the Association. Parks shall be maintained and improved consistent with the provisions of these Covenants governing maintenance of parks and improvements of parks. All Parks are hereby declared to be dedicated to be public use and available for the use and enjoyment of the public.

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- **Properties** and "lots" shall mean all of the real property herein described and subsequently surveyed and platted into lots as Cattail Creek or a phase thereof, according to the official plats thereof filed of record in the office of the Clerk and Recorder of Gallatin County, Montana.
- **UDO** shall mean the current City of Bozeman Unified Development Ordinance or other current land use regulations as adopted by the City of Bozeman.

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IN WITNESS WHEREOF, Declarant has hereunto set its hand as of this 23
day of April, 2008.

DECLARANT:

Sandra Hamilton
Sandan, LLC
Title: Member

STATE OF Montana

County of Gallatin :SS

On this 23 day of April, 2008, before me, a Notary Public of the State of Montana, personally appeared Sandra Hamilton, ^{member} known to me to be the person described in and who executed the foregoing instrument as Member of Sandan, LLC whose name is subscribed to the within instrument and acknowledged to me he/she executed the same for and on behalf of Sandan, LLC.

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



Diana C Hillman
Printed Name: _____
NOTARY PUBLIC for the State of: _____
Residing at: _____
Commission expires _____ (use 4 digits)

DIANA C. HILLMAN
NOTARY PUBLIC for the State of Montana
Residing at Livingston, Montana
My Commission Expires June 22, 2010

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DECLARANT:

Sandra F Rummel

Cattail Creek Community Association Phase 1
Authorized Representative

STATE OF Montana
County of Gallatin)

:SS

On this 6 day of May, 2008, before me, a Notary Public of the State of MT, personally appeared Sandra Rummel known to me to be the person described in and who executed the foregoing instrument as an authorized representative of Cattail Creek Community Association, Phase 1, whose name is subscribed to the within instrument and acknowledged to me he/she executed the same for and on behalf of Cattail Creek Community Association Phase 1.

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

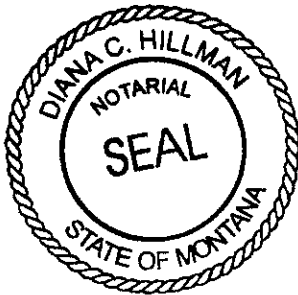
Diana C Hillman

Printed Name: _____

NOTARY PUBLIC for the State of: _____

Residing at: _____

Commission expires _____ (use 4 digits)



DIANA C. HILLMAN
NOTARY PUBLIC for the State of Montana
Residing at Livingston, Montana
My Commission Expires June 22, 2010

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Charlotte Mills-Gallatin Co MT MISC
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DECLARANT:

[Signature]
Cattail Creek Community Association Phase 2
Authorized Representative

STATE OF Montana

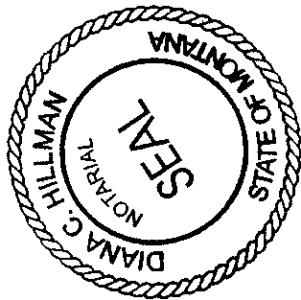
County of Gallatin) :SS

On this 25 day of April, 2008, before me, a Notary Public of the State of Montana, personally appeared Jeremy Ryan Mauck known to me to be the person described in and who executed the foregoing instrument as an authorized representative of Cattail Creek Community Association, Phase 2, whose name is subscribed to the within instrument and acknowledged to me he/she executed the same for and on behalf of Cattail Creek Community Association Phase 2.

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

[Signature]

Printed Name: _____
NOTARY PUBLIC for the State of: _____
Residing at: _____
Commission expires _____ (use 4 digits)



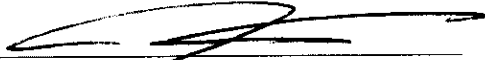
DIANA C. HILLMAN
NOTARY PUBLIC for the State of Montana
Residing at Livingston, Montana
My Commission Expires June 22, 2010

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DECLARANT:



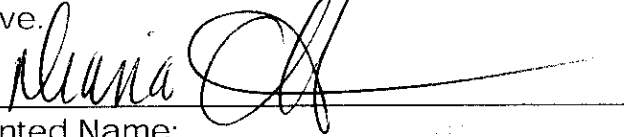
Cattail Creek Community Association Phase 3
Authorized Representative

STATE OF Montana
County of Gallatin)

:SS

On this 7th day of May, 2008, before me, a Notary Public of the State of _____, personally appeared Justin Tribitt known to me to be the person described in and who executed the foregoing instrument as an authorized representative of Cattail Creek Community Association, Phase 3, whose name is subscribed to the within instrument and acknowledged to me he/she executed the same for and on behalf of Cattail Creek Community Association Phase 3.

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

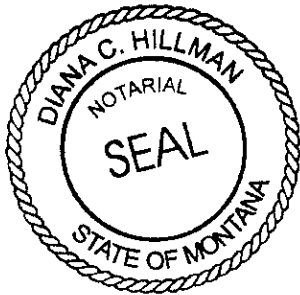
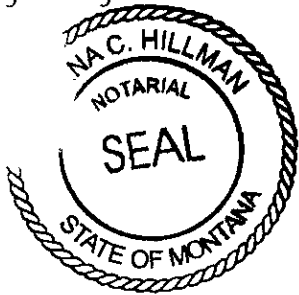


Printed Name: _____

NOTARY PUBLIC for the State of: _____

Residing at: _____

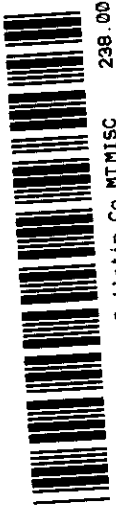
Commission expires _____ (use 4 digits)



DIANA C. HILLMAN
NOTARY PUBLIC for the State of Montana
Residing at Livingston, Montana
My Commission Expires June 22, 2010

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Exhibit A: Legal Description of Subdivision

Description of Cattail Creek – Phase 1

A parcel of land being Lot B of Minor Subdivision No. 45B, said parcel being located in the Northwest Quarter of Section 35, Township 1 South, Range 5 East, Principal Meridian Montana, City of Bozeman, Gallatin County, Montana and being more particularly described as follows:

Beginning at the southeast corner of said Northwest Quarter of Section 35, said corner being marked by a found 2" brass cap; thence South 89°41'58" West, along the south line of Lot 2A of Minor Subdivision No. 145A, a distance of 1126.15 feet; Thence in generally northwesterly and northerly directions through the following 10 courses:

North 30°22'19" West, 483.25 feet;
North 59°37'41" East, 87.36 feet;
North 30°22'19" West, 65.00 feet;
South 59°37'41" West, 87.36 feet;
North 30°22'19" West, 236.99 feet;
North 00°13'52" East, 893.36 feet;
South 89°46'08" East, 58.43 feet;
North 00°13'52" East, 60.00 feet;
North 89°46'08" West, 58.43 feet;
North 00°13'52" East, 194.08 feet

to a point on the south line of Tract 1 of Certificate of Survey No. 2050; thence North 89°44'23" East, along said south line, a distance of 1525.91 feet to a point on the east line of said Northwest Quarter of Section 35; thence South 00°13'52" West, along said east line, a distance of 1825.94 feet to the Point of Beginning.

The described parcel is along with and subject to any existing easements and contains 60.650 acres, more or less.

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Description of Cattail Creek - Phase 2

A tract of land being Lot 1A of Minor Subdivision No. 145A and Lot A of Minor Subdivision No. 145B, and the property described on the plat of record Film 12, Page 1159, Gallatin County records; the herein described tract being located in the Northwest Quarter and the Southwest Quarter of Section 35, Township 1 South, Range 5 East, Principal Meridian Montana, Gallatin County, Montana, and being more particularly described as follows:

Beginning at the west 1/4 corner of said Section 35; thence North 89°41'24" East, along the generally westerly boundary of Lot 1A of Minor Subdivision No. 145A, a distance of 30.00 feet; thence North 00°09'17" East, along the west line of said Lot 1A, a distance of 360.24 feet, to a point on the south line of a plat recorded on Film 12, Page 1159 of Gallatin County records; thence North 89°48'56" West, along the south line of said plat, a distance of 30.00 feet; thence North 00°09'17" East, along the west line of Section 35, a distance of 149.89 feet; thence South 89°50'32" East, along the north line of said plat, a distance of 30.00 feet to the southwest corner of Lot A of Minor Subdivision No. 145B; thence North 00°09'17" East, along said west line of Lot A, a distance of 291.90 feet, to the southwest corner of Lot 1, Minor Subdivision No. 145; thence North 89°43'57" East, along the south line of said Lot 1, a distance of 223.37 feet; thence North 00°13'52" East, along the east line of said Lot 1, a distance of 195.10 feet, to the northeast corner of said Lot 1; thence South 89°42'52" West, along the north line of said Lot 1 and its westerly prolongation, a distance of 253.63 feet; thence North 00°09'17" East, along the west line of Section 35, a distance of 830.93 feet, to the southwest corner of Tract 1 of Certificate of Survey No. 2050; thence North 89°44'23" East, along the south line of said Tract 1, a distance of 1126.47 feet; thence along the westerly and southwesterly boundary of Lot B of Minor Subdivision No. 145B through the following 10 courses:

South 00°13'52" West, a distance of 194.08 feet;
South 89°46'08" East, a distance of 58.43 feet;
South 00°13'52" West, a distance of 60.00 feet;
North 89°46'08" West, a distance of 58.43 feet;
South 00°13'52" West, a distance of 893.36 feet;
South 30°22'19" East, a distance of 236.99 feet;
North 59°37'41" East, a distance of 87.36 feet;
South 30°22'19" East, a distance of 65.00 feet;
South 59°37'41" West, a distance of 87.36 feet;
South 30°22'19" East, a distance of 483.25 feet

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to the southeast corner of said Lot A of Minor Subdivision No. 145B; thence South 89°41'58" West, along the south line of said Lot A, a distance of 198.91 feet; thence South 00°13'15" West, along the east line of Lot 1A, of Minor Subdivision No. 145A, a distance of 331.47 feet; thence South 89°41'44" West, along the south line of said Lot 1A, a distance of 1324.60 feet; thence North 00°10'12" East, along the west line of Lot 1A, a distance of 331.34 feet to the Point of Beginning.

The described tract is along with and subject to any existing easements and contains 59.03 acres more or less.

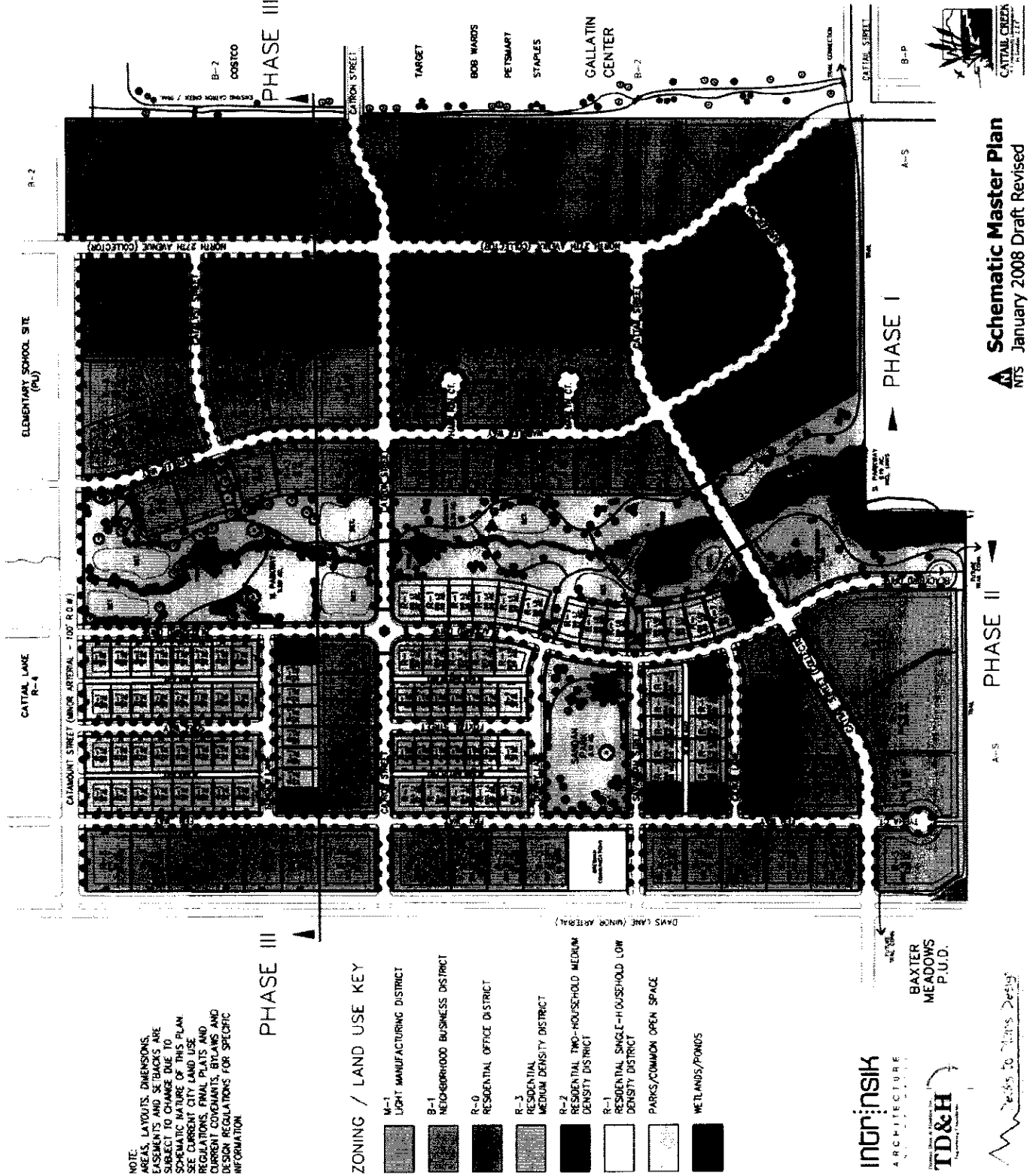
Description of Cattail Creek – Phase 3

A tract of land being Tract 1, Certificate of Survey No. 2050, said tract being located in the Northwest Quarter of Section 35, Township 1 South, Range 5 East, Principal Meridian Montana, City of Bozeman, Gallatin County, Montana.

The described tract is along with and subject to any existing easements and contains 50.58 acres more or less.

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Exhibit B: Phase Exhibit



NOTE:
AREAS, LAYOUTS, DIMENSIONS,
EASEMENTS AND SETBACKS ARE
SUBJECT TO CHANGE DUE TO
SCHEMATIC NATURE OF THIS PLAN.
SEE CURRENT CITY LAND USE
REGULATIONS, FINAL PLATS AND
CURRENT COVENANTS, DEEDS AND
DESIGN REGULATIONS FOR SPECIFIC
INFORMATION.

PHASE III

ZONING / LAND USE KEY

- M-1 LIGHT MANUFACTURING DISTRICT
- B-1 NEIGHBORHOOD BUSINESS DISTRICT
- R-0 RESIDENTIAL OFFICE DISTRICT
- R-3 RESIDENTIAL MEDIUM DENSITY DISTRICT
- R-2 RESIDENTIAL TWO-HOUSEHOLD MEDIUM DENSITY DISTRICT
- R-1 RESIDENTIAL SINGLE-HOUSEHOLD LOW DENSITY DISTRICT
- PARKS/Common OPEN SPACE
- WETLANDS/PONDS

intrinsic
ARCHITECTURE

TD&H

Wicks to Plains Design

Schematic Master Plan
January 2008 Draft Revised



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