

After recording, return to:

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MASTER DECLARATION OF
COVENANTS, CONDITIONS, AND
RESTRICTIONS, AND RESERVATION OF
EASEMENTS

FOR

Missoula Meadowlands

IN

MISSOULA COUNTY, MONTANA

**MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS,
AND RESERVATION OF EASEMENTS
FOR**

Missoula Meadowlands

RECITALS

A. Tract 2 COS 6492, LLC, a Montana limited liability company (“Declarant”) is the owner and developer of certain real property located in Missoula County, Montana more particularly described in the attached Exhibit A (“Property”). The Property has been or will be developed as a master-planned development, known as “Missoula Meadowlands” with distinct neighborhood and commercial areas.

B. Declarant hereby establishes and adopts this Master Declaration of Covenants, Conditions, and Restrictions, and Reservation of Easements for Missoula Meadowlands, effective as of the date this instrument is recorded with the Clerk and Recorder of Missoula County, Montana, to establish a governance structure and standards and procedures for the development, expansion, administration, maintenance, and preservation of Missoula Meadowlands as a master-planned community. An integral part of the development of the Project is the formation of a master community association, as a Montana nonprofit corporation, to own, operate, and maintain various common areas, common elements, and community improvements, and to administer and enforce the Governing Documents.

C. The Terms and Conditions herein are established for the mutual benefit and burden of the Master Association, present and future Owners, Occupants, Lenders and others acquiring any interest in the Project. This Master Declaration is intended and will run with the land and will be binding upon the Declarant, and the Owners and their respective successors and assigns, and any other Person that now, or hereafter, has any legal, equitable, or beneficial interest in any portion of the Project. By taking title to a Lot, an Owner joins in and accepts the intent, purpose, and objectives of the Master Declaration and agrees to be bound by it, and acknowledges the benefits received from its existence and from the Declarant’s development of the Project and accepts the burdens and responsibilities that accompany these benefits.

D. Declarant explicitly reserves for itself the option to expand the Project in the future to encompass additional land.

E. Capitalized terms in this Master Declaration are defined in Article 1, or in other sections of this Master Declaration.

NOW, THEREFORE, for the reasons recited above and subject to the Terms and Conditions set forth below, Declarant hereby adopts this Master Declaration.

**ARTICLE 1
DEFINITIONS**

As used herein, unless the context otherwise requires:

1.1 “Airport Influence Area Resolution” will mean the area established by Resolution 78-96, recorded at Vol 121 PG 1319, as amended.

1.2 “Allocated Interest” will mean and refer to the voting interests in the Master Association and liability for the Common Expenses which are allocated among the Lots as set forth on Exhibit C, subject to provisions in Sections 6.2(d) and 20.6 herein. Each initial Lot is assigned a voting interest as set forth on Exhibit C, subject to the limitations on voting set forth in this Master Declaration and other Governing Documents. Any subsequent subdivision of an initial Lot shall assign or allocate that initial Lot’s voting interest between the resulting lots.

1.3 “Articles” will mean and refer to the Articles of Incorporation for the Master Association or the chartering document of any other legal entity, if any will be formed as the community association for Missoula Meadowlands.

1.4 “Assessment” will mean and refer to any monetary charge imposed or levied on an Owner by the Master Association as provided for in this Master Declaration and will include, without limitation, Benefitted Common Area Assessments and Service Area Assessments.

1.5 “Board of Directors” or “Board” will mean and refer to the body with primary authority to manage the affairs of the Master Association.

1.6 “Board Member” will mean and refer to a member of the Board. Each Board Member is a director of the Association.

1.7 “Benefitted Common Area” will mean and refer to any real property and improvements designated by the Declarant in this Master Declaration or in a Supplement to Declaration or other recorded instrument (which designation is made in the sole and absolute discretion of the Declarant) as common area benefitting Lots in particular Neighborhood or Lots with a particular type of housing product and which is assigned for the primary use and benefit of said Lots. The recorded instrument establishing the Benefitted Common Area will identify the particular Lots or particular Neighborhood assigned to that Benefitted Common Area. By way of illustration and not limitation, Benefitted Common Area might include such things as a shared private lane to access particular Lots within a Neighborhood, parking areas benefitting particular Neighborhood, or Neighborhood-specific monuments or signage.

1.8 “Benefitted Common Area Assessments” will mean and refer to assessments levied against the Owners of the Lots assigned to a Benefitted Common Area, which may include amounts for reserves for capital repairs and replacements.

1.9 “Benefitted Common Area Expenses” will mean and refer to the estimated and actual expenses which the Master Association incurs or expects to incur to operate, maintain, repair and replace a particular Benefitted Common Area, which may include amounts for reserves for capital repairs and replacements.

1.10 “Bylaws” will mean and refer to the Amended Bylaws of the Master Association attached as Exhibit B, and all valid amendments and supplements thereto. No amendment to the Bylaws will be effective until it is recorded.

1.11 “Common Areas” will mean and refer to the real and personal property for the common use and enjoyment of the Owners not dedicated to the County or designated as Benefitted Common Area that is or will be owned, administered, and/or maintained by the Master Association. Common Areas will include but are not be limited to the following: (a) all Common Areas designated as such the Plat, including any area designated as open space not dedicated to the County; (b) Project Entry Monuments, if any; (c) Recreational Amenities; (d) all utility installations and all equipment connected with or in any way related to the furnishing of utilities for the common use and for the Common Area; (e) any fence or wall on common property; (f) any roadway, lane, alley or cul-de-sacs within the Project not dedicated to the County or designated as Benefitted Common Area; (g) and all other parts of the Project necessary or convenient to its existence, maintenance, and safety, or normally in common use, reserved for the exclusive use and enjoyment of the Owners and their respective family members, tenants, guests, and invitees, the and all other parts of the Project outside of the Lots not dedicated to the County or the public or which are necessary or convenient to the Project’s existence, maintenance, and safety, or normally in common use. In accordance with the Plat, the Common Areas will be owned by the Master Association.

1.12 “Common Expenses” will mean and refer to the actual and estimated costs for: (a) maintenance, management, operation, repair and replacement of the Common Areas which is maintained by the Master Association; (b) management and administration of the Master Association, including, but not limited to, compensation paid by the Master Association to managers, accountants, attorneys, consultants, and employees; (c) extermination, security, landscape maintenance, and other services; (d) insurance and bonds required or allowed by this Master Declaration; (e) the establishment of reserves; (f) other miscellaneous charges incurred by the Master Association as provided for or allowed in the Governing Documents; and (g) any other expenses of the Master Association arising from the operation of the Master Association and not otherwise defined or precluded by the Governing Documents or any applicable law.

1.13 “Community-Wide Standards” will mean and refer to the standard of use, conduct, architecture, landscaping, and aesthetic matters generally prevailing in the Project or initially established by the Declarant consistent with the requirements and/or standards described in this Master Declaration, Design Guidelines, or Rules. The Community-Wide Standards may or may not be set forth in writing.

1.14 “County” will mean and refer to the Missoula County, a political subdivision of the State of Montana.

1.15 “Declarant” will mean and refer to Tract 2 COS 6492, LLC, a Montana limited liability company, and its respective affiliates, successors, and assigns.

1.16 “Declarant Control Period” will mean and refer to the period of time during which the Declarant owns any Lot within the Project.

1.17 “Design Guidelines” will mean and refer to the Missoula Meadowlands Design Guide established for the Project, and any valid amendments thereto.

1.18 “Design Review Committee” will mean and refer to the committee of the Master Association responsible for review and approval of home, building, and landscaping plans, construction and installation of the improvements identified therein in conformance with the requirements of the Design Guidelines.

1.19 “Entry Monuments” will mean and refer to any and all entry monuments, markers, and permanent signage and adjacent landscaped common area constructed at the entrances to the Project.

1.20 “Governing Documents” will mean and refer to this Master Declaration, the Plat, the Bylaws, the Rules, any Articles, and any other written instrument by which the Declarant or Master Association may exercise power or manage, maintain, or otherwise affect the Project.

1.21 “Lender” will mean and refer to a holder of a mortgage or deed of trust on a Lot.

1.22 “Lot” will mean and refer to an individual lot depicted as a separately identified parcel on the Plat, or as otherwise divided pursuant to a townhome or condominium declaration, which may be independently owned and conveyed. The term “Lot” includes the dwelling constructed thereon. The development of a building or other structure containing multiple residences such a condominium or townhome will be done in accordance with applicable zoning requirements and will not result in an increase or change in the number of “Lots”. The term “Lot” does not include Common Areas, Benefitted Common Area or property dedicated to the County or the public. More than one Lot is referred to herein as “Lots.”

1.23 “Manager” will mean and refer to the Person or Persons engaged by the Board to manage the Association.

1.24 “Master Association” will mean and refer to the Missoula Meadowlands Master Association, the membership of which will include and be comprised of each Owner in the Project. The Master Association will be incorporated as a Montana nonprofit corporation. Notwithstanding the foregoing, if the Owners are ever organized as another type of entity or if the Owners act as a group without legal organization, “Master Association” as used in this Master Declaration will refer to that entity or group.

1.25 “Master Declaration” will mean and refer to this Master Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for Missoula Meadowlands, including all attached exhibits other than any Bylaws, and all valid supplements and/or amendments to this Master Declaration.

1.26 “Neighborhood” or “Neighborhoods” will mean and refer to one or more of the distinct neighborhood communities which are or may be developed within the Project based on location and/or type of dwelling (e.g., attached townhomes, detached townhomes, and detached single-family homes) and may include Benefitted Common Area.

1.27 “Occupant” will mean and refer to an individual, other than an Owner, in possession of, using, or living on a Lot within the Project, including, without limitation, family members, tenants, and invitees of an Owner or an Occupant.

1.28 “Owner” will mean and refer to the Person or Persons who are vested with record title to a Lot, and whose interest in the Lot is held (in whole or in part) in fee simple, according to the records of the Office of Recorder for Missoula County, Montana. The term “Owner” will not include a mortgagee or trustee or beneficiary under a deed of trust unless and until such party acquires title to a Lot pursuant to foreclosure or any arrangement or proceeding in lieu thereof. The term “Owner” also will not include the Declarant. More than one Owner is referred to herein as “Owners.”

1.29 “Person” will mean and refer to a natural person, corporation, estate, limited liability company, partnership, trustee, association, agency, or any other legal entity. More than one Person is referred to herein as “Persons.”

1.30 “Plat” will mean and refer to the record of survey map or maps for Missoula Meadowlands subdivision of record and on file with the Office of Recorder for Missoula County, Montana, and all recorded amendments thereto.

1.31 “Project” will mean and refer to the Missoula Meadowlands development and all structures and improvements thereon including the Lots and the Common Areas.

1.32 “Property” as previously defined herein, will include all easements and rights appurtenant thereto.

1.33 “Recreational Amenities” will mean and refer to any and all of the recreation improvements, if any, constructed in the Project which may include designated open space and playground area, which will be owned and maintained by the Master Association for the exclusive use and benefit of Owners and Occupants in the Project and which will be subject to further Rules regarding use.

1.34 “Rules” will mean and refer to the rules and regulations adopted by the Master Association.

1.35 “Service Area” will mean and refer to a group of Lots or a particular Neighborhood designated as a separate Service Area pursuant to this Master Declaration for the purpose of receiving services or benefits from the Master Association which are not provided to all Lots within the Project. A Service Area may be comprised of more than one type of dwelling and may include noncontiguous Lots. A Service Area may or may not correspond to a particular Neighborhood. A Lot may be assigned to more than one Service Area.

1.36 “Service Area Assessments” will mean and refer to assessments levied against the Lots in a particular Service Area to pay for Service Area Expenses.

1.37 “Service Area Expenses” will mean and refer to the estimated and actual expenses which the Master Association incurs or expects to incur for the benefit of Lots within a particular Service Area, which may include amounts for reserves for capital repairs and replacements.

1.38 “Subdivision Improvements” will mean and refer to all improvements that have or will be constructed or installed within the Project not part of any Lot that are necessary to provide

public road access and/or utility service to the Lots, and includes such other and further construction or installations required to comply with any requirement of the County.

1.39 “Supplement to Declaration” will mean and refer to any amendment or supplement to this Master Declaration designating Benefitted Common Area and assigning Lots or a Neighborhood or Neighborhoods thereto. A Supplement to Declaration may also include additional covenants applicable only to a particular Neighborhood or a particular type of housing product.

1.40 “Terms and Conditions” will mean and refer to any one or all of the terms, covenants, rights, obligations, and restrictions set forth in the Governing Documents.

ARTICLE 2 THE PROJECT

2.1 Nature of the Project. The Project is a master-planned development, which may be developed and constructed in phases. The Project may contain commercial units and several different types of housing products including, but not limited to, attached townhomes, detached townhomes, condominiums, multifamily housing developments, and detached single-family homes. The Project is not a cooperative. During the Declarant Control Period, the Declarant will control and approve acceptable commercial uses of any commercial areas within the Project, in the Declarant’s sole discretion. After the Declarant Control Period ends, the Board will control and approve acceptable commercial uses of any commercial areas within the Project.

2.2 Binding Effect of Governing Documents. The Declarant hereby declares that the Property is part of the Project and that the Project and all of the Lots will be held, transferred, mortgaged, encumbered, occupied, used, and improved subject to the Terms and Conditions herein which will constitute equitable servitudes, covenants, and conditions running with the land and will be binding upon and inure to the benefit of the Master Association, the Declarant, and each Owner, including his/her heirs, executors, administrators, personal representatives, successors and assigns. By acquiring any ownership interest in a Lot and/or residing within the Project each Owner and Occupant consents to, and agrees to be bound by, each and every Term and Condition in the Governing Documents.

2.3 Project Name. The Project is named “Missoula Meadowlands.” Notwithstanding, the name commonly used by the Master Association or others for the Project may be different than the name identified in this Master Declaration and on the Plat.

2.4 Modifying or Changing the Name of the Project. The name of the Project may be modified or changed pursuant to a lawful amendment to this Master Declaration and in accordance with applicable land use management codes.

2.5 Registered Agent. The registered agent of the Master Association will be as provided for in entity filings of the Master Association.

ARTICLE 3
DESCRIPTION OF THE LOTS AND ALLOCATED INTERESTS

3.1 The Lot.

(a) The distinct Lot number that identifies the Lot on the Plat may or may not be consistent with the mailing address of the Lot.

(b) Each Lot generally consists of all structures on or within the boundary of the Lot including, but not limited to all interior and exterior walls, floors, ceilings, roofs, foundations, and fixtures, and, in all dwelling walls shared with or abutting another Lot, the Lot will extend to the center of the wall, which will form the boundary of the Lots sharing that wall. Subject to dividing lines between Lots.

(c) All pipes, wires, conduits, chutes, flues, ducts, shafts, public utility, water or sewer lines, or any other similar fixtures lying inside the designated vertical boundaries of a Lot or located beyond the vertical boundaries of the Lot but designated and designed to serve only that Lot, will be part of the Lot.

(d) A Lot developed as part of a multi-family housing product will include all exterior and interior doors, door jams, windows, window sills, window frames, garages, garage doors, and all components thereof in or on the boundary of any Lot are part of the Lot.

(e) During the Declarant Control Period, no Lot maybe further subdivided (including the development of a building or other structure containing multiple residences such as a condominium or townhome) beyond the density than is permitted by applicable zoning standards.

3.2 Allocated Interest of Each Lot in the Votes of the Master Association. Each Lot will have an Allocated Interest in the Master Association as set forth on Exhibit C. Any difference in square footage, location, size, value, or other aspect of any Lot will not be a reason to alter or change any Allocated Interest. The Owners of the Lots will be entitled to vote their respective Allocated Interest for all matters related to the Master Association that Owners are permitted or required to vote or approve, subject to the rights reserved to the Declarant during the Declarant Control Period as set forth in Article 20 herein.

ARTICLE 4
ORGANIZATION AND GOVERNANCE OF THE ASSOCIATION

4.1 Organization of Master Association. The Master Association will serve as the organizational body for all Owners.

4.2 Legal Organization. The Master Association will be organized as a non-profit corporation. In the organization, reorganization, or amendment of any documents related to the legal organization of the Master Association, the terms in all such documents will, to the extent possible under the applicable law, be consistent with the terms in the Declaration and the Bylaws attached hereto or any lawful amendment thereto. If the legal entity should ever expire or be dissolved for any reason as required or permitted by law, in any reorganization or reinstatement of

the entity, the Master Association will adopt, to the extent possible and subject to any then-existing legal requirements, documents consistent with the terms of the Declaration and Bylaws.

4.3 Membership. Membership in the Master Association at all times will be comprised exclusively of the Owners. Each Owner will be a member of the Master Association so long as such Owner has an ownership interest in a Lot and such membership will automatically terminate when the Owner ceases to have an ownership interest in a Lot. Upon the transfer of an ownership interest in a Lot, the new Owner succeeding to such ownership interest will likewise succeed to such membership in the Association. If titled ownership to a Lot is held by more than one Person, the membership appurtenant to that Lot will be shared by all such Persons in the same proportional interest and by the same type of tenancy in which title to the Lot is held.

4.4 Board of Directors. The Board will consist of five members. Except as otherwise provided in this Master Declaration, Bylaws, or the Articles of Incorporation, the Board, in all instances, will act on behalf of the Master Association. Any reference to an act, right, or obligation of the Master Association in the Governing Documents may only be exerted or complied with through an action of the Board.

4.5 Board Members. Except as provided in Section 20.2 herein regarding the Declarant Control Period, to serve on the Board, a Person must be an Owner current on payment of Assessments, and, if a natural individual, over the age of eighteen years old. If an Owner is a corporation, estate, limited liability company, partnership, trust, or other legal entity, an officer, principle, shareholder, partner, member, manager, trustee, or beneficiary of such Owner may be a member of the Board.

4.6 Limitation on Authority of Board Members and Officers.

(a) Except as provided herein, in the Bylaws, or in the Design Guidelines, no individual Board Member or officer of the Association will have authority to or is authorized to act on behalf of the Master Association to:

- (i) amend or terminate any Governing Document;
- (ii) elect or remove members of the Board;
- (iii) establish or change the qualifications, powers and duties, requirements, or terms of Board Members or of the Board; or
- (iv) authorize or agree to any deviation or exception from the Terms and Conditions.

4.7 No Estoppel or Reliance on Actions or Authorizations Contrary to Governing Documents. No one may rely upon any authorization (from the Board or anyone else) contrary to the terms of the Governing Documents regardless of the circumstances under which it is given, and no claim or defense of estoppel or waiver or similar equitable or legal claim or defense may be raised by anyone related to any alleged reliance. It is the responsibility of anyone interacting with, visiting, occupying, or purchasing a Lot in the Project to verify that anything that the Master

Association does, does not do, or authorizes related to the Project or the Master Association is in compliance with the terms of the Governing Documents.

4.8 Availability of Association Records. The Master Association will make available to the Owners copies of the Governing Documents and the corporate records, meeting minutes, books, and financial statements related to the operations of the Association. Subject to any legal requirements otherwise, the Association will make available to Lenders and insurers of any Lender, copies of the Governing Documents and copies of corporate records, meeting minutes, books, and financial statements related to the operations of the Association within 30 days of receipt of a written request.

Special Improvement Districts. At any time during the Declarant Control Period, the Declarant may form a Special Improvement District (“SID”) or Rural Special Improvement District (“RSID”) within the Project, in the Declarant’s sole discretion, without the approval or involvement of the Master Association or any Owners of the Lots. In general, acceptance of a deed for a Lot within this subdivision shall constitute the assent of the Owners to any future SID/RSID, based on benefit for parks, and for the upgrading of streets within this subdivision and the off-site portions of Cartage Road, Snapdragon Drive, and Ladyslipper Lane, including but not limited to paving, curbs and gutters, non-motorized facilities, street widening and drainage facilities, and may be used in lieu of their signatures on an SID/RSID petition.

ARTICLE 5 GENERAL RIGHTS AND RESPONSIBILITIES OF THE MASTER ASSOCIATION

5.1 Rights and Responsibilities of the Master Association. The Master Association will have the rights and responsibilities set forth in this Article 5 in addition to any others set forth in the Governing Documents or provided by law.

5.2 Maintenance.

(a) The Master Association will make provisions for completing all maintenance, repair, and replacement requirements and obligations of the Master Association. This will include the right to modify, remove fixtures from, add fixtures and structures to, place signs upon, and otherwise modify the Common Areas or Benefitted Common Area. The Master Association will do all such other and further acts that the Board deems necessary to preserve and protect the Common Areas, Benefitted Common Areas, and the Project, in accordance with the general purposes specified in this Master Declaration and the Community-Wide Standards. The Declarant shall be responsible for maintenance of Common Areas, including weed control, and Common Area drainage until the earlier of: (a) such time that enough development has occurred so that the Master Association has adequate membership to undertake maintenance of the Common Areas; or (b) such time as a Special Improvement District or Rural Special Improvement District has been formed. Declarant shall further be responsible for the maintenance of the approximately five-acre public park until the earlier of: (a) the annexation of the public park to the City; or (b) such time as a Rural Special Improvement District has been formed to perform such maintenance. At all times, maintenance obligations with respect to Common Areas shall include weed control,

landscaping, watering and mowing, pruning of trees, replacement of dead and diseased trees in such fashion so as to maintain the Common Areas in an attractive appearance.

(b) All undeveloped and planned open space areas of the Property, including Common Areas, shall be subject to the Weed Management Plan, recorded at BK 892 PG 510 at the Missoula County Clerk and Recorder's Office.. During the Declarant Control Period, the Declarant shall be responsible to implement the Weed Management Plan for all undeveloped and unsold Lots and for the Common Areas, provided that the Master Association shall be responsible to implement the Weed Management Plan for all Common Areas which have been dedicated or otherwise conveyed to the Master Association.

5.3 Paying Expenses. The Master Association will provide for the payment of Master Association expenses.

5.4 Setting and Collecting Assessments. The Master Association will establish, collect, and account for Assessments as necessary to operate the Project consistent with the requirements of the Governing Documents.

5.5 Adopting and Enforcing Rules. The Master Association may adopt Rules for the regulation and operation of the Project, including Design Guidelines. If Rules are adopted, they will be consistently and uniformly enforced. The Rules may address any issues including those addressed in any other Governing Documents and may include restrictions and regulations specific to any Benefitted Common Area and to any Service Area. The Rules may supplement, clarify, and add detail to issues or items addressed in the other Governing Documents so long as the Rules do not contradict the same. The Board's determination as to whether a particular activity being conducted or to be conducted violates or will violate the Rules will be conclusive, subject to a judicial determination if any is timely sought. The standard for adoption of Rules is one of reasonableness. A Rule must be reasonable in light of the circumstances pertaining to the situation or issue addressed by the Rule.

5.6 Hiring Managers and Delegating Responsibilities. The Master Association may hire a Manager to assist the Board in the management and operation of the Project and may delegate its powers and obligations in the Governing Documents to the manager, employees, or other agents as it deems appropriate; provided, however, that only the Board will have the right to approve Master Association budgets, and regular and special Assessments, and to provide a hearing requested to dispute a fine. Any powers and duties delegated to any Manager or other Person may be revoked by the Board at any time, with or without cause. **THE BOARD HAS NO AUTHORITY TO ENTER INTO ANY MANAGEMENT AGREEMENT OR CONTRACT INCONSISTENT WITH THE TERMS OF THESE GOVERNING DOCUMENTS OR THAT PROVIDES FOR ANY TERMINATION FEE OR REQUIREMENT FOR TERMINATION FOR CAUSE.**

5.7 Enforcement Rights. In addition to any other remedies allowed or provided in the Governing Documents for any violation of the Governing Documents, the Master Association may: (a) impose fines; (b) collect rents directly from tenants if Owners fail to pay Assessments; (c) suspend voting rights; and (d) take any other action or seek any other remedy allowed by

Montana law. Further, the Montana Department of Fish, Wildlife and Parks may enforce those parts of the Declaration that protect wildlife and wildlife habitat.

5.8 Discretion in Enforcement.

(a) Subject to the discretion afforded in this section, the Board uniformly and consistently will enforce and implement the Terms and Conditions in the Governing Documents.

(b) The Board will use its business judgment to determine whether to exercise the Master Association's powers and authority granted herein, including whether to (i) impose sanctions, (ii) pursue legal action for a violation of the Governing Documents, (iii) compromise a claim made by or against the Board or the Master Association; and (iv) pursue a claim for an unpaid Assessment.

(c) Consistent with Subsection (b) of this Section, the Master Association may not be required to take enforcement action if, after fair review and acting in good faith and without conflict of interest, the Board determines that under the particular circumstances: (i) the Master Association's legal position does not justify taking any or further enforcement action; (ii) the covenant, restriction, or rule in the Governing Documents is likely to be construed as inconsistent with current law; (iii) a minor or technical violation has or may have occurred and the violation is not material as to a reasonable individual or does not justify expending the Master Association's resources; or (iv) it is otherwise not in the Master Association's best interests to pursue an enforcement action, based upon hardship, expense, or other reasonable criteria.

(d) Subject to Subsection (e) of this Section, if the Board decides under Subsection (c) above to forego enforcement, the Master Association is not prevented from later taking enforcement action.

(e) The Board will not be arbitrary, capricious, or act against public policy in taking or not taking enforcement action.

5.9 Reserve Fund. Subject to the exemptions in Article 20 herein, the Master Association will maintain a reserve fund and will obtain and update a reserve analysis as required in Article 17 of this Declaration.

5.10 Establishing Hearing Procedures. The Board will have the authority to create a reasonable hearing process applicable in case the Master Association will take enforcement action against an Owner or in any situation where hearing process is required by law. The Board will not be under any obligation to offer a hearing process, except as required by law or by the Governing Documents, and in any such process, will have the authority to designate the procedure related to any such hearing and to make any and all final determinations of issues subject to the hearing process. The Board may establish the hearing process on an as-needed basis for particular matters as they arise or may set forth a process in the Rules applicable generally to such matters that it designates. Any such hearing process will provide, at a minimum for: (a) at least two weeks' notice of the hearing to the Owner, and (b) a reasonable time period under the circumstances for the Owner to present their own testimony, the testimony of others, argument, authority, evidence, and other information the Owner deems relevant to the disputed issue.

5.11 Annual Meeting. The Master Association will arrange for and conduct an annual meeting of the Owners as provided for in the Bylaws and will arrange for and conduct such other meetings of the Master Association as will be properly requested pursuant to the Governing Documents or the law.

5.12 Payoff Information Fees. The Master Association is specifically authorized to establish a fee to provide payoff information related to the transfer, refinance, or closing of a Lot. The payoff fee will be \$50.00; however, the Board may increase or decrease the fee amount if the new amount is identified in the Rules and is consistent with Montana law.

5.13 Reinvestment Fee Covenant upon Sale or Transfer of Lot. The Board will require the transferor/seller or transferee/buyer to pay a fee to the Master Association related to the transfer of a Lot (a "Reinvestment Fee") in an amount equal to 0.01% of the appraised value of the Lot for tax assessment purposes to provide for the costs and expenses incurred in the performance of the Master Association's obligations. For purposes of this Section, a transfer is any change in the ownership of the Lot as reflected in the Office of Recorder for Missoula County, Montana, regardless of whether it is pursuant to the a sale of the Lot or not, but will not include the initial transfer by the Declarant to the first Owner of a Lot. This reinvestment fee covenant may not be enforced against: (a) an involuntary transfer; (b) a transfer that results from a court order; (c) a bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity; (d) a transfer or change of interest due to death, whether provided in a will, trust, or decree of distribution; or (e) the transfer of burdened property by a financial institution, except to the extent that the reinvestment fee covenant requires the payment of a common interest Master Association's costs directly related to the transfer of the burdened property, not to exceed 0.05% of the purchase price or such other amount as may be established by law. The Master Association will have authority to record any notice required by law to effectuate this provision. The Master Association will have the authority to enact Rules that may include: (i) requirements for Owners to provide sales and transfer documents; (ii) requirements for the timing of responses to requests such as the selection of the appraiser; (iii) default provisions if no selection is made such as allowing the Master Association to select the appraiser; and (iv) other procedural requirements and rules as the Board deems appropriate to effectuate the terms of this provision in a prompt and reasonable manner. For the avoidance of doubt, in no instance shall a Reinvestment Fee be owed to the Declarant or the Declarant's individual successors or assigns in contravention of Mont. Code Ann. § 70-17-212.

5.14 Other Necessary Rights. The Master Association will have any other right that is reasonably necessary to carry out the terms of the Governing Documents.

ARTICLE 6 BUDGETS & ASSESSMENTS

6.1 Purpose of Assessments. Money collected by the Master Association will be used for the management, maintenance, care, preservation, operation, and protection of the Project, enhancing and preserving the value of the Project, and in the furtherance of carrying out or satisfying any other duty or power of the Master Association.

6.2 Budget and Regular Assessment.

(a) The Board is authorized and required to adopt a budget for the following fiscal year prior to the beginning of each fiscal year. The Board may revise that budget from time to time as it deems appropriate.

(b) The budget will cover the period of the next fiscal year. The budget will estimate the total Common Expenses to be incurred for the next fiscal year (or that fiscal year for a revised budget), which will be broken down into reasonably detailed expense categories. The budget will include a line item that identifies the amount to be placed into the reserve fund. The budget also will include an estimate of Benefitted Common Area Expenses for each Benefitted Common Area and Service Area Expenses for each Service Area and may include contingencies and other estimates as the Board deems appropriate.

(c) The Board will determine the amount of the regular Assessments to be paid by the Owners of each Lot by dividing the total budgeted amount for the Common Expense by the Allocated Interest for each Lot, subject to the Declarant rights in Section 20.6.

(d) The Board will determine the amount of Benefitted Common Area Assessments to be paid by the Owners of the Lots assigned to each such Benefitted Common Area by dividing the total budget amount for each of the Benefitted Common Area Expenses by the number of Lots assigned to each Benefitted Common Area.

(e) The Board will determine the amount of Service Area Assessments to be paid by the Owners within each Service Area by dividing the total budget amount for each Service Area Expenses by the number of Lots assigned to each Service Area.

(f) The Board will present the adopted budget to the Owners at an annual or special Master Association meeting.

(g) Except during the Declarant Control Period, a budget may be disapproved within 45 days after the date of the meeting at which the budget was presented if: (i) the holders of at least 51% of the total Allocated Interests in the Master Association vote to disapprove the budget; and (b) the vote is taken at a special meeting called for that purpose in accord with the requirements set forth in the Bylaws.

6.3 Payment of Assessments. Unless otherwise established by the Board and communicated to each Owner, each Owner will pay to the Master Association the Owner's regular Assessment, Benefitted Common Area Assessment and Service Area Assessment, as may be the case, annually or on such other quarterly or monthly installment basis as the Board or the Manager may determine.

6.4 Adjustments to Regular Assessments. In the event the Board determines that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it may then revise the budget and each Owner's share of the new budget total based on the Owner's Allocated Interest. Upon notice of the adjustment, and unless modified by the Board, each Owner thereafter will pay to the Master Association the Owner's adjusted regular Assessment.

6.5 Adjustments to Benefitted Common Area Assessments or Service Area Assessments. In the event the Board determines that the estimate of total charges for the current year is, or will become, inadequate to meet Benefitted Common Area Expenses or Service Area Assessments, for any reason, the Board may then revise the appropriate budget and each Owner's share of the new budget total based on the Owner's proportional share of the Benefitted Common Area Expenses or the Service Area Expenses, as the case may be. Upon notice of the adjustment, and unless modified by the Board, each Owner thereafter will pay to the Master Association the Owner's adjusted Benefitted Common Area Assessment or adjusted Service Area Assessment.

6.6 Personal Obligation for Assessment. Each Owner of a Lot, by acceptance of a deed or other instrument creating the ownership interest required to be an Owner as defined herein, hereby personally covenants and agrees with each other Owner and with the Master Association to pay to the Master Association the Assessments as provided for in the Governing Documents, including any Benefitted Common Area Assessments and Service Area Assessments. Any and all Assessment, together with such interest, collection charges, and attorneys' fees and costs authorized by the Governing Documents, will be the personal obligation of the Owner of such Lot.

6.7 Billing and Collection Procedures. The Board will have the right and responsibility to adopt Rules setting forth procedures applicable to Assessments provided for in this Declaration and for the billing and collection of all Assessments, provided that such procedures are not inconsistent with the provisions herein. Such procedures and policies may include, but are not limited to, the date when Assessment payments are due and late, establishing late fees and collection charges, and establishing interest that may be charged on unpaid balances. The failure of the Master Association to send a statement to an Owner or an error in any such statement (other than a Certificate of Payment) will not relieve any Owner of liability for any Assessment or charge under the Governing Documents.

6.8 Certificate of Payment. The Master Association, within 10 business days after receipt of written demand, will furnish to any Owner liable for Assessments or such other Person for whom an Owner has given written permission in a form acceptable to the Master Association, a written statement or certificate, signed by an officer or authorized agent of the Master Association, setting forth whether the Assessments relating to a specified Lot have been paid and the amount of delinquency, if any. Each such certificate will be conclusive in favor of a Person who relies on the written statement in good faith. The Board is authorized to charge a \$10.00 fee for issuance of a certificate; provided, however, the Board may increase or decrease this fee amount if the new amount is identified in the Rules and is consistent with Montana law.

6.9 Special Assessments. Subject to any limitations in this Master Declaration for the particular type of expense, the Master Association is expressly authorized to set and collect special Assessments, payable as may be determined by the Master Association (in lump sums or over a period of time), to pay for any Common Expenses. Notwithstanding the wording or terms of any notice of special Assessment, a special Assessment will be deemed assessed, for all purposes, on the date that the payment for the Assessment is due.

6.10 Special Assessments to a Particular Lot or Lots within a Particular Neighborhood. Special Assessments may be levied by the Master Association against a particular Lot and its Owner or against Lots within a Particular Neighborhood and their respective Owners for:

(a) Costs incurred in bringing an Owner or Lot into compliance with the provisions of the Governing Documents;

(b) Any other charge not included in a Benefitted Common Area Assessment or Service Area Assessment designated by the Board or the Manager as pertaining to the individual Lot or to Lots within a Particular Neighborhood consistent with the Governing Documents;

(c) Fines, late fees, collection charges, and interest; and

(d) Attorneys' fees, costs and other expenses relating to any of the above.

6.11 Acceptance of Materials or Services. In the event the Master Association undertakes to provide materials or services that are not otherwise required in the maintenance of the Project or Benefitted Common Area or in a Service Area, which benefits an individual Lot, and which can be accepted or not by the Lot Owner, such Owner, in accepting such materials or services, agrees that the costs thereof may be a special Assessment pertaining to that Lot, as may be determined by the Board, in its discretion.

6.12 Application of Excess Assessments. In the event the amount budgeted to meet Common Expenses for a particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board, in its discretion, may apply the excess to reserves, credit the excess against future Assessments or refund the excess to the Owners in proportion to the Allocated Interests of each Lot in the Common Expenses of the Project, as the Board deems appropriate. The decision of the Board will be binding and conclusive. In addition, the Master Association will not be obligated to reduce the amount of Assessments in succeeding years if an excess exists for a prior year. In the event that amount budgeted for any Benefitted Common Area or Service Area proves to be excessive in light of the actual Benefitted Common Area Expenses or Service Area Expenses, the Board, in its discretion, will either: (a) credit the excess against future Benefitted Common Area Assessments for the particular Benefitted Common Area with the excess, or (b) credit the excess against future Services Area Assessments for the particular Service Area that had an excess, as the case may be, or (c) refund the excess to the Owners of the Lots assigned to the Benefitted Common Area that had the excess or assigned to the Service Area that had an excess, as the case may be.

6.13 No Offsets. All Assessments will be payable at the time and in the amount specified by the Master Association, and no offsets against such amount will be permitted for any reason, including, without limitation, a claim that the Board is not properly exercising its duties and power, a claim in the nature of offset or that the Master Association owes the Owner money, or that the Master Association is not complying with its obligations as provided for in the Governing Documents.

6.14 How Payments Are Applied. Unless otherwise provided for in the Rules, all payments for Assessments will be applied to the earliest charges first. Owners will have no right to direct the application of their payments on Assessments or to require application of payments in any specific order, to specific charges, or in specific amounts.

ARTICLE 7
NONPAYMENT OF ASSESSMENTS & JOINT AND SEVERAL LIABILITY OF OWNERS FOR ALL PAST UNPAID ASSESSMENTS

7.1 Delinquency. Assessments not paid within the time required will be delinquent. Whenever an Assessment is delinquent, the Board may, at its option, invoke any or all of the remedies granted in this Article 7. The Master Association's choice of one remedy will not prejudice or constitute a waiver of the Master Association's right to exercise any other remedy. Each Owner, by taking title to a Lot, vests in the Master Association, or its assigns, the right and authority to bring actions at law or lien foreclosures against such Owner or Owners for the collection of delinquent Assessments.

7.2 Collection Charges and Interest. If the Master Association does not otherwise adopt or establish billing and collection procedures in the Rules, the following will apply: The Assessments will be due within 30 days of invoicing. Payments received after 30 days from invoicing may be charged an initial late fee of \$100.00. Thereafter, an additional late fee charge of \$250.00 per month may be added for each month that an Owner's account has an unpaid balance. In addition to late fees, interest will accrue on all unpaid balances, including on any unpaid prior attorney fees and late charges, at the rate of 2% per month or such other amount as may be set forth by the Master Association in the Rules and allowed by law. Delinquent accounts may be turned over by the Master Association to attorneys or to a collection company and additional collection charges and attorneys' fees and costs may be added to the amounts owed.

7.3 Joint and Several Liability of Owner and Future Owners for All Past and Presently Accruing Unpaid Assessments. To the extent permitted by law, the Owner and any future owners of a Lot are jointly and severally liable for all Assessments related to that Lot accruing prior to and during the time that an Owner is an Owner. An Owner is not liable for any Assessments accruing after he/she has lawfully transferred title to the Lot to another Owner; provided, however, that the recording of a deed to a Person that has not agreed to take ownership of the Lot will not be considered a legal conveyance of title. The obligation imposed by this Section is separate and distinct from any lien rights associated with the Lot.

7.4 Lien. The Master Association has a lien on each Lot for all Assessments, which include, but are not limited to, late fees, interest, collection charges, attorneys' fees, court costs, and other costs of collection. This lien will arise and be perfected as of the date of the recording of this Master Declaration and will have priority over all encumbrances recorded after this Master Declaration is recorded, except as otherwise required by law. If an Assessment is payable in installments, the lien is for the full amount of the Assessment from the time the first installment is due, unless the Master Association provides otherwise in the notice of Assessment. The Master Association also has a lien on each Lot for all fines imposed against an Owner by the Master Association. The Master Association's lien will have priority over each other lien and encumbrance on a Lot except only: (i) a lien or encumbrance recorded before this Declaration is recorded; (ii) a first or second security interest on the Lot secured by a mortgage or trust deed that is recorded before a recorded notice of lien by or on behalf of the Master Association; and (iii) a lien for real estate taxes or governmental assessments or charges against the Lot. The Master Association may, but need not, record a notice of lien on a Lot.

7.5 Action at Law. The Master Association may bring an action to recover a delinquent Assessment personally against the Owner obligated to pay the same. Any attorneys' fees and costs incurred in such action will be assessed against the delinquent Owner and the Owner's Lot and added to the amount in delinquency (plus judgment interest and collection charges, if appropriate).

7.6 Foreclosure Sale. The Master Association will have rights of foreclosure, both judicially and non-judicially. The Master Association may appoint a qualified trustee by executing and recording an appointment of trustee form.

7.7 Homestead Waiver. Each Owner, to the extent permitted by law, hereby waives, to the extent of any liens created pursuant to this Master Declaration (whether such liens are now in existence or are created at any time in the future), the benefit of any homestead or exemption laws of the State of Montana now in effect, or in effect from time to time hereafter.

7.8 Termination of Delinquent Owner's Rights. The Master Association will have all rights provided for herein and pursuant to Montana law to terminate a delinquent Owner's right to vote provided, however, that before termination of such rights the delinquent Owner be provided at least 14 days prior notice, in accordance with the notice requirements in the Bylaws, of:

- (a) the impending termination of rights if payment is not received;
- (b) the amount(s) past due, including any interest and late charges; and
- (c) the right to request a hearing before the Board.

7.9 Requiring Tenant to Pay Rent to Master Association. The Master Association will have a right to demand and collect rent from any tenant occupying any Lot for which an Assessment is more than 60 days late.

7.10 Attorneys' Fees Incurred as a Result of Nonpayment of Assessments. In addition to any attorneys' fees and costs provided for herein, the Master Association will be entitled to recover all reasonable attorney fees and costs incurred as a result of an Owner's failure to timely pay Assessments, including but not limited to attorneys' fees and costs incurred to: (a) obtain advice about a default; (b) collect unpaid Assessments; (c) file lawsuits or other legal proceedings related to a default in an effort to collect unpaid Assessments; (d) file pleadings, notices, objections, and proofs of claim in any bankruptcy proceeding; (e) examine the debtor or others related to collections; (f) monitor any bankruptcy proceedings including, but not limited to, regular monitoring of an Owner's progress in a chapter 13 plan for the duration of the plan; (g) file relief from stay motions, objections, or other adversary proceedings in bankruptcy (and all related activities including seeking and responding to discovery, taking depositions or examinations, introduce evidence, hiring and paying expert witnesses, filing motions and other pleadings, attending trials, hearings, or other court proceedings, including as reasonably necessary related to assert any non-dischargeability of debts, to assert claims against the bankruptcy estate or co-debtors, to challenge exemptions, to pursue any appropriate adversary proceeding, or for any other reason related to the ultimate attempt to collect unpaid Assessments); and (h) foreclose a lien, secure lien rights, or prepare any notice of lien. This provision is to be construed broadly to permit the Master Association to recover any reasonable fees and costs in any way related to an Owner's default in the payment of Assessments and the ultimate collection of those Assessments.

7.11 Master Association Responsibility after Foreclosure. If the Master Association takes title to a Lot pursuant to a foreclosure (judicial or non-judicial), the Master Association will not be bound by any of the provisions related to the Lot that are otherwise applicable to any other Owner, including but not limited to: obligations to pay assessments or maintain the Lot.

ARTICLE 8 DESIGN CONTROLS

8.1 Design Review Committee. Subject to the exemptions granted Declarant during the Declarant Control Period, the Design Review Committee will be composed of at least three individuals appointed by the Board. Persons serving on the Design Review Committee will serve at the pleasure of the Board. The Board may remove a member of the Design Review Committee and appoint a new Design Review member at any time. Members of the Design Review Committee may or may not be Board Members or members of the Master Association and may include one or more paid professionals, such as an architect, to perform such services. The Design Review Committee will enforce the Design Guidelines and will have and may exercise all the powers, duties and responsibilities set out in this Declaration. The Design Review Committee delegate some or all of its obligations to a paid design professional.

8.2 Design Review Fees. The operating costs of the Design Review Committee, including the services of its planning consultants, professions and other staff, will be covered through a fee paid to the Design Review Committee by Owners applying for plan review and approval. The Design Review Committee will make available to all Owners a current design review fee schedule, which may be modified from time to time. Fees must be paid in full before any review by the Design Review Committee commences and the unused portion thereof, in any, is refundable.

8.3 Scope of Authority. The Design Review Committee may require complete architectural plans, specifications and a site plan showing the location and orientation for such construction, alteration or landscaping prior to the commencement of any work. Work subject to Design Review Committee approval may include, but is not limited to, the construction of structure, installation of utility line, fence, grading, planting, antennas, satellite dishes, flag poles, any renovation, expansion or refinishing of the exterior of an existing home or other structure, excavating, clearing, landscaping or other modification. Notwithstanding the foregoing, any work performed by or on behalf of Declarant for Subdivision Improvements and infrastructure and the initial construction of homes by the Declarant or plans of a bulk-builder that have been pre-approved by the Declarant, will not require approval of the Design Review Committee.

8.4 Building Permits and Other Approvals. Any approval of the Design Review Committee authorized or required under this Master Declaration is an entirely different than and separate from any building permit or other permit or approval that may be required under County ordinance or by any other governmental entity. Any and all necessary building permits and approvals must be obtained prior to the commencement of construction or work. Notwithstanding any other provision in this Article or the Design Guidelines, the Design Review Committee will not be responsible for: (a) determining that any construction or construction documents conform to applicable building codes, zoning or other land-use regulations; (b) the accuracy or content of any construction documents or specifications prepared by any architect, engineer or any other

Person; (c) construction means, methods, techniques, sequences or procedures, safety precautions or subsequent loss, damage or failures due to soil or any other natural or man-made conditions that may exist; or (d) any failure to carry out any construction in accordance with plans or specifications.

8.5 General Standards. In its review and consideration of an Owner's design review application, the Design Review Committee will evaluate, among other things: (a) the materials to be used on the exterior of Lot; (b) exterior colors; (c) harmony of architectural elements and design with other Lots within the Project; (d) height and other design features; (e) location with regard to topography and finished grade elevations; (f) harmony of landscaping with the Lot and with the Community-Wide Standard; (g) impact of lighting (interior and exterior) on night skies and neighboring Lots; and (h) consistency of all of the foregoing with the Design Guidelines. Each Owner acknowledges, by taking title to a Lot, that determinations of the Design Review Committee with regard to esthetic matters are subjective and may change as the composition of the Design Review Committee changes.

ARTICLE 9 EASEMENTS, ACCESS RIGHTS, AND RIGHT TO USE COMMON AREAS

9.1 Owner Rights and Nonexclusive License to Use Common Areas. Subject to all other terms and conditions of the Governing Documents, each Owner will have the right and a nonexclusive license for use and enjoyment of the Common Areas and the right and nonexclusive license for the use and enjoyment of the Benefitted Common Area to which that Owner's Lot has been assigned, if any, subject to any restrictions related to such use. Such rights and nonexclusive license will be appurtenant to and will pass with title to the Lot and in no event will such appurtenant rights be separated therefrom. Authorized Occupants will have the same access and use rights to the Common Areas and assigned Benefitted Common Area, if any, as the Owner whose Lot the Occupant is occupying. All such rights will be subject to any Rules established by the Board.

9.2 Master Association Easements and Access Rights. The Master Association will have nonexclusive easements with the right of access over and across each Lot, to make inspections, to prevent or mitigate damage to Common Areas or Benefitted Common Area, and to maintain, repair, replace or effectuate the restoration of the Common Areas and any other property or improvements for which the Master Association is responsible for maintaining, including any Benefitted Common Area or Service Area, which are accessible from such Lot. The Master Association will have a nonexclusive right to grant permits, licenses, and easements upon, across, over, under, and through the Common Areas, Benefitted Common Area, and Service Area for purposes necessary for the proper operation of the Project.

(a) The right to hook-up, tie-in, connect to and utilize the water, power, gas, or other utility lines, valves, pipes, equipment, meters and systems servicing a Lot for the purpose of providing water, power, gas, or other utilities to the Common Areas or other parts of the Project in common use or necessary or convenient for the maintenance, operation, or management of common property by the Master Association is reserved to the Declarant and the Master Association; provided, however, that the Master Association will pay the actual cost of the water,

power, gas, or other utility service utilized by the Master Association to the Owner of any such Lot.

9.3 Limitation on Easement. Notwithstanding anything to the contrary in foregoing Section 9.1, an Owner's rights and license for the use and enjoyment of the Common Areas will be subject to any other limitation in the Governing Documents and the following:

(a) The right of the Master Association to impose reasonable limitations on the number of Occupants per Owner or guests who at any given time are permitted to use the Common Areas; and

(b) The right of any governmental or quasi-governmental body having jurisdiction over the Project to access and to have rights of ingress and egress over and across any roadway, parking area, or developed open space contained within the Project for purposes of providing police and fire protection, transporting school children and providing other governmental or municipal services.

9.4 Utilities. Easements and rights-of-way over, under and through the Project for the installation and maintenance of electrical lines, telephone lines, cable television lines, fiber optics, water lines, gas lines, sanitary sewer lines, drainage facilities, telecommunication fixtures and equipment, utility fixtures and equipment, and such other lines, fixtures, or equipment needed or determined by the Board to be helpful in serving the Project, the Lots, or the Owners are hereby reserved to the Declarant and the Master Association, together with the right to grant, alter, and transfer the same; provided, however, such easements and rights-of-way will not unreasonably interfere with the use and enjoyment of the Common Areas and the Lots by the Owners or Occupants. The Master Association will have the power to grant and convey, in the name of the Master Association or for all of the Owners as their attorney-in-fact, to any Person, easements and rights-of-way in, on, over or under the Common Areas and Lots for the purpose of constructing, erecting, operating, or maintaining lines, cables, wires, wireless transmission or reception equipment, conduits, or other devices for electricity, cable television, power, telecommunications, internet, telephone, public sewers, storm water drains and pipes, water systems, irrigation systems, water heating and gas lines or pipes and any other public, quasi-public, or private improvements or facilities. Each Owner, by taking title to a Lot, expressly consents to such easements and rights-of-way and authorizes and appoints the Master Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way. Such Owner and those claiming by, through or under an Owner agree to execute promptly all such documents and instruments and to do such other things as may be necessary or convenient to effect the same at the request of the Master Association. However, no easement or right of way can be granted pursuant to this paragraph if it would permanently and materially interfere with the use, occupancy or enjoyment by any Owner of such Owner's Lot.

9.5 Easements for Encroachments. If any portion of the Common Areas or any Subdivision Improvement encroaches upon any Lot, or if any Lot encroaches upon any other Lot or the Common Areas as a result of the manner in which the Subdivision Improvements are constructed or due to settling, shifting, alteration, replacement, repair or restoration by the Declarant or the Master Association, a valid easement for encroachment, and maintenance of such encroachment, will exist for the life of the improvement or structure.

9.6 No View Easements. Views from a Lot and the Project are not assured or guaranteed in any way. There is no warranty concerning the preservation of any view or view plane from the Project and each Owner and Occupant in such Owner's Lot acknowledges and agrees that there are no view easements or view rights appurtenant to the Lot or the Project.

ARTICLE 10 USE RESTRICTIONS AND CONDITIONS

10.1 Rules. The Master Association will have authority to promulgate and enforce such reasonable Rules and procedures as may aid the Master Association in carrying out any of its functions to ensure that the Project is maintained and used in a manner consistent with the interest of the Owners and Community-Wide Standards.

10.2 Restrictions on Signs. No advertising signs, billboards or unsightly objects shall be erected, placed or permitted on any Lot. However, exceptions are permitted as follows:

(a) One small (less than six square feet) "For Rent" sign or "For Sale" upon each Lot;

(b) During the Declarant Control Period, the Declarant shall be permitted to place signs within the Project to promote the development of the Project;

(c) Signs of typical size and dimension, pertaining to any political campaign, ballot issue, or other political or social topic; and

(d) Any other exceptions as may be approved by the Board from time to time.

10.3 Nuisance. No noxious or offensive activity will be carried on upon the Project, nor will any activity that might be or become an annoyance or nuisance to the Owners or Occupants be permitted to interfere with their rights of quiet enjoyment or increase the rate of any insurance or decrease the value of the Lots. No Owner or Occupant will engage in activity within the Project in violation of any law, ordinance, statute, rule or regulation of any local, city, County, state or federal body. Any violation of this Master Declaration or other Governing Documents may be deemed a nuisance and may be actionable under this Section.

10.4 Restrictions on Temporary Structures. Subject to the exemptions granted to Declaration in Article 20 herein, no structure or building of a temporary character, including a trailer or shack may be located anywhere within the Project or used therein unless it is approved by the Board.

10.5 Parking. The Master Association may adopt Rules relating to the parking of vehicles within and in the area of the Project by Owners, Occupants, and their respective family members, tenants, and invitees, including, without limitation: (a) the right to remove or immobilize or cause to be removed or immobilized any vehicles that are improperly parked; (b) restrictions on the size, type and condition of vehicles allowed within the Project; (c) restrictions on the time period and duration of temporary parking; and (d) the assessment of fines to Owners who violate the Rules or Owners associated with people who violate such Rules. The Master Association may restrict or limit parking on County or public roadways within the Project by Owners, Occupants

and by people associated with the use of Lots. Notwithstanding anything to the contrary herein, nothing in this Section will give the Master Association any general police powers over the public portions of the project or the portion of the Project dedicated to the County.

10.6 Restriction on Repair Work. No repairs of any motor vehicles, detached machinery, equipment, or fixtures will be permitted to be made outside of Owner's garage except as may be permitted by the Board in the Rules.

10.7 No Unsightly Items. All rubbish, debris, recycling, unsightly materials, or similar objects of any kind will be regularly removed from Lots and will not be allowed to accumulate therein or thereon. Refuse containers, machinery, and equipment not a part of the Lot, will be prohibited on Lot unless screened from view of neighboring Lots and Common Areas.

10.8 Restrictions on Shooting and Hunting. Shooting of any type of firearm or bow is strictly prohibited within the Project. Hunting, including bow-hunting, anywhere within the Project is prohibited.

10.9 Animals. Animals generally kept in households such as dogs, cats, birds, fish, hamsters, and ferrets are allowed in the Project, subject to the terms and conditions of this Master Declaration and the Rules; provided, however, that no more than two animals of any type may be kept in a Lot. No livestock or dangerous reptile may be kept in any Lot. Notwithstanding the foregoing, no animal may be kept within a Lot which: (a) is raised, bred, kept, or maintained for any commercial purposes; (b) causes a nuisance; or (c) in the good faith judgment of the Board, results in an annoyance or threat of injury, or is obnoxious to or unreasonably causes anxiety to other Owners or Occupants within the Project. The Board may exercise its judgment for specific animals even though others of the same breed or type are permitted to remain. Owners are required to immediately clean up their animal's fecal matter. The Board may adopt Rules adding further Terms and Conditions related to animals within the Project not inconsistent with this Master Declaration including, but not limited to, requirements for registration, specific fees or deposits for Owners or Occupants that have animals, the use of leashes, and restrictions on noise. Incessantly barking dogs will not be permitted. An Owner who keeps an animal within the Project will be liable for any and all damage caused by such animal and will indemnify and hold harmless the Master Association and any other Owner from any loss, claim or liability of any kind arising from, or related to, such animal. Consider feeding dogs and cats indoors so that wildlife such as bear, raccoon, magpie and other species do not learn to associate food with your home.

10.10 Residential Occupancy. No trade or business may be conducted in or from any residential Lot unless:

(a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell, from any other Lot, or the Common Areas;

(b) the business activity conforms to all zoning and legal requirements for the Project and the business activity;

(c) the business activity does not involve solicitation of Owners and Occupants of the Project;

(d) the business activity does not create parking issues or increased vehicle traffic in the Project from clients, customers, vendors, service providers or other individuals coming into the Project who do not reside in the Project, as determined by the Board, in its sole discretion.

(e) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Owners and Occupants of the Project;

(f) the business activity will not result in the increase of the cost of any of the Master Association's insurance;

(g) the Owner of the Lot resides in the home from which the business activity is conducted; and

(h) any requests from the Board's for information related to the business as necessary to determine compliance with this paragraph are responded to fully and completely.

10.11 No Resubdivision or Timeshare of Lot. No Lot will be split, subdivided, separated or timeshared into two or more Lots or property interests (whether temporally or spatially). During the Declarant Control Period, no subdivision plat or covenants, conditions, or restrictions will be recorded by any Owner or other Person with respect to any one Lot without the prior written approval of the Declarant. No subdivision plat or covenants, conditions, or restrictions related to any Lot or the Project will be recorded on the Project unless the Board and/or Owners (as required in this Declaration) have first approved the plat or the proposed covenants, conditions, or restrictions. Any plat or covenants, conditions, or restrictions recorded in violation of this Section will be null, void, and of no legal effect.

10.12 Slope and Drainage. Notwithstanding anything to the contrary in this Master Declaration, no grading, construction, or landscaping, and no structure, plant, or other material will be permitted or allowed to remain which may damage or interfere with the established ratios of Lots to open space or which may create erosion or sliding, or which may alter drainage channels or obstruct or retard the flow of water through such drainage channels or which may interfere with any utility or right of way.

10.13 Airport Influence Area. Lot C35, as shown on the Plat, is within the Airport Influence Area and subject to the requirements of the Airport Influence Area Resolution.

10.14 Dead-end Driveways. Dead-end driveways in excess of 150 feet in length shall have approved turnarounds for fire apparatus. A turnaround shall be located with 150 feet of the building. A minimum unobstructed width of not less than 20 feet and an unobstructed vertical clearance of 13 feet 6 inches shall be provided for any driveway over 150 feet. The opening through a gate shall be 2 feet wider than the road. Final design shall be approved through the appropriate fire district.

10.15 Radon Mitigation. Owners are advised that Missoula County has high radon potential, and all new residences should incorporate radon resistant construction features.

10.16 Living with Wildlife. Owners must accept the responsibility of living with wildlife and must be responsible for protecting their vegetation from damage, confining their pets, and properly storing garbage, pet food, livestock feed and other potential attractants. Owners must be aware of potential problems associated with the occasional presence of wildlife such as deer, bears, mountain lions, wolves, skunks, and raccoons. Please contact the Montana Fish, Wildlife and Parks office in Missoula (3201 Spurgin Road, Missoula, MT 59804) for brochures that can help Owners “live with wildlife.” Alternatively, see the Education portion of FWP’s website at www.fwp.mt.gov. The following covenants are designed to help minimize problems that Owners could have with wildlife, as well as helping Owners protect themselves, their property, and the wildlife that Montanans value.

(a) Owners must be aware of the potential for vegetation damage by wildlife, particularly from deer feeding on green lawns, gardens, flowers, ornamental shrubs, and trees in this subdivision. They should be prepared to take the responsibility to plant non-palatable vegetation or protect their vegetation (fencing, netting, repellents) in order to avoid problems. Owners should consider landscaping with native vegetation that is less likely to suffer extensive feeding damage by deer.

(b) Gardens and fruit trees can attract wildlife such as deer and bear. Keep produce and fruit picked and off the ground, because ripe or rotting vegetable material can attract bears and skunks. To help keep wildlife such as deer out of gardens, garden fences should be 8 feet or taller. Netting over gardens can help deter birds from eating berries.

(c) Do not feed wildlife or offer supplements (such as salt blocks), attractants or bait for deer or other wildlife. Feeding wildlife results in unnatural concentrations of animals that could lead to overuse of vegetation and disease transmission. Such actions unnecessarily accustom wild animals to humans, which can be dangerous for both. It is against Mont. Code Ann. § 87-3-130 to provide supplemental feed attractants if it results in a “concentration of game animals that may potentially contribute to the transmission of disease or that constitutes a threat to public safety.” Also, Owners must be aware that deer might occasionally attract mountain lions to the area.

(d) Barbecue grills should be stored indoors. Keep all portions of the barbecues clean. Food spills and smells on and near the grill can attract bears and other wildlife.

(e) Consider boundary fencing that is no higher than 3-1/2 feet (at the top rail or wire) and no lower than 18 inches (at the bottom rail or wire) in order to facilitate wildlife movement and help avoid animals such as deer becoming entangled in the fence or injuring themselves when trying to jump the fence.

(f) Bird feeders can attract bears. If used, bird feeders should: (i) be suspended a minimum of twenty feet above ground level; (ii) be at least four feet from any support poles or points; and (iii) be designed with a catch plate located below the feeder and fixed such that it collects the seed knocked off the feeder by feeding birds.

(g) Compost piles can attract skunks and bears. If used, they should be kept indoors or built to be wildlife resistant.

10.17 Weed Control. The Owner of each Lot shall maintain his Lot in conformity with the Montana County Weed Control Act and the Missoula County Noxious Weed Management Plan. Each Owner shall be responsible for the control of noxious weeds and vegetation on the entirety of such Owner's Lot. In the event an Owner fails to provide such control, the Homeowners' Association may enter the Lot and provide such control at the expense of the Owner of the Lot concerned.

10.18 Addresses. Addresses for Lots within Missoula Meadowlands shall be visible from the road. The numbers shall be at least six (6) inches in height and a contrasting color from the background they are placed upon. [All signs must be reviewed and approved by the appropriate fire district.

10.19 Trash and Garbage – No Real Property shall be used or maintained as a dumping ground, nor shall any rubbish, trash, garbage or other waste be allowed to accumulate except in sanitary containers which shall be emptied on at least a weekly basis by a local garbage collection firm. All garbage shall be stored in containers of metal, plastic, or other suitable material which have sufficiently tight-fitting covers to prevent the escape of noxious odors and to prevent entrance by pets. Trash receptacles shall be secured so as to prevent spillage due to wind or animals. On the single family lots all trash receptacles shall be kept indoors only, other than when set on the curb for weekly collection.

Article 11 INSURANCE

11.1 Property Insurance. The Master Association will maintain a blanket policy of property insurance covering the entire Project to include the Common Areas and the physical structure of all attached dwellings, limited common areas appurtenant to such attached dwellings, fixtures, betterments, and the structures' service equipment. The blanket policy of property insurance will not apply to single-family detached dwellings that are not physically attached to any other dwelling or to a Common Areas structure. An Owner of a Lot that is single-family detached dwellings will be responsible to obtain property insurance coverage for their own Lot. The Master Association will provide notice to each Owner of the Owner's obligation for the Master Association's policy deductible and of any change in the amount of the deductible. If the Master Association fails to provide notice of the initial deductible, it may be responsible for the entire deductible in case of any loss. If the Master Association fails to provide notice of any increase in the deductible, it will be responsible for paying any increased amount that would otherwise have been assessed to the Owner. The failure to provide notice will not invalidate or affect any other provision in this Declaration.

11.2 Insurance specific to a Benefitted Neighborhood. Insurance specific to a Benefitted Common Area or a Service Area may be obtained by the Master Association and the cost included in the Benefitted Common Area Expenses, or in the Service Area Expenses, as the case may be.

11.3 Comprehensive General Liability (CGL) Insurance. The Master Association will maintain CGL insurance insuring the Master Association, the agents and employees of the Master Association, and the Owners, against liability incident to the use, repair, replacement, maintenance, or ownership of the Common Areas and the Owner's membership in the Master

Association. The coverage limits under such policy will not be less than \$2,000,000 covering all claims for death of or injury to any one individual or property damage in any single occurrence. Such insurance will contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Master Association or another Owner.

11.4 Director's and Officer's Insurance. The Master Association will maintain Directors' and Officers' liability insurance protecting the Board, the officers of the Master Association, and the Master Association against claims of wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents, and breach of contract (if available). This policy will: (a) include coverage for volunteers and employees; (b) include coverage for monetary and non-monetary claims; (c) provide for the coverage of claims made under any fair housing law or similar state or federal statute or that are based on any form of discrimination or civil rights claims; and (d) provide coverage for defamation. In the discretion of the Board, the policy may also include coverage for any Manager and any employees of the Manager and may provide that such coverage is secondary to any other policy that covers the Manager or any employees of the Manager.

11.5 Insurance Coverage for Theft and Embezzlement of Master Association Funds. The Master Association will maintain insurance covering the theft or embezzlement of funds that will: (a) provide coverage for an amount of not less than the sum of three months regular Assessments in addition to the prior calendar year's highest monthly balance on all operating and reserve funds; and (b) provide coverage for theft or embezzlement of funds by: (i) Officers and Board Members of the Master Association; (ii) employees and volunteers of the Master Association; (iii) any Manager of the Master Association; and (iv) officers, directors, and employees of any Manager of the Master Association.

11.6 Workers' Compensation Insurance. The Board will purchase and maintain in effect workers' compensation insurance for all employees of the Master Association to the extent that such insurance is required by law.

11.7 Certificates. Any insurer that has issued an insurance policy to the Master Association will issue a certificate of insurance to the Master Association and upon written request, to any Owner or Lender.

11.8 Master Association's Right to Negotiate All Claims and Losses and Receive Proceeds. Insurance proceeds for a loss under the Master Association's property insurance policy will be payable to an Insurance Trustee (defined below) if one is designated, or to the Master Association, and will not be payable to a holder of a security interest. An Insurance Trustee, if any is appointed, or the Master Association, will hold any insurance proceeds in trust for the Master Association, Owners, and lien holders. Insurance proceeds will be disbursed first for the repair or restoration of the damaged property, if the property is to be repaired and restored as provided for in this Declaration. After any repair or restoration is complete, and if the damaged property has been completely repaired or restored, any remaining proceeds will be paid to the Association. If the property is not to be repaired or restored, then any proceeds remaining after such action as is necessary related to the property has been paid for, will be distributed to the Owners and lien holders, as their interests remain with regard to the Lots. The cost of repair or replacement of any

Lot in excess of insurance proceeds and reserves is a Common Expense to the extent the Master Association is required under this Declaration or the law to provide insurance coverage for the Lot. Each Owner hereby appoints the Master Association, or any Insurance Trustee, as attorney-in-fact for the purpose of negotiating all losses related thereto, including: the collection, receipt of, and appropriate disposition of all insurance proceeds, the execution of releases of liability, and the execution of all documents and the performance of all other acts necessary to administer such insurance and any claim. This power-of-attorney is coupled with an interest, will be irrevocable, and will be binding on any heirs, personal representatives, successors or assigns of an Owner. In the discretion of the Board or upon written request executed by Owners holding fifty percent (50%) of the total Allocated Interests, the Board will hire and appoint an insurance trustee (“Insurance Trustee”), with whom the Master Association will enter into an insurance trust agreement, for the purpose of exercising such rights under this Section as the Owners or Board (as the case may be) will require.

11.9 Owner Act Cannot Void Coverage Under Any Policy. Unless an Owner is acting within the scope of the Owner’s authority on behalf of the Master Association and under direct authorization of the Master Association to terminate an insurance policy, an Owner’s act or omission may not void an insurance policy or be a condition to recovery under a policy.

11.10 Waiver of Subrogation Against Owners and the Master Association. All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Master Association, the Owners, any individuals residing with a Lot Owner if an Owner resides in the Lot, and the Master Association’s agents and employees.

11.11 Right of Action. Nothing in this Declaration will prevent an Owner suffering a loss as a result of damage to property from asserting a claim, either directly or through subrogation, for the loss against a Person at fault for the loss.

ARTICLE 12 EMINENT DOMAIN

12.1 Taking of a Lot. If a Lot is taken by eminent domain, or sold under the threat thereof, or if a portion of a Lot is taken by eminent domain, or sold under the threat thereof, leaving the Owner with a remnant that may not practically or lawfully be used for any purpose permitted by this Master Declaration, the award will compensate the Owner for the Owner’s Lot and Allocated Interest, regardless of whether any Common Areas are taken.

12.2 Taking of Common Area. If the Common Areas or Benefitted Common Area, or a portion thereof, is taken by eminent domain, or sold under threat thereof, the Board will, as soon as practicable, cause the award to be utilized for the purpose of repairing or restoring that area in the Project adjacent to the taking, and the portion of the award not used for restoration will be added to the general funds of the Master Association.

12.3 Taking of Entire Project. In the event the Project, in its entirety, is taken by eminent domain, or sold under threat thereof, the Project will be terminated and the Board will wind down the Master Association in accordance with applicable law.

12.4 Priority and Power of Attorney. Nothing contained in this Article 12 will entitle an Owner to priority over any Lender under a lien encumbering the Owner's Lot as to any portion of any condemnation award allocated to such Lot. Each Owner hereby appoints the Master Association as attorney-in-fact for the purpose of negotiations and settlement with the condemning authority for the acquisition of the Common Area, or any part thereof.

ARTICLE 13 AMENDMENTS

13.1 General Amendment Requirements. Except as otherwise provided herein and subject to the rights and authority reserved to the Declarant in Article 20 and elsewhere in this Master Declaration, this Master Declaration may be amended only by an instrument in writing. Any amendment to this Master Declaration that imposes a more onerous restriction on an Owner than was in place when such Owner acquired his or her ownership interest in a Lot, is subject to the rights and restrictions provided Mont. Code Ann. § 70-17-901. Owners holding Allocated Interests totaling not less than 51% of the total Allocated Interest of such Owners (or their duly authorized proxies) who are actually present at a meeting (which has been properly noticed in accordance with this Declaration) must vote in favor of approving the amendment in a meeting of the Owners held for that purpose or by written consents. If by written consent, Owners holding Allocated Interests totaling not less than 51% of the Allocated Interest of such Owners who respond to the request for written consent must vote in favor of approving the amendment. Subject to the allocation set forth on Exhibit C, the vote of approval of any one Owner of a Lot is sufficient if there are multiple owners of the Lot. Notwithstanding anything contained herein to the contrary, any provisions herein regarding driveways, weed control, radon, trash and garbage, living with wildlife, and animals cannot be changed without governing body approval.

13.2 Scope of Amendments. Subject to Article 20 and Mont. Code Ann. § 70-17-901, this Master Declaration may be amended to add new rights, restrictions, and obligations, or to remove or modify existing rights, restrictions, and obligations. The right to amend will be broadly construed to permit any change to the rights, restrictions, obligations, and other terms in this Master Declaration.

13.3 Execution and Effective Date of Amendments. An amendment that has been adopted as provided in Section 13.1 will be executed by the President and the Secretary of the Board will certify that the amendment has been approved and adopted and that the procedures and requirements necessary to amend the Declaration have been complied with. The amendment will be effective when it is recorded in the Office of the Recorder for Missoula County, Montana.

13.4 Changes to Plat or Boundaries of the Master Association. The Master Association may adopt an amended Plat, supplemental Plat, correction to the Plat, or boundary agreement related to any boundary in or around the Project, including any boundary to any Lot or Lots upon the approval by vote of 51% of the Allocated Interest in the same manner as required to amend this Declaration. Any such Plat may make material changes to the existing or prior Plat including deleting, adding, or modifying Common Areas, deleting, adding or modifying Benefitted Common Area, or other changes in the layout of the Project. If any amendment affects any boundary of a Lot, that Lot Owner must consent. If the approval required herein is obtained, each and every other Owner: (a) will sign, consent to, and execute any further documents required for the finalization,

recording, and/or governmental approval of any such document regardless of whether they approved of or consented to the change in the Plat; and (b) grants the Master Association power of attorney to sign necessary documents on that Owner's behalf as necessary for the agreement, amendment, or correction.

13.5 Amendments to Benefitted Common Area. Subject to Article 20, any Supplement to Declaration or other recorded instrument designating a Benefitted Common Area may be in the same manner as an amendment to this Master Declaration described in Section 13.1 above.

13.6 Amendment to Service Area. Subject to Article 20, any group of Owners may petition the Board to designate their Lots as a Service Area for the purpose of receiving from the Master Association special benefits or services from the Master Association which are not provided to all Lots. Upon receipt of a petition signed by a majority of the Owners of the Lots within the proposed Service Area, the Board will examine and consider the terms upon which the requested benefits or services might be provided and will notify the Owners in the proposed Service Area of such terms and attendant expenses (which may include a reasonable administrative charges). If such a petition is approved by the Board and by the Declarant during the Declarant Control Period, and by the Owners holding at least 67% of the Allocated Interests within the proposed Service Area, the Master Association will provide the requested benefits or services under the terms and conditions established by the Board. The costs and administrative charges associated with such benefits or services will be assessed as Service Area Assessments to the Lots within such newly-formed Service Area.

13.7 Amendment to Conform to Law. The Board may, without the approval of the Owners, amend this Declaration to conform the Declaration to any applicable legal requirements otherwise applicable to the Master Association, but only to the extent necessary to eliminate any conflict with the law, to add provisions required by law, or to add provisions that embody rights or obligations otherwise binding on the applicable parties as a matter of law. This procedure may also be used to change the Declaration to add or conform to any requirements necessary for Owners to obtain government insured or guaranteed financing such as through VA, FHA, FNMA or similar programs or to comply with any directive of any federal, state, or local government agency. The following procedures and requirements must be complied with for any such amendment:

(a) The Master Association must obtain from an attorney who has a significant experience and a regular practice in area of community association law, a written opinion explaining in detail and opining that the proposed amendment may be sought pursuant to this section,

(b) At least 3 of the 5 members of the Board must agree to the Amendment at the time it is recorded,

(c) The Board must provide to the Owners: (i) the proposed amendment instrument; (ii) the language of this section of the Declaration; (iii) the law that conflicts with the existing Declaration language or the provisions that must be complied with to permit owners to obtain financing; (iv) the attorney opinion letter required for the amendment; and (v) a notice in which the Master Association (1) notifies the Owner that it intends to amend the Declaration pursuant to this section, (2) provides the Owner a right to object to the amendment within thirty

(30) days, and (3) provides instructions on how, when, and where to properly return the objection. The Board may include further explanation, information, and recommendations regarding the proposed amendment in the information provided to the Owners.

(d) Within 45 days of providing the information to the Owners required by this Section 13.5, no more than 30% of the Allocated Interest holders have objected, in writing, to the amendment.

(e) Having otherwise complied with all of the requirements of this Section 13.7, the Board Members will each sign the amendment instrument verifying that this section has been complied with to the best of their knowledge and that no more than 30% of the Allocated Interest holders objected after having received proper notice. The amendment will be effective upon the recording of the instrument in the office of the recorder of Missoula County.

ARTICLE 14 INTERPRETATION, CONSTRUCTION, AND APPLICATION OF MASTER DECLARATION

14.1 Conflicting Provisions. In the case of any conflict between Montana law and any of the Governing Documents, the order of priority from the highest to the lowest will be Montana law, County law, the Plat, the Master Declaration, the Articles, the Bylaws, and then the Rules. If there is a conflict between the Governing Documents and any Additional Covenants (or rules or policies adopted pursuant to any such Additional Covenants), the Governing Documents will control.

14.2 Cumulative Remedies. All rights, options, and remedies of the Master Association and the Owners in the Governing Documents are cumulative, and none will be exclusive of any other, and the Master Association and the Owners will have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief that may be provided by law; simultaneously, consecutively, or alternatively.

14.3 Severability. Invalidation of any one or a portion of the Terms and Conditions by judgment or court order will in no way affect any other Terms and Conditions, all of which will remain in full force and effect.

14.4 Construction. The provisions of this Declaration will be liberally construed to effectuate its purpose of creating a plan for the development of a mixed-housing residential master-planned community and for the maintenance of the Project. To the extent permitted by law, the provisions of the Governing Documents will not be interpreted for or against or strictly for or against the Master Association, any Owner, or any other Person subject to their terms.

14.5 Gender and Number. Whenever the context of the Governing Documents require, the singular will include the plural, and vice versa, and the masculine will include the feminine and the neuter, and vice versa.

14.6 Effect of Declaration. This Master Declaration is made for the purposes set forth in the Recitals herein, and the Master Association makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as

to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. The Master Association will have no liability whatsoever if any Term and Condition is determined to be unenforceable in whole or in part for any reason.

ARTICLE 15 NOTICE

15.1 Notices. Any notice to be given to an Owner, a Lender, or the Master Association under the provisions of the Governing Documents will be in writing and will be deemed valid if provided by any of the below methods:

(a) Notice to an Owner from the Master Association.

(i) by a written notice delivered personally to the Owner, which will be effective upon delivery;

(ii) by a written notice placed in the United States mail, first-class postage prepaid, to the most recent address furnished by such Owner in writing to the Master Association for the purpose of giving notice, if any, and to mailing address noted for the Homeowner on the tax rolls of Missoula County. Any notice so deposited in the mail will be deemed delivered seventy-two (72) hours after such deposit;

(iii) by email correspondence to an Owner: (1) sent to an email address provided by the Owner for the purpose of Master Association communications, or (2) emailed to an email address from which the Owner has communicated related to Master Association matters, and so long as no indication is received that the email may not have been delivered. Any notice sent by email will be deemed delivered upon sending so long as no indication is received that the email correspondence may not have been delivered. or

(iv) by any other method that is fair and reasonable given the circumstances and the subject matter of the notice or otherwise allowed by law.

(v) Notwithstanding anything to the contrary in this Section, the Master Association will send all notices to an owner by U.S. Mail if such Owner, by written demand, demands to receive notices from the Master Association by mail. In the case of co-Owners, notice to one of the co-Owners is effective as notice to all such co-Owners. The Master Association will not be required to give more than one notice per Lot. In case any two co-Owners send conflicting notice demands, notice will be proper if mailed by first-class mail to the Lot address.

(b) Notice to a Lender. Notice to a Lender will be delivered by United States mail, first-class postage prepaid, to the most recent address furnished by such Lender in writing to the Master Association for the purpose of notice or, if no such address will have been furnished, to any office of the Lender. Any address for a Lender that is found on a document recorded on the title of a Lot will be deemed an office of the Lender. Any notice so deposited in the mail will be deemed delivered 72 hours after deposit.

(c) Notice to Master Association from an Owner. An Owner's notice to the Master Association will be effective upon the satisfaction of any of the following delivery methods:

(i) by a written notice delivered personally to the Manager or President, which will be effective upon delivery;

(ii) by a written notice placed in the United States mail, first-class postage prepaid, to the current registered business address of the Master Association. Any notice so deposited in the mail will be deemed delivered 72 hours after deposit;

(iii) by written email correspondence to the Master Association: (1) that is sent to an email address provided by the Master Association in the prior twelve (12) months for the purpose of Master Association communications, or (2) that is emailed to an email address from which the Manager or the Board has communicated related to Master Association matters, and so long as no indication is received that the email may not have been delivered or received. Any notice sent by email will be deemed delivered upon sending.

ARTICLE 16 ATTORNEYS' FEES AND COSTS

16.1 Legal Costs Associated with Disputes with Owners.

(a) Owners Liable for Fees Incurred in Dispute. If the Master Association utilizes legal counsel to enforce any Term and Condition after notice to the Owner that the Master Association intends to enforce the Term and Condition or after the Owner communicates or demonstrates an intent not to comply with the Term and Condition, the Master Association may assess all reasonable attorneys' fees and costs associated with such enforcement to the Owner, regardless of whether a lawsuit is initiated or not.

(b) Costs. The term "costs" as used in this section will include all costs including copying costs, deposition costs, expert witness fees, investigative costs, service costs, and filing fees paid to courts.

(c) Exception to Owner's Liability for Fees and Costs. If, related to (i) any dispute with an Owner, (ii) any challenge by an Owner to a position of the Master Association on a Term and Condition, or (iii) a request of an Owner for direction on the application of a Term and Condition, the Master Association incurs legal fees or costs related to the interpretation and application of a Term and Condition that the Master Association could not establish an initial position on without having incurred the fees and costs or that results in a substantial modification to a prior position taken by the Master Association, then those fees or costs will not be assessed to any Owner and will be paid by the Master Association. This provision will not apply if a lawsuit is currently pending with regard to the Owner and the issues arise as part of the lawsuit.

ARTICLE 17 RESERVES

17.1 Requirement for Reserves. The Master Association will obtain a reserve analysis and will maintain a reserve fund for the maintenance, repair, and replacement of the Common Areas, pursuant to the following provisions:

- (a) Reserve funds may be collected as part of regular or special Assessments.
- (b) In formulating the Master Association's annual budget, the Master Association will include a reserve fund line item for Common Areas in an amount the Board determines, based on the reserve analysis, to be prudent. For purposes of this Section, a reserve fund line item means the line item in the Master Association's annual budget that identifies the amount to be placed into the reserve fund.
- (c) Within 45 days after the day on which the Master Association adopts the annual budget, the Owners may veto the reserve fund line item by a 51% vote of the total Allocated Interests in the Master Association at a special meeting called by the Owners for the purpose of voting whether to veto a reserve fund line item. If the Owners veto a reserve fund line item and a reserve fund line item exists in a previously approved annual budget of the Master Association that was not vetoed, the Master Association will fund the reserve account in accordance with that prior reserve fund line item.
- (d) The Master Association may retain surplus Master Association money as additional reserves rather than refund it to the Owners or credit it to future Assessments.
- (e) The Master Association will segregate money held for reserves from regular operating and other accounts.
- (f) The Master Association will cause a reserve analysis with an onsite evaluation to be conducted no less frequently than every six years. The Master Association will review and, if necessary, update a previously conducted reserve analysis no less frequently than every three years. The Reserve analysis will include, at a minimum: (i) a list of the components identified in the reserve analysis that will reasonably require reserve funds; (ii) a statement of the probable remaining useful life, as of the date of the reserve analysis, of each component identified in the reserve analysis; (iii) an estimate of the cost to repair, replace, or restore each component identified in the reserve analysis; (iv) an estimate of the total annual contribution to a reserve fund necessary to meet the cost to repair, replace, or restore each component identified in the reserve analysis during the component's useful life and at the end of the component's useful life; and (v) a reserve funding plan that recommends how the Master Association may fund the annual contribution set forth in the reserve analysis. The reserve analysis and updates will project a minimum of 30 years into the future.
- (g) The Master Association will annually provide Owners a summary of the most recent reserve analysis or update and provide an opportunity for Owners to discuss reserves and to vote on how to fund the reserves and in what amount. The Master Association will provide a copy of the complete reserve analysis or update to an Owner who makes a written request for a copy.

17.2 **EXCEPTIONS FOR BENEFITTED COMMON AREA AND SERVICE AREA RESERVES.** The requirements set forth in Subsections 17.1 (b), (c), (e), and (f) will not apply to reserves, if any, for a Benefitted Common Area or Service Area. A reserve analysis prepared for any Benefitted Common Area or Service Area will comply with Subsection 17.1(g) and a copy provided to the Owners of those Lots assigned to the Benefitted Common Area or Service Area, as the case may be.

ARTICLE 18 LEASING AND NON-OWNER OCCUPANCY

18.1 **Master Declaration and Rules Govern Non-Owner Occupancy.** The leasing and non-owner occupancy of Lots will be governed by this Article 18, the Rules, and procedures adopted as provided herein.

18.2 **Permitted Rules.** The Board may adopt Rules:

(a) Regarding reporting and procedural requirements related to Non-Owner Occupied Lots and the Occupants of those Lots, including requiring informational forms to be filled out by Owners and Occupants identifying Occupant vehicles, Occupant contact information, and the like;

(b) Establishing other reasonable administrative provisions consistent with and as it deems appropriate to enforce the requirements of this Declaration; and

(c) Limiting the total number of Non-Owner Occupied Lots within the Project if necessary to satisfy the requirements of a Lender for financing the purchase of Lots.

ARTICLE 19 GENERAL PROVISIONS

19.1 **Enforcement.** The Master Association or any Owner will have the right to enforce, by proceedings at law or in equity, all Terms and Conditions, including the right to prevent the violation of any such Terms and Conditions and the right to recover damages and other sums for such violation, including, but not limited to attorneys' fees and costs incurred in conjunction with such enforcement. Additionally, each Owner, by taking title to a Lot, acknowledges and agrees that because a breach of the Governing Documents will result in immediate and irreparable injury to the Master Association and its other members for which they will not have an adequate remedy at law, the Master Association, if any such breach will occur, be attempted, or be threatened, will be entitled to an order of specific performance and to a temporary and permanent injunction enjoining such breach and to any and all other remedies to which the Master Association may be entitled pursuant to the Governing Documents or applicable law, without posting bond or furnishing other security and without proving special damages or irreparable injury, together with an award of attorneys' fees.

19.2 **No Liability of Officers.** To the fullest extent permitted by applicable law, neither the Board nor any officer of the Master Association will be liable to any Owner or the Master Association for any damage, loss, or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error or negligence.

19.3 Owner Liability and Indemnification. Each Owner will be liable to every other Owner and to the Master Association for any damage to the Common Areas that may be sustained by reason of the negligent or intentional act that Owner or any intentional or negligent act of any Occupant of that Owner's Lot, to the extent such losses and damages are either under the insurance deductible of the Master Association or not covered by the Master Association's insurance. Each Owner, by taking title to a Lot, agrees to indemnify each and every other Owner and Occupant in such other Owner's Lot, and to hold such other Persons harmless from, and to defend against, any claim of any Person for personal injury or property damage occurring within that Owner's Lot, except to the extent that: (a) such injury, damage, or claim is covered and defended by the Master Association's or such other Owner's liability insurance carrier; or (b) the injury or damage occurred by reason of the intentional act of the Master Association.

19.4 Areas of Owner Responsibility.

(a) Each Owner shall revegetate any ground disturbance caused by construction or maintenance with beneficial species at the first appropriate opportunity after disturbance occurs. Additionally, within nine months of the completion of the primary structure erected on any Lot, the Owner of such Lot shall seed, plant and landscape the entire Lot.

(b) Except to the extent that maintenance, repair and upkeep of dwelling or building exteriors and/or Lots has been assumed by the Master Association, each Owner will be responsible for the maintenance, repair, and upkeep of the Owner's Lot, including maintenance of the sidewalks adjacent to the Owner's Lot and snow and ice removal during winter months. Likewise, each Owner will be responsible to maintain the landscaping and other improvements to the Owner's Lot. Each Owner shall be responsible for installation, maintenance, and replacement of boulevard improvements in the boulevard areas adjacent to their respective Lots. To carry out these responsibilities, an easement is hereby granted to each Owner, to install landscaping, automatic irrigation systems and other permitted boulevard improvements within the boulevard areas adjacent to and under any sidewalks between such Owner's Lot and its adjacent boulevard areas. The Declarant shall be responsible for installation and thereafter the Association shall be responsible for the maintenance and replacement of boulevard improvements in the boulevard areas adjacent to the Common Areas. Such boulevard improvements, include, at a minimum, grass and specified boulevard trees, which improvements and specified boulevard trees are as more specifically described in Exhibit D. Maintenance of boulevard improvements includes, but is not limited to, watering, mowing, trimming, pruning, and eliminating weeds.

(c) The initial Owner of each Lot shall pay a \$2,000.00 boulevard landscaping guarantee to the Association, to be collected at the time of closing the purchase of such initial Owner's Lot. The initial Owner shall have one year to complete the installation of boulevard improvements from the time the initial Owner closes the purchase of the Lot. If the initial Owner installs all of the required boulevard improvements within such time, and per the requirements of this Declaration, the Association shall return such initial Owner's boulevard landscaping guarantee to the initial Owner.

(d) If the initial Owner fails to install boulevard improvements within such time, the Association will proceed to complete the boulevard improvements and the initial Owner will forfeit such portion of the boulevard landscaping guarantee, so as to compensate the

Association for costs it incurs in completing the boulevard improvements for such Lot. In the event the costs incurred by the Association in completing the boulevard improvements exceed the boulevard landscaping guarantee, the difference shall become a special assessment on such Lot, and the Association may take such steps to collect the same, as with any other delinquent assessment. If the cost of completing the boulevard improvements is less than the boulevard landscaping guarantee, the Association shall refund the remaining balance of the boulevard landscaping guarantee to the initial Owner within three months after improvements are installed. If the initial Owner of a Lot conveys title to such Lot to another person, prior to the completion of the boulevard improvements and disposition of the boulevard landscaping guarantee, the subsequent Owner, will succeed to all rights and obligations of the initial Owner, under this subsection.

19.5 Variances. The Board, at its option and in extenuating circumstances, may grant variances from the Terms and Conditions set forth in Master Declaration if the Board determines, in its discretion: (a) either that the Term and Condition would create an unreasonable hardship or burden on an Owner or Occupant, or that a change of circumstances since the recordation of this Master Declaration has rendered such Term and Condition obsolete and unreasonable to enforce; and (b) that the activity permitted under the variance will not have any negative financial affect or any other materially adverse effect on the Owners or Occupants of the Project and is consistent with the Community-Wide Standards. Any such variance will be unenforceable and without any effect whatsoever unless reduced to writing and signed by every member of the then existing Board. No variance may be granted that is inconsistent with County Ordinance. No variance may be granted that relates to the payment of Assessments unless, after reasonable investigation under the circumstances, it clearly appears that the Owner is incapable of paying the Assessment and the Lot is being or has been transferred to a new Owner either voluntarily or involuntarily through foreclosure.

19.6 Consent, Power of Attorney, Waiver. By acceptance of a deed, lease, or other conveyance of an interest in a Lot, each Owner and Occupant consents to the rights reserved to the Declarant and the Master Association in this Master Declaration, including but not limited to, the right to prepare, execute, file, process, and record necessary and appropriate documents and other items to establish and grant easements and to make necessary and appropriate amendments of this Declaration, the Plat and the Bylaws. By such acceptance, each Owner and Occupant agrees to execute all documents and to do all other things as may be necessary or convenient to effect the same. Such acceptance will be deemed an appointment of the Master Association, with full right of substitution, as the attorney-in-fact of such Owner or Occupant to execute such documents and to do such things on such Owner's or Occupant's behalf. Such appointment, being coupled with an interest, will be irrevocable for the specific period of the Master Association's reserved rights as set forth in this Declaration and will not be affected by the disability of any such Owner or Occupant.

19.7 No Guarantee of Security. Neither the Declarant nor the Master Association, in any way, will be considered an insurer, guarantor, or provider of security from criminal conduct within or relating to the Project. Neither the Declarant nor the Master Association will be liable for any loss or damage by reason of criminal conduct arising, for any reason, including any failure to provide security or any ineffectiveness of security any measures undertaken. Each and every Owner and Occupant in the Project acknowledges that neither the Declarant nor the Master

Association has any duty to any Owner or Occupant related to security or to prevent criminal conduct. By taking title to a Lot and/or residing in the Project, each Owner and Occupant acknowledges and agrees that neither the Declarant nor the Master Association nor the Board are insurers of the safety or well-being of Owners or Occupants or any of their personal property as it relates to criminal conduct, and specifically waives any such claim and assumes all risks for loss or damage to Persons or property resulting from criminal conduct.

19.8 Reasonable Accommodations. Notwithstanding anything to the contrary in this Master Declaration, the Master Association, upon receipt of a written opinion from its counsel that such action is required by federal or state Fair Housing law, may make or permit reasonable accommodations or modifications to the Project that are otherwise prohibited by the Governing Documents to accommodate an Owner or Occupant with a disability (as defined by federal law at the time the accommodation is requested). Reasonable accommodations or modifications may include modifications to a Lot, the Common Areas, or deviations from provision of the Governing Documents. Any such modification and accommodation made under this section will not act as a waiver of the provisions of the Governing Documents with regard to anyone else.

19.9 No Representations and Warranties. **EACH OWNER AND OCCUPANT UNDERSTANDS, AGREES, AND ACKNOWLEDGES THROUGH TAKING TITLE OR RESIDING IN THE PROJECT THAT THE MASTER ASSOCIATION AND THE BOARD HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND RELATED TO THE PROJECT AND THAT EACH OWNER OR OCCUPANT HAS NOT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE PROJECT.**

ARTICLE 20 DECLARANT RIGHTS

20.1 Special Declarant Rights. Notwithstanding any other provisions in the Governing Documents to the contrary, the Declarant will have the all rights and powers provided for in this Article 20. If any other article in this Declaration contains the words “notwithstanding anything to the contrary,” or words of similar import, the article will all nonetheless be subject to the terms in this Article 20.

20.2 Right to Appoint the Board During Declarant Control Period. The Declarant will have the right to appoint and remove all Board Members during the Declarant Control Period. In the appointment of Board Members, the Declarant will not be bound by any qualifications for Committee Members in the Governing Documents. The Declarant may elect to have a Board of fewer than the required number of members until the Declarant Control Period ends. The Declarant may assume (and will be presumed to have assumed unless Declarant notifies the Master Association otherwise) the powers of the Board without appointing Board Members pursuant to the rights granted in the Articles of Incorporation to the Declarant.

20.3 Declarant Retains All Rights and Authority During Declarant Control Period. During the Declarant Control Period, the Declarant will retain control, power, and authority over, and all decision-making ability or authority for the Master Association and/or the Project. During

the Declarant Control Period, the Declarant may also assume (and will be presumed to have assumed unless the Declarant notifies the Master Association otherwise) the powers and authority of the Design Review Committee without the Board's appointment of Design Review Committee members. During the Declarant Control Period, the Declarant may pre-approve plans and/or waive design review fees for a bulk-lot builder. The Declarant will determine whether to hire professional management during the Declarant Control Period.

20.4 Easement Rights. The Declarant will have and hereby retains an easement for access over, under, across and through the entire Project and may utilize, allow anyone else to utilize, or may grant easements over, under across, and through any easement right reserved to anyone in the Declaration.

20.5 Right to Amend Plat. Subject to necessary approvals from any applicable municipality or government agency, during the Declarant Control Period, the Declarant will have the right to amend, change, or modify any Plat, subject only to the requirement that the Declarant get approval from any Owner of a Lot that has any boundary modified by the Plat.

20.6 Expandable Project. Declarant expressly reserves the right and option to expand the Project by adding additional land and Lots in accordance with the provisions of this Declaration and applicable law.

20.7 Assessment Exemption. The Declarant will be exempt from any Assessments including any Regular Assessment, Benefitted Common Area Assessment, Service Area Assessments or special Assessment.

20.8 Right to Amend Master Declaration, Bylaws, Articles of Incorporation, and Rules. Until the expiration of the Declarant Control Period, the Declarant will have the right to unilaterally amend, revise, and modify this Master Declaration, any Supplement to the Declaration establishing a Benefitted Common Area or Service Area or Additional Covenants, the Bylaws, the Articles of Incorporation, and the Rules in any way and at any time, including adding, removing, or changing substantive and material provisions, without any additional approvals from anyone including, but not limited to the Owners. Any amendment to the Bylaws or this Master Declaration will be effective upon the recordation of the amendment duly executed by an authorized officer of the Declarant. When recorded, any such amendment will be binding upon the Project and all Persons having an interest therein including Owners. Without limiting the generality of the foregoing, the Declarant alone may amend or terminate this Master Declaration prior to the closing of a sale or transfer of any Lot.

20.9 Right to Designate Benefitted Common Area and Service Area and Modify Prior Designations. Until the expiration of the Declarant Control Period, the Declarant will have the unilateral authority and sole right to designate Benefitted Common Area and Service Area and to designate the particular Lots or Neighborhood assigned to such Benefitted Common Area or Service Area, as the case may be. During the Declarant Control Period, the Declarant will have the unilateral authority and sole right to modify any previously designated Common Area or Service Area and to adjust or modify the assignments of Lots or the Neighborhood or Neighborhoods respectively thereto.

20.10 Assignment of Special Declarant Rights. The Declarant, at any time, by recording a written notice, may assign or transfer all or some of its control, power, authority, or decision-making ability to the Master Association or any other Person prior to the end of the Declarant Control Period. In the case of the abandonment of the Project by the Declarant, the cessation of business by the Declarant, or the foreclosure of any undeveloped property that is subject to the provisions of this Declaration, the rights of the Declarant as provided for in this Declaration may be exercised by any owner of the undeveloped land within the project or to be expanded into the Project.

20.11 Exceptions from Use Restrictions. The Declarant will not be bound by any use restriction in the Declaration as it relates to the Lots owned by the Declarant.

20.12 No Modification of Declarant Rights. Any Declarant Rights in the Governing Documents and, specifically, in this Article 20, may not be substantively or procedurally altered during the Declarant Control Period without the written consent of the Declarant. Any document or amendment purporting to do so without the proper consent will be void *ab initio*.

20.13 Use of Lots and Common Areas and Facilities for Sales Activities. During the Declarant Control Period, the Declarant will have the right to use any Lot owned by it, and any part of the Common Areas and Facilities and any part of any Benefitted Common Area in furtherance of any activities designed to accomplish or facilitate construction, improvement and sale of all Lots owned by the Declarant or to be added to the Project, and the construction and improvement of all Common Areas and Facilities and Benefitted Common Area as the Declarant, from time to time, may desire. The Declarant will have the right to maintain one or more sales offices. Such offices may be located on any Lot with the permission of the Owner of that Lot, who may be the Declarant, or in one or more separate structures, trailers, or facilities placed in the Project for the purpose of aiding the Declarant's sales efforts, or any combination of the foregoing. The Declarant will also have the right to maintain any number and size of promotional, advertising, or directional signs, banners, or similar structures or devices at any place or places in the Project. The Declarant will also have the right to designate by signs or otherwise any street or other parking as parking for sales only or to otherwise restrict and use any Common Area parking. The Declarant will have the right from time to time to relocate, move, remove, or add to any of its sales offices, parking restrictions, signs, banners or similar structures or devices.


20.14 Right to Use Common Areas for Special Events. The Declarant may use the Common Areas and Benefitted Common Area to sponsor special events for charitable, philanthropic, political, or marketing purposes, subject to the following conditions: (a) the availability of the Common Areas; (b) payment of costs and expenses incurred and indemnification of the Master Association against any loss or damage resulting from the special event; (c) return of the Common Areas in the same condition as existed prior to the special event.

20.15 Declarant Rights Do Not Impose Obligations. The Declarant Rights provided for in this Article 20 will not be construed to impose any obligation, legal or equitable, related to any matter or issue to which they might apply. The Master Association and each Owner, by taking title to a Lot, waive and disclaim any such duty and affirmatively acknowledge that no such duty exists or should be imposed as a result of the Special Declarant Rights.

DATED THIS 9TH DAY OF NOVEMBER, 2023.

Tract 2 COS 6492, LLC, a Montana limited liability company

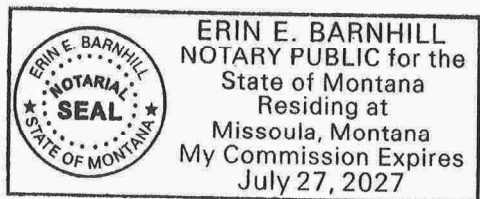
By: ASJ Ventures, LLC, a Montana limited liability company

By: 
Jason Suchecki

Its: Manager

STATE OF MONTANA)
 : ss.
COUNTY OF MISSOULA)

This instrument was acknowledged before me on this 9th day of November, 2023, by Jason Suchecki, as manager of Tract 2 COS 6492, LLC, a Montana limited liability company, and acknowledged to me that he executed the same.




Notary Public

EXHIBIT A

LEGAL DESCRIPTION

The real property referred to in the foregoing Master Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Missoula Meadowlands are located in Missoula County, Montana and are described more particularly as follows:

LEGAL DESCRIPTION: PERIMETER

A TRACT OF LAND BEING A PORTION OF TRACT 2 OF CERTIFICATE OF SURVEY NO. 6492, ON FILE AND OF PUBLIC RECORD IN MISSOULA COUNTY, MONTANA, LOCATED IN THE NORTHEAST QUARTER OF SECTION 21 AND THE WEST HALF OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 20 WEST, PRINCIPAL MERIDIAN, MONTANA; MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF LOT 73 OF RUNNING W RANCH, PHASES I AND II, A RECORDED SUBDIVISION OF MISSOULA COUNTY, MONTANA; THENCE ALONG THE SOUTHEASTERLY, NORTHEASTERLY, AND SOUTHERLY LINES OF SAID RUNNING W RANCH, PHASES I AND II AND THE SOUTHERLY LINE OF LOT 199 OF RUNNING W RANCH, PHASE 2A, A RECORDED SUBDIVISION OF MISSOULA COUNTY, MONTANA, THE FOLLOWING NINE (9) COURSES: 1) N 68°42'32" E, 84.40 FEET TO A POINT ON A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 1046.34 FEET; 2) NORTHEASTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 14°15'43", AN ARC LENGTH OF 260.46 FEET; 3) N 07°01'45" W, 131.70 FEET; 4) N 10°15'03" W, 60.60 FEET; 5) N 03°09'00" W, 136.81 FEET; 6) N 73°56'28" E, 19.06 FEET; 7) S 80°42'58" E, 252.59 FEET; 8) S 84°18'05" E, 20.02 FEET; 9) S 86°54'52" E, 146.00 FEET; THENCE S 03°05'08" W, 110.00 FEET; THENCE S 86°54'52" E, 5.60 FEET; THENCE S 03°05'08" W, 292.62 FEET; THENCE S 03°02'47" W, 60.00 FEET; THENCE N 86°57'13" W, 5.61 FEET TO A POINT ON A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE WESTERLY, SOUTHWESTERLY, AND SOUTHERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC LENGTH OF 23.56 FEET; THENCE S 03°02'47" W, 300.00 FEET; THENCE N 86°57'13" W, 60.00 FEET; THENCE S 03°02'47" W, 105.00 FEET; THENCE N 86°57'13" W, 125.01 FEET TO A POINT ON A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 450.00 FEET; THENCE SOUTHWESTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 24°20'16", AN ARC LENGTH OF 191.14 FEET; THENCE S 68°42'32" W, 70.36 FEET; THENCE S 21°15'34" E, 104.99 FEET TO A POINT ON A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE SOUTHEASTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 90°01'54", AN ARC LENGTH OF 23.57 FEET; THENCE S 21°14'37" E, 60.00 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 15.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS N 21°17'28" W; THENCE SOUTHWESTERLY, SOUTHERLY, AND SOUTHEASTERLY ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 89°58'06", AN ARC LENGTH OF 23.55 FEET;

THENCE S 21°15'34" E, 180.50 FEET TO A POINT ON A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 15.00 FEET; THENCE SOUTHEASTERLY AND EASTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 65°41'38", AN ARC LENGTH OF 17.20 FEET; THENCE S 86°57'13" E, 7.27 FEET; THENCE S 03°02'47" W, 60.00 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 15.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS N 03°02'47" E; THENCE WESTERLY, SOUTHWESTERLY, AND SOUTHERLY ALONG LAST SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 89°57'41", AN ARC LENGTH OF 23.55 FEET; THENCE S 03°05'07" W, 95.92 FEET TO A POINT ON A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 140.00 FEET; THENCE SOUTHERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 4°42'34", AN ARC LENGTH OF 11.51 FEET; THENCE S 88°22'33" W, 115.54 FEET; THENCE S 55°45'14" W, 106.48 FEET; THENCE N 51°43'47" W, 369.10 FEET; THENCE N 42°52'53" E, 130.03 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 480.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS S 42°52'53" W; THENCE NORTHWESTERLY ALONG LAST SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 28°11'24", AN ARC LENGTH OF 236.16 FEET; THENCE N 18°55'43" W, 116.88 FEET TO A POINT ON A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 80.00 FEET; THENCE NORTHWESTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 62°39'53", AN ARC LENGTH OF 87.50 FEET TO A POINT ON THE NORTHEASTERLY LINE OF CERTIFICATE OF SURVEY NO. 2902, ON FILE AND OF PUBLIC RECORD IN MISSOULA COUNTY, MONTANA; THENCE N 14°58'06" W ALONG LAST SAID NORTHEASTERLY LINE, 63.44 FEET; THENCE S 87°03'08" E, 11.90 FEET TO A POINT ON A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 140.00 FEET; THENCE SOUTHEASTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 68°07'25", AN ARC LENGTH OF 166.46 FEET; THENCE S 18°55'43" E, 116.88 FEET TO A POINT ON A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 420.00 FEET; THENCE SOUTHEASTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 28°11'24", AN ARC LENGTH OF 206.64 FEET; THENCE N 09°24'59" W, 284.57 FEET; THENCE N 07°15'32" W, 178.78 FEET; THENCE N 21°15'09" W, 82.76 FEET; THENCE N 29°16'42" W, 211.56 FEET; THENCE N 41°23'25" W, 124.93 FEET; N 42°25'50" W, 106.79 FEET; THENCE N 39°55'41" E, 128.09 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 960.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS N 39°55'41" E; THENCE NORTHWESTERLY ALONG LAST SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 16°17'08", AN ARC LENGTH OF 272.87 FEET; THENCE N 66°21'28" W, 392.95 FEET TO A POINT ON A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1040.00 FEET; THENCE NORTHWESTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 7°35'00", AN ARC LENGTH OF 137.65 FEET TO THE MOST EASTERLY CORNER OF CERTIFICATE OF SURVEY NO. 6002, ON FILE AND OF PUBLIC RECORD IN MISSOULA COUNTY, MONTANA; THENCE ALONG THE NORTHEASTERLY LINES OF SAID CERTIFICATE OF SURVEY NO. 6002 AND CERTIFICATE OF SURVEY NO. 6003, ON FILE AND OF PUBLIC RECORD IN MISSOULA

COUNTY, MONTANA, THE FOLLOWING FIVE COURSES: 1) NORTHWESTERLY CONTINUING ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 6°18'35", AN ARC LENGTH OF 114.53 FEET; 2) N 52°27'53" W, 556.25 FEET TO A POINT ON A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1040.00 FEET; 3) NORTHWESTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 4°11'03", AN ARC LENGTH OF 75.95 FEET; 4) N 23°35'25" W, 263.60 FEET; 5) N 15°27'24" E, 140.75 FEET TO THE SOUTHWEST CORNER OF THE MOST SOUTHERLY COMMON AREA OF WILLIAMS ADDITION, A RECORDED SUBDIVISION OF MISSOULA COUNTY, MONTANA; THENCE S 74°32'06" E ALONG THE SOUTHERLY LINE OF SAID COMMON AREA, 188.35 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF LADYSLIPPER LANE; THENCE ALONG THE WESTERLY AND SOUTHERLY RIGHT-OF-WAY LINES OF LADYSLIPPER LANE THE FOLLOWING FOUR (4) COURSES: 1) S 15°37'58" W, 49.94 FEET; 2) S 15°27'40" W, 33.93 FEET TO A POINT ON A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 180.00 FEET; 3) SOUTHERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 28°26'41", AN ARC LENGTH OF 89.36 FEET; 4) N 77°00'59" E, 60.00 FEET TO A POINT ON THE SOUTHWESTERLY BOUNDARY OF SAID RUNNING W RANCH, PHASES I AND II, SAID POINT BEING A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 180.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS N 77°00'59" E; THENCE ALONG THE SOUTHWESTERLY LINES OF SAID RUNNING W RANCH, PHASES I AND II THE FOLLOWING NINE (9) COURSES: 1) SOUTHEASTERLY ALONG LAST SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 12°40'53", AN ARC LENGTH OF 39.84 FEET; 2) S 52°27'53" E, 694.07 FEET; 3) S 66°21'28" E, 255.87 FEET; 4) S 23°38'32" W, 120.00 FEET; 5) S 66°21'28" E, 239.43 FEET TO A POINT ON A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 1040.00 FEET; 6) SOUTHEASTERLY ALONG LAST SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 24°32'08", AN ARC LENGTH OF 445.36 FEET TO A POINT ON A REVERSE CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 15.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS S 48°10'41" W; 7) SOUTHEASTERLY, EASTERLY, AND NORTHEASTERLY ALONG SAID REVERSE CURVE THROUGH A CENTRAL ANGLE OF 87°33'19", AN ARC LENGTH OF 22.92 FEET; 8) S 39°22'39" E, 60.00 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 15.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS N 39°22'39" W; 9) SOUTHWESTERLY, SOUTHERLY, SOUTHEASTERLY ALONG LAST SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 87°33'19", AN ARC LENGTH OF 22.92 FEET TO A POINT ON A REVERSE CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 1040.00 FEET, A RADIAL LINE TO LAST SAID POINT BEARS N 53°04'02" E; THENCE SOUTHEASTERLY ALONG LAST SAID REVERSE CURVE THROUGH A CENTRAL ANGLE OF 6°07'04", AN ARC LENGTH OF 111.05 FEET TO THE POINT OF BEGINNING; CONTAINING 26.92 ACRES, MORE OR LESS.

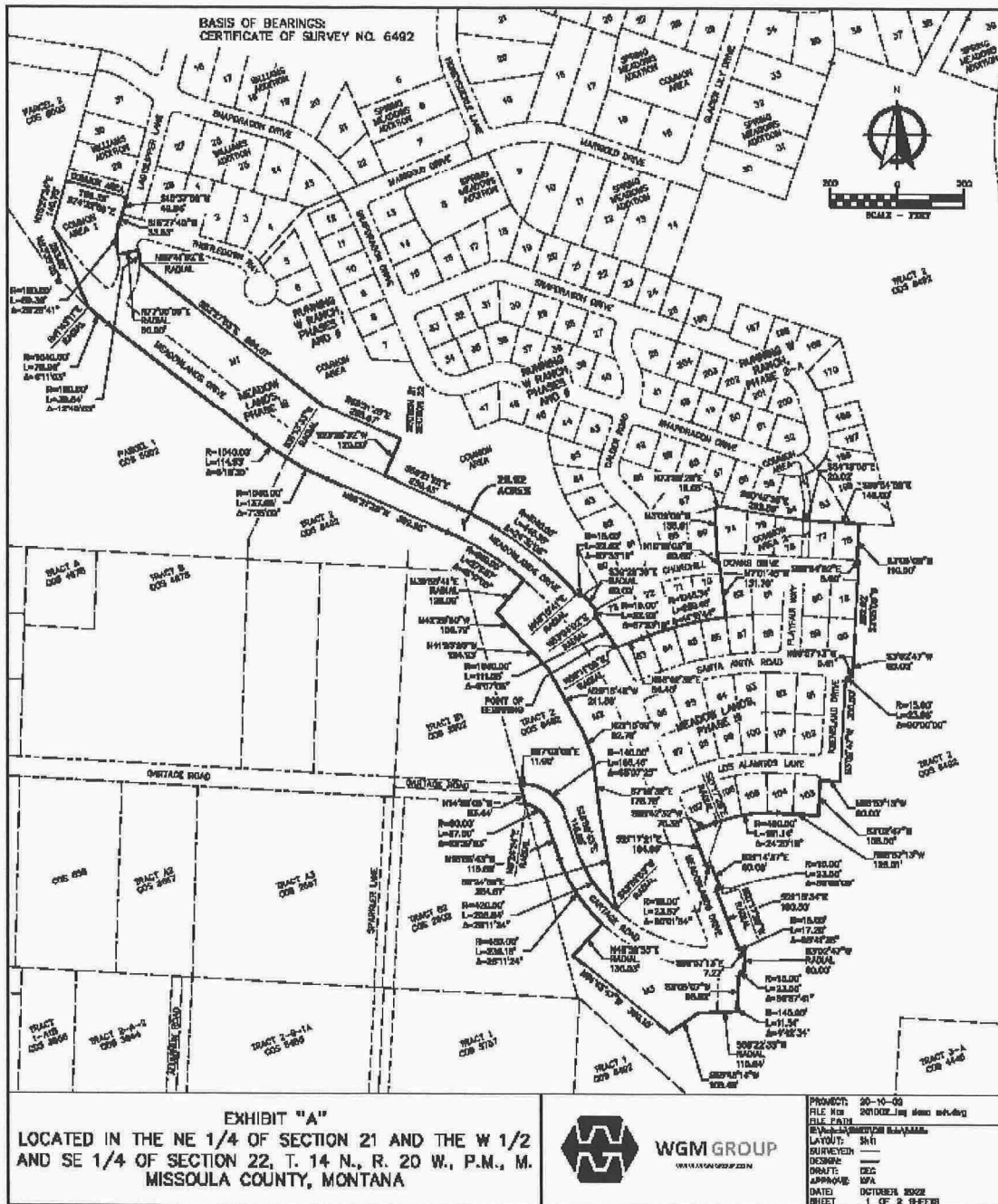


EXHIBIT B

BYLAWS OF THE MISSOULA MEADOWLANDS MASTER ASSOCIATION

BYLAWS

These bylaws are hereby adopted and established as the Bylaws for the Missoula Meadowlands Master Association (the “Master Association” or the “Association”). These Bylaws and any valid amendments thereto will apply to the Master Association upon their recording and will bind all present and/or future Owners and Occupants of the Project.

ARTICLE 1 DEFINITIONS

1.1 Definitions. Except as otherwise provided herein or as may be required by the context, all terms defined in the Master Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements for Missoula Meadowlands (“Declaration”) will have the same defined meanings when used in these Bylaws.

1.2 Notice. Notice as required in these Bylaws will be accomplished as provided for in the Declaration.

ARTICLE 2 OWNERS

2.1 Annual Meetings.

(a) Requirement. An annual meeting of the Owners will be held no less than once each calendar year.

(b) Date and Time. The date, time and location of the annual meeting will be determined by the Board, in its discretion.

(c) Purpose. The Annual Meeting will be held for the following purposes.

(i) electing members of the Board;

(ii) distributing of the budget, if it was not distributed before the meeting;

(iii) announcing the current deductible for the Master Association’s property insurance and the Owners’ potential responsibility for this deductible, and permitting questions and discussion on insurance issues and coverage; and

(iv) transacting such other business as may properly come before the meeting.

(d) Approval of Minutes. The minutes of the annual meeting may be approved by the Owners at the next annual meeting, or, in the Board’s discretion, by the Board at a subsequent meeting of the Board.

(e) Election of Board Members. If the election of the Board Members cannot be held on the day designated for the annual meeting of the Owners, or at any adjournment thereof, the Board will cause the election to be held at a special meeting of the Owners, to be convened as soon thereafter as may be convenient.

2.2 Special Meetings.

(a) Who May Call. Special meetings of the Owners may be called by the Board, the President, or upon the written request of Owners holding not less than 25% of the Allocated Interest of the Master Association.

(b) Requirements for Request of Owners. Any written request for a special meeting by the Owners will include the signature of each Owner affirmatively supporting such request along with a statement of the purpose of the meeting. The statement of affirmation and purpose must be on every document containing signatures. Such written request is to state the purpose or purposes of the meeting and will be delivered to the Manager, or the President, who will then call, provide notice of, and conduct a special meeting within 60 days of receipt of the request that will address the purpose identified on the request, but no other issues.

2.3 Place of Meetings. The Board may designate the office of the Manager or any place within the County as the place of meeting for any annual or special meeting.

2.4 Notice of Meetings. The Board will cause written notice of the time and place, and in the case of a special meeting, the purpose, for all meetings of the Owners (whether annual or special) to be delivered, not more than 30 nor less than 10 days prior to the meeting.

2.5 Owners of Record. For the purpose of determining Owners entitled to notice of or to vote at any meeting of the Owners, or any adjournment thereof, the Board may designate a record date, which will not be more than 30 or less than 10 days prior to the meeting. If no record date is designated prior to sending notice of the meeting, the first date on which a notice of the meeting is sent will be deemed to be the record date for determining Owners entitled to notice of or to vote at the meeting. The Person appearing in the records of the Master Association on such record date as the Owners of record of Lots in the Property will be deemed to be the Owners of record entitled to notice of and to vote at the meeting of the Owners.

2.6 Quorum. Those Owners and the holders of proxies entitled to cast votes present at an annual or special meeting will constitute a quorum for the transaction of business.

2.7 Proxies. At each meeting of the Owners, each Owner entitled to vote will be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy will exist only where the instrument authorizing such proxy to act will have been executed by the Owner or by the Owner's attorney when duly authorized in writing. If a Lot is jointly owned, the instrument authorizing a proxy to act may be executed by any one Owner of that Lot or that Owner's attorneys when duly authorized in writing. The instrument authorizing a proxy to act will set forth the specific matters or issues upon which the proxy is authorized to act and may allow the proxy to vote on any issue arising at any particular meeting or meetings. The instrument will be delivered either prior to or at the meeting (but no later than any point after the start of the meeting and announced as the final time to deliver proxies) to the Secretary of the Master Association or to

another officer or individual who has been authorized by the Master Association to accept proxies at the meeting.

2.8 Votes. With respect to each matter submitted to a vote of the Owners, each Owner entitled to vote at the meeting will have the right to cast, in person or by proxy, one vote for each Lot of that Owner. The affirmative vote of a majority of the votes entitled to be cast by the Owners present or represented by proxy at a meeting at which a quorum was initially present will be necessary for the adoption of any matter voted on by the Owners, unless a greater proportion is required by these Bylaws, the Declaration, or the Montana Nonprofit Corporations Act. When more than one Owner holds an interest in a Lot, any Owner may exercise the vote for that Lot on behalf of all co-Owners of the Lot. In the event of two conflicting votes by co-Owners of one Lot, no vote will be counted for that Lot but one Owner will be counted for the purposes of establishing a quorum. In no event will fractional votes be exercised in respect to any Lot. Provided that, to the extent anything in this Section 2.8 is inconsistent with the voting interests described on Exhibit C of the Master Declaration, Exhibit C of the Master Declaration shall control.

2.9 Ballots and Written Consent. The Master Association may utilize written consents and/or written ballots consistent with the requirements of the Revised Nonprofit Corporation Act. The Master Association may utilize electronic voting. Ballots and Written Consents may be transmitted electronically.

2.10 Video and Telephone Conferencing. The Master Association may utilize video conferencing and telephone conferencing for any regular or special meeting if reasonably available and convenient, provided, however, that meeting participants are able to hear and communicate with others in the meeting in real time.

2.11 Minutes of Meetings. The secretary will take minutes of all meetings of the Owners. The minutes will include, at a minimum, (a) the identification of the Persons present at the meeting in person and by proxy; (b) the date of the meeting; (c) the identification of any issue that is voted on or decided in the meeting; (d) the number of votes cast for and against any issue decided upon; and (e) the exact wording of any resolution passed at the meeting. The failure to take appropriate minutes or otherwise comply with this section does not invalidate any action taken at a meeting. Draft meeting minutes for each meeting of the Owners will be made available upon written request consistent with of provisions of the Declaration regarding Master Association records.

ARTICLE 3 BOARD

3.1 Board Member Terms and Election.

(a) Term. Except during the Declarant Control Period, and except for the terms of the initial members of the Board elected upon turnover of management of the Master Association in order to create staggered terms, the term of each Board Member will be two years.

(b) Nominations. At or before the annual meeting or any subsequent meeting at which the election is held, an Owner may submit their own name or the name of any other willing and otherwise qualified person to serve on the Board. If the Master Association gives advance notice of any persons seeking election to the Board, it will include the names of every person from

whom it has received the written affirmation. If the name of a person is submitted who is not in attendance at the meeting, it will not be added to the final ballot for election of Board Members unless it is submitted with a written statement signed by the person indicating that the person is willing to serve.

(c) Disqualification. If any Board Member is alleged to not meet the qualification requirements in the Declaration and any Board Member is notified of or discovers this alleged lack of qualification, the Board will promptly investigate and verify whether the Board Member is qualified or not, and during this period will not make any further decisions. If the Board Member is not qualified, the Board Member's membership on the Board will terminate automatically retroactive to the date that written notice of an alleged lack of qualification was provided to the Master Association or, if no notice was provided, to the date that the Board established that the Board Member was not qualified. If a Board Member becomes unqualified or was not qualified under the Governing Documents, but was nonetheless elected to or permitted to remain on the Board, the decisions and actions of the Board and that Board Member are not subject to challenge on this basis up to the time that the Master Association is notified in writing as provided for in this Section.

(d) Removal for Failure to Participate. If any Board Member fails to appear at three successive regular Board meetings in a row or 50% or more of the regular Board meetings within any calendar year, after having received proper notice of the meetings and after the Board has attempted in good faith to schedule meetings consistent with all of the members' schedules, the other Board Members may by unanimous vote (not including the member in question) remove that member and appoint a new member.

3.2 Meetings.

(a) Regular Meetings. The Board will hold regular meetings at least annually, and more often at its discretion.

(b) Who Is Entitled to Attend. Owners may attend meetings and may be present for all discussion, deliberation, and decisions except when the Board is in executive session.

(c) Special Meetings. Special meetings of the Board may be called by or at the request of any two Board Members or the President. Notice of any special meeting will be given at least 48 hours prior to the meeting to each Board Member. Except as provided by law, no notice of special meetings is required to be provided to Owners, although any Owner may attend a special meeting if the Owner appears at the physical location of the meeting in person.

(d) Quorum and Manner of Acting. A majority of the Board Members will constitute a quorum for the transaction of business at any meeting of the Board. The act of a majority of the Board Members present at any meeting at which a quorum is present and for which proper notice was provided to the Board Members will be an act of the Board. The Board Members will act only as a Board, and individual Members will have no powers as such.

(e) Place and Notice of Meetings. The Board may designate any place in the County as the place of meeting for any regular meeting called by the Board but will in good faith

attempt to hold meetings at the office of the Manager or in as close a proximity to the Project as reasonably possible. Board Members will be given at least 10 days' notice of regular meetings.

(f) Video and Telephone Conferencing. The Board may utilize video conferencing and telephone conferencing for any regular or special meeting if reasonably available and convenient, provided, however, that meeting participants are able to hear and communicate with others in the meeting in real time.

(g) Executive Session. The Board is authorized to convene an executive session to the fullest extent permitted by law. The discussions in executive session will be confidential and will not be disclosed to anyone outside of the meeting except as authorized by the Board. Executive sessions may be held to discuss and make decisions related to the following matters:

(i) Pending or prospective legal proceedings and issues related to the Master Association, its operations, or its governance, including but not limited to meetings with the Master Association's counsel;

(ii) Contracts and purchases related to the Master Association, including but not limited to the negotiations, potential breaches, reviews of contracts, and the terms of any purchases;

(iii) Master Association employee and personnel issues, including reviews, discipline issues, termination issues, salary issues, and the terms of employment; and

(iv) Violations, including but not limited to the discussion of complaints and whether to impose fines or utilize any particular remedy to address particular violations.

3.3 Informal Action and Action by Board without a Meeting.

(a) Any action that is required or permitted to be taken at a meeting of the Board may be taken without a meeting if each and every Board Member, in writing, either:

(i) votes for the action or

(ii) votes against or abstains from voting and does not assert their right to demand that action not be taken without a meeting.

(b) An action taken pursuant to this section will not be effective unless the Master Association receives writings:

(i) describing the action taken;

(ii) signed by each Board Member; and

(iii) not revoked pursuant to subsection 3.3(d).

(c) Action taken under this section is effective only if the affirmative vote for the action equals or exceeds the minimum number of votes that would be necessary to take the action at a meeting at which all of the Board Members then in office were present and voted.

(d) A Board Member may revoke consent to any action given pursuant to this section by communicating, in writing, that the member has changed his/her vote and with a description of the action. To be effective, the revocation must be received before receipt of the final consent necessary for the action to be effective.

(e) An action approved pursuant to this section is effective when the last writing necessary to satisfy this section is received by the Master Association.

(f) Action taken pursuant to this section has the same effect as action taken at a meeting of the Board and may be described as an action taken at a meeting of the Board Members in any document.

(g) For purposes of this section:

(i) “Signed” or “signature” is any indication on the document (whether paper or electronic) that the document is from and consented to by the person who is purported to have sent it.

(ii) “Writing” will refer to an email, text, letter, or any other physical or electronic document.

(iii) Communications may be by email, text, hand-delivery, mail, or other electronic or physical means.

(iv) A communication will satisfy the requirement to “describe the action taken” if it is in the form of an email and it includes with the email the content of prior emails in the email chain that describe or include the proposed action, or the writing from the Board Member otherwise sufficiently references the proposed action.

3.4 No Compensation. No Board Member will receive compensation for any services that he/she may render to the Master Association as a Board Member; provided, however, that a Board Member may be reimbursed for expenses incurred in the performance of their duties to the extent such expenses are approved by the Board.

3.5 Resignation and Removal. A Board Member may resign at any time by delivering a written resignation to any member of the Board. Unless otherwise specified therein, such resignation will take effect upon delivery. An oral resignation attempt is not effective. Any Board Member may be removed and replaced at any time, with or without cause, by the affirmative vote of at least 50% of the Allocated Interest of the Master Association at a special meeting of the Owners duly called for such purpose.

3.6 Vacancies. If vacancies occur in the Board by reason of the death, resignation, removal for failure to attend meetings, or disqualification of a Board Member, the Board Members then in office will continue to act, and the vacancies will be filled by a vote of the Board Members

then in office, even though less than a quorum may be available. Any vacancy in the Board occurring by reason of removal of a Board Member by the Owners may be filled by election by the Owners at the meeting at which the Board Member is removed. Any Board Member elected or appointed hereunder to fill a vacancy will serve for the unexpired term of their predecessor.

ARTICLE 4 OFFICERS

4.1 Officers. The officers of the Master Association will be a president or chairperson (“President”), secretary (“Secretary”), and treasurer (“Treasurer”).

4.2 Election, Tenure and Qualifications. The officers of the Master Association will be chosen by the Board annually at the first meeting of the Board following the annual meeting. Each such officer will hold such office until a successor has been elected or until that officer’s death, resignation, disqualification, or removal, whichever first occurs. No person will hold more than one office except during the Declarant Control Period. All officers must be members of the Board during the entire term of their respective offices.

4.3 Subordinate Officers. The Board may from time to time appoint other officers or agents as it may deem advisable, each of whom will have the title, hold office for a period, have authority, and perform duties as the Board may from time to time determine. Subordinate officers need not be members of the Master Association.

4.4 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to any Board Member or to any Manager. Unless otherwise specified therein, a resignation will take effect upon delivery. Any officer may be removed and replaced by the Board at any time, with or without cause.

4.5 Vacancies and Newly Created Offices. If any vacancy occurs in any office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office is created, the vacancies or newly created offices may be filled by the Board at any regular or special meeting. During the time that any office is vacant and no other officer is available to perform the duties of that office as required below, the Board will ensure that the duties and responsibilities of the office are performed.

4.6 The President. The President will preside at meetings of the Board and at meetings of the Owners. At all meetings, the President will have all authority typically granted to the person presiding over a meeting including but not limited to: (a) the right to control the order of the meeting; (b) the right to arrange for the removal of any disruptive persons who may include but not be limited to any person who (i) refuses to abide by rules or requests of the presiding person related to the order of the meeting and when speaking is permitted, or (ii) engages in vulgar, threatening, or otherwise inappropriate language or gestures; (c) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in “The Modern Rules of Order”; and (d) the right to designate the Manager or any other person to preside over any meeting at which the President is present. The President will sign on behalf of the Master Association all conveyances, mortgages, documents, and contracts, and will do and perform all other acts and things as required by the Board. The President will have the general authority to

implement decisions of the Board and will oversee the operations of the Master Association. The President will have authority in case of emergency to take action without Board approval as is necessary and prudent to preserve and protect property and the Project. The President will be responsible for the duties of any other office while that office is vacant.

4.7 The Secretary. The Secretary will keep the minutes of the Master Association and will maintain books and records as these Bylaws, the Declaration, the law, or any resolution of the Board may require that person to keep. The Secretary will also act in the place and stead of the President in the event of the President's absence or inability or refusal to act. The Secretary will perform other duties as required by the Board.

4.8 The Treasurer. The Treasurer will have the custody and control of the funds of the Master Association, subject to the action of the Board, and when requested by the President, will report the state of the finances of the Master Association at each meeting of the Owners and at any meeting of the Board. The Treasurer will have authority and obligation to generally implement the requirements of governing documents as it relates to the funds of the Master Association. The Treasurer will also act in the place and stead of the President in the event of the President and Secretary's absence or inability or refusal to act. The Treasurer will perform other duties as required by the Board.

4.9 No Compensation. No officer will receive compensation for any services rendered to the Master Association as an officer; provided, however, that an officer may be reimbursed for expenses incurred in performance of duties as an officer to the extent the expenses are approved by the Board.

ARTICLE 5 SUB-COMMITTEES

5.1 Designation of Sub-Committees. The Board may from time to time designate committees (each a "Sub-Committee") as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers, including, without limitation, Neighborhood Sub-Committees. The membership of each such Sub-Committee designated hereunder will include at least one Board Member. A Sub-Committee will not have any powers, duties, or responsibilities beyond those specifically assigned by the Board in a written resolution. The Board may terminate any Sub-Committee at any time.

5.2 Proceedings of Sub-Committees. Each Sub-Committee may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as the Sub-Committee may from time to time determine. Each Sub-Committee will keep a record of its proceedings and will regularly report the proceedings to the Board.

5.3 Quorum and Manner of Acting. At each meeting of any Sub-Committee, the presence of members constituting at least a majority of the authorized membership of that Sub-Committee (but in no event less than two members) will constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present will be the act of the Sub-Committee. The members of any Sub-Committee will act only

as a Sub-Committee, and the individual members thereof will have no powers, as such. A Sub-Committee may exercise the authority granted by the Board.

5.4 Resignation and Removal. Any member of any Sub-Committee designated hereunder by the Board may resign at any time by delivering a written resignation to the President, the Board, or the presiding officer of the Sub-Committee. Unless otherwise specified therein, the resignation will take effect upon delivery. The Board may at any time, with or without cause, remove any member of any Sub-Committee designated by it thereunder.

5.5 Vacancies. If any vacancy occurs in any Sub-Committee designated by the Board due to disqualification, death, resignation, removal, or otherwise, the remaining members will, until the filling of the vacancy by the Board, constitute the then total authorized membership of the Sub-Committee and, provided that two or more members are remaining, may continue to act. The vacancy may be filled at any meeting of the Board.

ARTICLE 6 INDEMNIFICATION

6.1 Indemnification. No Board Member, officer, or member of a Sub-Committee (including any member of the Design Review Committee) will be personally liable for any obligations of the Master Association or for any duties or obligations arising out of any acts or conduct of said Board Member, officer, or Sub-Committee member performed for or on behalf of the Master Association. The Master Association will and does hereby indemnify and hold harmless each person who serves at any time as a Board Member, officer of the Master Association, or a member of a duly formed Sub-Committee, as well as that person's heirs and administrators, from and against any and all claims, judgments, and liabilities to which those persons will become subject, by reason of that person having heretofore or hereafter been a Board Member, officer of the Master Association, or member of a Sub-Committee or by reason of any action alleged to have been taken or omitted to have been taken by him/her as a Board Member, officer, or Sub-Committee member, and will advance and reimburse that person for all legal and other expenses reasonably incurred in connection with the claim or liability; provided that the Master Association will have the right, in its sole discretion, to defend that person from all suits or claims; provided further, however, that no person will be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of the person's gross negligence or intentional misconduct. The rights accruing to any person under the foregoing provisions of this Section will not exclude any other right to which that person may lawfully be entitled, nor will anything herein contained restrict the right of the Master Association to indemnify or reimburse a person in any proper case, even though not specifically provided for herein or otherwise permitted.

6.2 Other Indemnification. The indemnification herein provided will not be deemed exclusive of any other right to indemnification to which any person seeking indemnification may be provided under any statute, agreement, vote of disinterested Board Members, or otherwise, both as to action taken in any official capacity and as to action taken in any other capacity while holding office. The indemnification herein provided will continue as to any person who has ceased to be a Board Member, officer, Sub-Committee member, or employee, and will inure to the benefit of the heirs, executors, and administrators of those persons.

6.3 Settlement by Master Association. The right of any person to be indemnified will be subject always to the right of the Master Association by the Board, in lieu of the indemnity, to settle any claim, action, suit, or proceeding at the expense of the Master Association by the payment of the amount of a settlement and the costs and expenses incurred in connection therewith.

ARTICLE 7 AMENDMENTS

7.1 Amendments. Except as permitted specifically herein, these Bylaws may be amended by the affirmative vote of Owners holding at least 51% of the Allocated Interest of such Owners (or their duly authorized proxies) who are actually present at a meeting called for that purpose (which meeting has been properly noticed in accordance with these Bylaws) provided, however, that during the Declarant Control Period, any amendment will require the approval of Declarant. Nothing in this Section will be construed to limit the Declarant's unilateral right to amend these Bylaws (or the Declaration or Rules) during the Declarant Control Period as set forth in the Declaration.

7.2 Execution of Amendments. Upon obtaining the required vote, an amendment will be signed by the President and Secretary of the Master Association, who will certify that the amendment has been properly adopted to as required by these Bylaws. An amendment complying with the requirements of these Bylaws and the Declaration will be effective when the amendment has been recorded in the office of the County Recorder of Missoula County, Montana.

ARTICLE 8 WAIVER OF IRREGULARITIES

8.1 Waiver of Procedural Irregularities. All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of ascertaining persons present, in the method of making decisions, or in the method of accepting or counting votes will be deemed waived under the following circumstances:

(a) if the objecting person was in attendance at the meeting, they are waived if no objection to the particular procedural issue is made at the meeting.

(b) if the objecting person was not in attendance at the meeting but has proper notice of the meeting, they are waived if no objection to the particular procedural issue is made within 60 days of the date the meeting is held,

(c) if the objecting person was not in attendance at a meeting, did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived if no objection to the particular procedural issue is made within 90 days of the date of the meeting,

(d) if the objecting person was not in attendance at the meeting and did not have actual and proper notice of the meeting before it occurred, within 90 days of receiving actual notice of the occurrence of the meeting or of any decision that was made at the meeting.

(e) for any action, vote, or decision that occurred without a meeting, within 120 days of receiving actual notice of the occurrence of the action, vote, or decision.

8.2 Requirements for Objections. All objections except those made at a meeting must be in writing. Whenever made, objections must be specific, will include identification of the specific provision of the Governing Document or other Law that has been violated, and will include a brief statement of the facts supporting the claimed violation.

8.3 Irregularities that Cannot Be Waived. The following irregularities cannot be waived under the prior subsection:

- (a) Any failure to comply with the provisions of the Declaration.
- (b) Any failure to obtain the proper number of votes required to pass a particular measure.

EXHIBIT C

ALLOCATED INTEREST

<u>Phase</u>	<u>Lot</u>	<u>Votes</u>
III	74	1
	75	1
	76	1
	77	1
	78	1
	79	1
	80	1
	81	1
	82	1
	83	1
	84	1
	85	1
	86	1
	87	1
	88	1
	89	1
	90	1
	91	1
	92	1
	93	1
	94	1
	95	1
	96	1
	97	1
	98	1
	99	1
	100	1
	101	1
	102	1
	103	1
	104	1
	105	1
	106	1
	107	1
	M1	5
	M2	5
	M3	5

<u>Phase</u>	<u>Lot</u>	<u>Votes</u>
IV	108	1
	109	1
	110	1
	111	1
	112	1
	113	1
	114	1
	115	1
	116	1
	117	1
	118	1
	119	1
	120	1
	121	1
	122	1
	123	1
	124	1
	125	1
	126	1
	127	1
	128	1
	129	1
	130	1
	131	1
	132	1

<u>Phase</u>	<u>Lot</u>	<u>Votes</u>
V	133	1
	134	1
	135	1
	136	1
	137	1
	138	1
	139	1
	140	1
	141	1
	142	1
	143	1
	144	1
	145	1
	146	1
	147	1
	148	1
	149	1
	150	1
	151	1
	152	1
	153	1
	154	1
	155	1
	156	1
	157	1
	158	1
	159	1
	160	1
	161	1
	162	1
	163	1
	164	1
	165	1

<u>Phase</u>	<u>Lot</u>	<u>Votes</u>
VI	171	1
	172	1
	173	1
	174	1
	175	1
	176	1
	177	1
	178	1
	179	1
	180	1
	181	1
	182	1
	183	1
	184	1
	185	1
	186	1
	187	1
	188	1
	189	1
	190	1
	191	1
	192	1
	193	1
	194	1
	195	1

<u>Phase</u>	<u>Lot</u>	<u>Votes</u>
VII	205	1
	206	1
	207	1
	208	1
	209	1
	210	1
	211	1
	212	1
	213	1
	214	1
	215	1
	216	1
	217	1
	218	1
	219	1
	220	1
	221	1
	222	1
	223	1
	224	1
	225	1
	226	1
	227	1
	228	1
	229	1
	230	1
	231	1
	232	1
	233	1
	234	1
	235	1
	236	1
	237	1
	238	1
	239	1
	240	1
	241	1

<u>Phase</u>	<u>Lot</u>	<u>Votes</u>
VIII	242	1
	243	1
	244	1
	245	1
	246	1
	247	1
	248	1
	249	1
	250	1
	251	1
	252	1
	253	1
	254	1
	255	1
	256	1
	257	1
	258	1
	259	1
	260	1
	261	1
	262	1
	263	1
	264	1
	265	1
	266	1
	267	1
	268	1

<u>Phase</u>	<u>Lot</u>	<u>Votes</u>
IX	269	1
	270	1
	271	1
	272	1
	273	1
	274	1
	275	1
	276	1
	277	1
	278	1
	279	1
	280	1
	281	1
	282	1
	283	1
	284	1
	285	1
	286	1
	287	1
	288	1
	289	1
	290	1
	291	1
	292	1
	293	1
	294	1
	295	1
	296	1
	297	1
	298	1
	299	1
	300	1
	301	1
	302	1
	303	1
	304	1
	305	1
	306	1
	307	1

EXHIBIT D

[BOULEVARD IMPROVEMENTS AND SPECIFIED BOULEVARD TREES]

See attached.



Request for Commission Action

Public Hearing

Meeting Date: November 2, 2023

Action Information

Date Required: 11/2/2023

Action/Motion Requested: Request board consider Running W Ranch/Missoula Meadowlands covenant amendment.

Parties Involved: Tract 2 COS 6492 LLC

Fiscal Impact:

Budget Action Required:

Submitter: Jamie Erbacher- WGM Group

Department: PDS - Current Planning

Submitted: 10/25/2023

E-mail: lcollins@missoulacounty.us

Presenter: Laura Collins

Project/Item: Running W Ranch/Missoula Meadowlands Covenant Amendment

Project Location: Wye

Project/Contract Begin Date: 9/8/2023

Project/Contract End Date: 11/2/2023

Action Request Summary

Missoula County received a request for a covenant amendment on the property legally described as: Phases 3-11, Running W Ranch Subdivision, S22, T14 N, R20 W; Tract 2 of COS 6492, Parcel 1 of COS 6492, Parcel 1 of COS 6002, Parcel 2 of COS 6003.

Running W Ranch (Missoula Meadowlands) was approved in 2005 as an 11 phase subdivision that provided for single family, multi-family, and commercial uses in the area known as the Wye. It is located on the east side of Highway 93, north of Interstate 90, and is accessed from Ladyslipper Lane and Snapdragon Drive. A collector road is required to be built with Phase 3, providing an additional (and signalized) Highway 93 connection via Cartage Road. As of this request, Phases 1, 2, and 2A have been filed. A number of phasing plan extensions have been approved, and the next phase (3) has a final plat submittal deadline of May 31, 2024. Phases 4-11 also have final plat submittal deadlines of May 31, 2024.

The majority of the subdivision's 308 lots were proposed for single family uses. The covenants reinforced this restriction. The applicant is proposing to amend Section 7 of the Running W Ranch (Missoula Meadowlands) covenants to allow varying housing types and increased density. Section 7 currently limits lots designated originally for single family uses to single family residential dwellings, with a limited exception for attached accessory dwelling units. Since preliminary approval in 2005, Missoula County has updated the zoning code that would affect the unplatted phases of the Running W Ranch Subdivision. The applicant's proposal to delete the single family-only restriction would align the Running W Ranch covenants with the newly updated zoning code. The proposed covenant amendment would not affect Phases 1, 2, or 2A, which have already been filed. The proposed covenant amendment would only apply to Phases 3-11.

The adjustment request was previously approved on September 1, 2022, and was void when the applicable documents were not filed within 60 days of approval. The applicant is requesting the covenant amendment be

To review the Commissioners' schedule, please go to <http://bit.ly/BCCschedule>

reconsidered and approved.

Recommended Motion:


I move to **approve** the request to adjust the Running W Ranch covenants, based on the findings of fact in the staff report, and subject to the recommended conditions of approval.

Action Request Approvals

PDS - Current Planning	Created/Initiated - 10/25/2023
PDS - Current Planning	Approved - 10/25/2023
PDS - Current Planning	Approved - 10/25/2023
PDS - Current Planning	Approved - 10/26/2023
Attorney	Approved - 10/27/2023
BCC Admin Staff	Approved - 10/27/2023
BCC Admin Staff	Final Approval - 10/27/2023

Commission Actions

(Acting) Chair



A6ACE081E2505A3A08967E7E8BB8C312 ready-sign

Chair Authorized to Sign: No

Commissioner



6F45D36DCC41E9C2B2D512DC93A576B2 ready-sign

Commissioner

Action Date

11/02/2023

Missoula County Commissioners

Mailing Address: 200 West Broadway
Physical Address: 199 W. Pine
Missoula, MT 59802

P: 406.258.4877 | F: 406.258.3943
E: bcc@missoulacounty.us



BCC 2023- 197
November 13, 2023

Jamie Erbacher
WGM Group, Inc.
1111 East Broadway
Missoula, MT 59802

Running W Ranch Covenant Amendment

Dear Jamie:

This is to inform you that at the public meeting on November 2, 2023, the Board of County Commissioners **approved** the covenant amendment request to amend Section 7 of the Running W Ranch Covenants (Missoula Meadowlands). This approval is subject to three (3) conditions of approval.


Per Condition of Approval #3 and Section 6.7.6 of the Missoula County Subdivision Regulations, any recorded documents that are modified by this adjustment must be filed within 60 days of the governing body's approval. The approved adjustment shall be void if the applicable documents are not filed on or by **Monday, December 1**.

If you wish to appeal this decision, you must follow the procedure established by MCA 76-3-625(2) which states as follows:

“A party . . . who is aggrieved by a decision of the governing body to approve, conditionally approve, or disapprove a proposed preliminary plat or final subdivision plat may, within 30 days after the decision, appeal to the district court in the county in which the property involved is located. The petition must specify the grounds upon which the appeal is made.”

The statute includes the applicant within the definition of an aggrieved party. Please contact Laura Collins at Planning, Development and Sustainability at 406-258-3507, if you have any questions or concerns regarding this matter.

Sincerely,
BOARD OF COUNTY COMMISSIONERS



Josh Slotnick, Chair



Juanita Vero, Commissioner



David Strohmaier, Commissioner

BCC/CH
cc: Tract 2 COS 6492 LLC (owner)
Tim Worley, Community and Planning Services
Environmental Health Department
Missoula County Public Works
Clerk & Recorder