

BYLAWS
OF
HOMES AT BRIDGER PEAKS ESTATES
HOME OWNERS ASSOCIATION

ARTICLE I

Section 1: The provisions of these Bylaws are applicable to those homes located in the Homes At Bridger Peaks Estates Subdivision, within Bozeman city limits, Bozeman, MT.

Section 2: *Covenant to Pay Assessments:* All present or future owners, tenants, future tenants or employees, or any other person who might use the space within Homes At Bridger Peaks Estates Subdivision in any manner, are subject to the regulations set forth in the Declaration of Covenants, Conditions and Restrictions dated July 26, 2013 and these Bylaws. The acquisition, occupancy, or rental of any of the lots shall signify that these Bylaws are accepted, ratified, and will be complied with. Each lot's owner is deemed to covenant, and agree to pay to Homes At Bridger Peaks Estates Home Owners Association ("the Association") all initial, periodic and special assessments made by the Association for common expenses and to waive any right to claim any exemption from said assessments.

Section 3: *Description of Lot Ownership:* Each lot, appurtenant undivided interest in the common elements, use of limited common elements reserved for that lot, membership in Homes At Bridger Peaks Estates Home Owners Association, and assessment account for that lot shall together comprise one lot, shall be inseparable, and may be conveyed, devised, or encumbered only as a lot. Any conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of an individual lot owner's interest in the common elements shall be void unless the lot to which that interest is attached is also included in the transfer.

Section 4: *Definitions:* The following definitions shall apply to the Bylaws for the Association:

- (a) "Association" means Homes At Bridger Peaks Estates Home Owner's Association (HBPEOA), consisting of all lot owners of Homes At Bridger Peaks Estates Subdivision.
- (b) "Common elements" mean the general common elements and the limited common elements.
- (c) "General Common Elements" mean all those elements which are for the use of all owners and guests of owners of Homes At Bridger Peaks Estates Subdivision lots.
- (d) "Limited Common Elements" mean those elements designated in the Declaration or by agreement of the lot owners which are reserved for the use of fewer than all of the lot owners and guests of lot owners of Homes At Bridger Peaks Estates Subdivision lots.
- (e) "Majority of Lot Owners" means those owners who own more than 50% of the undivided interest in the common areas.
- (f) "Lot" shall mean a single parcel of real property located within the Homes at Bridger Peaks Estates Subdivision, a lot which may be separately owned or separately rented and intended for independent residential use. A house on a single Lot would be (1) one Lot.
- (g) "Lot Owner or Owners" shall mean and refer to the record Owner of a Lot, whether one or more persons or entities, including contract payers and Owners of beneficial interest, but excluding those having such interest merely as security under a Mortgage, Deed of Trust or Trust Indenture, for the performance of an obligation on a loan.

ARTICLE II

Section 1: *Membership in the Association:* The owner of each lot shall be a member of the Association. Membership shall be appurtenant to ownership of a lot and may not be separated.

Section 2: *Voting:* Owners shall be entitled to one vote for each lot owned. The vote for any lot owned by more than one person shall be exercised as determined by the co-owners, but in no event shall more than one vote be cast with respect to each co-

owned lot. Tenants are not owners and shall not be entitled to vote unless given the proxy of a lot owner.

Section 3: *Majority of Votes:* A majority of votes shall be the votes of a “majority of lot owners” as defined in these bylaws.

Section 4: *Quorum of Owners:* Except as otherwise noted in these Bylaws, the presence in person or by a proxy of a “majority of lot owners” shall constitute a quorum. If a quorum is not present at any meeting, the members entitled to vote shall have the power to adjourn the meeting, until a quorum is present or represented.

Section 5: *Votes by Proxy:* At all meetings of owners, each owner may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary at or before the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance of a lot by the owner.

ARTICLE III

Section 1: *Association Duties:* The purpose of the Association is to govern, promote, manage, administer, maintain and operate the Property and the private common areas, private common open space, private common elements, private common easements, private common equipment, private common facilities and private common services through its Board of Directors who shall also have the authority to enforce these Covenants and the Bylaws of the Association and perform the powers, duties and the responsibilities (express or implied) imposed upon the Association by these Covenants and the Bylaws and regulations of the State of Montana and ordinances of the City of Bozeman and for the purpose of establishing a budget and assessing the Owners for the costs, fees and expenses of the Association.

Section 2: *Meetings:* The Association shall hold meetings of its Members and board of Directors at such frequency, time, date and place as shall be reasonable and necessary to carry out the Association’s functions, duties and responsibilities.

Section 3: *Special Meetings:* Special meetings may be called at any time by

order of the Board of Directors.

Section 4: *Notice of Meetings:* Notice of any annual or special meetings of the Association shall be given to each member personally by mail, telephone, e-mail, or facsimile, at least ten (10) days prior to the meeting. The notice shall specify the time, place and purpose of the meeting. At annual meetings, the Association shall elect a Board of Directors. The Association may transact such further business properly before it as long as a majority of the lot owners is present at the meeting, either in person or by proxy. No business shall be transacted at a special meeting except as stated in the notice unless by consent of a majority of lot owners.

Section 5: *Order of Business:* The order of business at the meeting shall be as follows:

- (a) Proof of notice of meeting;
- (b) Determination of Quorum;
- (c) Reading and approval of minutes of prior meeting;
- (d) Presentation of financial report concerning assessments for past year and presentation and review of budget and assessments for coming year;
- (e) Election of Directors;
- (f) Unfinished Business;
- (g) New Business.

ARTICLE IV

Section 1: *Board of Directors:* The Board of Directors shall comprise of the appointments of Declarant and after the first annual meeting composed of three (3) members, or members representatives, elected by the majority of the votes of the Lot and Lot Owners, subject to Declarant's right to appoint a majority of the persons on the Board until 90% of the Lots are sold or transferred to third parties.

Section 2: *General Powers and Duties:* The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all

acts and things not specifically delegated to lot owners by the Declaration of Lot Ownership or these Bylaws. The directors shall serve without compensation. Directors may be reimbursed for actual expenses incurred in the performance of duties.

Section 3: *Additional Duties:* In addition to the powers and duties provided by law, the Declaration of Covenants, Conditions and Restrictions or these Bylaws, or by resolutions of the Association, the Board shall be responsible for the following:

- (a) Care, upkeep of the common areas;
- (b) Collection of initial, annual or special assessments from lot owners;
- (c) Designation and dismissal of a manager and/or other personnel necessary for the maintenance of the common area and facilities;
- (d) Review and determination of the amount of assessments payable by lot owners and imposition of special assessments for approved capital expenses, repair, and maintenance of the common areas and drainage facilities, and for emergencies. Assessments shall be imposed as set forth in Article VI;
- (e) To send written notice of any changes in the rate for regular assessments at least ten (10) days prior to the assessment year and to send written notice of each special assessment to each lot owner at least thirty (30) days before due;
- (f) Recording and foreclosing of any liens against property for delinquent assessments or filing such an action at law against a lot owner personally obligated to pay such delinquent assessment;
- (g) Obtaining and maintaining adequate insurance coverage as provided in Article VI below;
- (h) Payment of any and all taxes and assessments imposed on the common areas;
- (i) Purchase liability insurance for the common areas if necessary;
- (j) Payment of all debts of the Association;
- (k) Approving vouchers for payment of all legal claims against the Association;
- (l) To contract for maintenance, repairs, new construction, and alterations and improvements to the common areas.

Section 4: *Employment of Manager:* The Board may employ for the Association a manager or management agent at compensation established by the Board to perform such duties and services as the Board shall authorize, including but not limited to, the duties listed above.

Section 5: *Election and Term of Office:* At the first annual meeting of the Association, after 90% of the Lots and Lots have been sold or transferred to third parties, and are no longer owned by the Declarant, the term of office of one (1) Director shall be fixed at three (3) years, the term of office of the second Director shall be fixed at two (2) years, and the term of office for the third Director shall be fixed at one (1) year. At the expiration of the initial term of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 6: *Removal of Directors:* Any Director may be removed by a majority vote of the lot owners at any regular meeting or at a special meeting called for that purpose. In the event of such removal, a successor may be elected in the manner provided for election of directors to fill the vacancy for the unexpired term.

Section 7: *Board Meetings:* The first meeting of a newly elected Board shall be held immediately following the annual meeting of the Association. No notice of this meeting shall be necessary. Any subsequent meetings must be given in writing, by e-mail or in person at least three (3) days prior to the meeting. A quorum must be present in order to conduct business. The majority rules.

ARTICLE V

Section 1: *Officers:* At its annual meeting the Board shall elect a President, Secretary, and Treasurer. The Board may, in its discretion, also elect a Vice-President and such other assistant as the Board deems necessary. Any two (2) or more offices may be held by the same persons, except the offices of President and Secretary. Interim officers may be appointed in the event that an Interim Board is in place prior to the first meeting

Section 2: *Term of Office:* The officers of the Association shall be elected on an annual basis.

Section 3: *President:* The President shall preside at all meetings of the Association and the Board. The President shall have general supervision over the affairs of the Association and its officers and all of the powers and duties usually vested in the office of President, and shall also perform other duties as may be assigned by the Board.

Section 4: *Vice-President:* If a Vice-President is elected, the Vice-President shall act for the President in the President's absence, and shall also perform such other duties as assigned by the Board.

Section 5: *Secretary:* The Secretary shall keep the books and records of the Association and the Board and record all minutes of meetings of both.

Section 6: *Treasurer:* The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate records of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for depositing all monies and other valuable effects on behalf of the Association in such banks or depositories as are designated by the Board.

ARTICLE VI

Section 1: *Common Expenses:*

All of the following Association expenses shall be common expenses:

- (a) Administrative expenses of the Association, including compensation of an accountant and the manager of the Association, if one is employed.
- (b) The cost of routine maintenance of general and limited common elements. For purposes of this section, routine maintenance is defined as landscaping care, snow removal, and common walkway cleaning and maintenance and repair of necessary drainage facilities.
- (c) All bills for utilities and garbage service, if necessary, provided to common areas.
- (d) Casualty, fidelity, and liability insurance premiums for the common area.

- (e) The cost of capital improvements to the common elements.

Section 2: *Assessment for Common Expenses.* It is the intent of the Association that common expenses shall be charged to the lot owners consistent with the percentage of undivided interest of each owner in the common elements. Therefore, lot owners shall be responsible for all assessments levied against their lot based upon the interest allocation as set out in the Declaration. Each lot shall share common expenses equally and based upon said percentage. Each individual holding an ownership interest in a lot shall be jointly and severally liable for said assessments with any other person owning an interest in said lot. In addition to assessments, all lots shall be levied reasonable monthly dues to cover any association expenses not contemplated in Section 1 above. Such dues shall be held in a separate account by the Association. The amount of the dues is adjustable by the Association, and may be reasonably increased, or in the alternative, suspended, for any given year should the Association determine that they are unnecessary.

Section 3: *Collection of Assessments.* Assessments for common expenses shall be due thirty days from the date of mailing of such assessment and may be payable in one annual payment or in quarterly installments, at the option of the Association. No owner may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his lot.

Section 4: *Records of Assessments:* The Secretary and Treasurer shall maintain records showing assessments made against lot owners which shall be available for inspection at all reasonable times by lot owners, their representatives, insurers, and guarantors of the first mortgages at any reasonable time. Such records shall show the amounts of all assessments paid and unpaid. The Treasurer may issue certificates as to the status of a lot owner's assessment account to such persons as the lot owner may request in writing, and such certificates shall limit the liability of any person to whom it is addressed other than the lot owner.

Section 5: *Liability for Unpaid Assessments:* Lot owners and their grantees

shall be jointly and severally liable for all unpaid assessments due and payable for a specific lot at the time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefore. Unpaid portions of assessments which are due shall be secured by a lien upon the lot as provided in the declaration upon the filing of a claim in accordance with the provisions of MCA § 70-23-607.

The Association may maintain a suit to recover a money judgment for unpaid assessments against said lot owner without foreclosing or waiving the lien securing the same. All costs of collection of delinquent assessments, including but not limited to, court costs, costs of filing liens, and attorneys fees, shall be the obligation of the non-paying lot owner, shall be deemed a common expense chargeable only to the non-paying lot owner, and may be added to the next regular assessment for that lot. If a purchaser of a lot obtains title to the lot as a result of a foreclosure of a first mortgage or trust indenture, such purchaser, its successors and assignees, shall be liable for the share of the assessed, but unpaid, common expenses or assessments chargeable to such lot which became due prior to the acquisition of title to such lot by such purchaser. No sale or transfer of a lot shall relieve the purchaser from liability for assessments due or from the lien thereof.

Section 6: *Penalty for Late Payment:* Assessments paid more than ten (10) days after the date due shall bear interest at the rate of 15 percent (15%) per annum from the date due until paid. All payments upon assessments shall be applied first to interest and then to the earliest assessment due. Interest collected shall be credited to a common expense account.

ARTICLE VII

Section 1: *Other Rules:* Additional administrative rules and regulations relating to the details of the operation of Homes At Bridger Peaks Estates Subdivision and the use of the common elements may be adopted or amended by the Board at any regular meeting or at any special meeting called for that purpose.

Section 2: *Rights of Action:* The Association and any aggrieved lot owner shall have the right to maintain an action for specific performance, for damages and/or for injunction, against any lot owner or the Association for failure to comply with the provisions of the Declaration or these bylaws, or any restrictive covenants adopted by the Association.

Section 3: *Lots Subject to Bylaws:* The provisions of these Bylaws, the Declaration of Lot Ownership, and rules and regulations adopted by the Association are covenants running with the land, and are binding upon any person having an interest in a lot. If any of these Bylaws are determined invalid, the invalidity of such provision shall not affect the validity or enforceability of the remainder of the Bylaws. No provision in the Declaration, the Bylaws, and rules and regulations of the Association shall be deemed to have been waived by a failure to enforce it.

ARTICLE VIII

Section 1: *Amendments:* These Bylaws may be amended by the Association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by a majority of the lot owners and until a copy of the Bylaws, as amended and certified by the presiding officer and Secretary of the Association, is recorded in the office of the Clerk and Recorder of Gallatin County.

Section 2: *Conflicts:* In the event the provisions of these Bylaws conflict with the Declaration of Covenants, Conditions and Restrictions, the provisions of the Declaration shall govern.

IN WITNESS WHEREOF, the undersigned, executes this instrument as evidence of the adoption of the Bylaws of Homes at Bridger Peaks Estates Home Owners Association, and certifies that the foregoing is a true and correct copy of the Bylaws of Homes at Bridger Peaks Estates Home Owners Association.

DECLARANT

By: *Ken Walker*
KJS GROUP

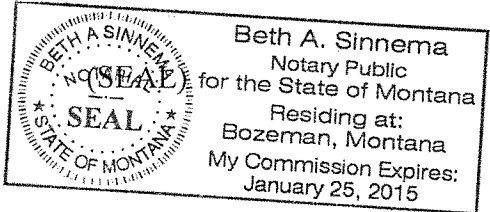
Ken Walker
By: Ken Walker

Its: President

STATE OF MONTANA)
 :SS.
County of Gallatin)

On this 19th day of August, 2013, before me, the undersigned officer, personally appeared **KEN WALKER** as President of KJS Group, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same as owner for and on behalf of Homes at Bridger Peaks Estates Home Owner's Association, for the purposes therein contained.

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



Beth A. Sinnema
Notary Public for State of Montana
Printed Name: _____
Residing at: _____
My Commission Expires: _____

STATE OF MONTANA

ARTICLES of INCORPORATION
for DOMESTIC NONPROFIT
CORPORATION 35-2-213 MCA



MAIL: LINDA McCULLOCH
Secretary of State
P.O. Box 202801
Helena, MT 59620-2801
PHONE: (406) 444-3665
FAX: (406) 444-3976
WEB SITE: sos.mt.gov

Prepare, sign, submit with an original signature and filing fee.
This is the minimum information required.

(This space for use by the Secretary of State only)

Required Filing Fee: \$20.00

- 24 Hour Priority Handling check box & Add \$20.00
- 1 Hour Expedite Handling check box & Add \$100.00

Executed by the undersigned person for the purpose of forming a Montana nonprofit corporation.

1. The name of the Nonprofit Corporation is: Homes at Bridger Peaks Estates
Home Owners Association

2. The name and address of the registered office/agent (address must be in Montana):
Appointment of the Registered Agent is confirmation of the agent's consent.

Name: Ken Walker

Street Address (required): 270 Floss Flat Road, Suite A

Mailing Address (if different from street address): _____

City: Belgrade State: MT Zip Code: 59714

Signature of Agent: _____

3. The name and address of the incorporator is as follows:

Name: Ken Walker

Address: 270 Floss Flat Road, Suite A

City: Belgrade State: MT Zip Code: 59714

4. This Nonprofit Corporation is a (you must check one):

- Public Benefit Corporation **with** members
- Mutual Benefit Corporation **with** members
- Religious Corporation **with** members
- Public Benefit Corporation **without** members
- Mutual Benefit Corporation **without** members
- Religious Corporation **without** members

5. This Nonprofit Corporation (check one & complete):

a) Is **not applying** through the IRS for 501(c)(3) status and upon dissolution the assets shall be distributed in the following manner: _____

b) Is **applying** with the IRS for 501(c)(3) status and therefore has attached the IRS required language.

6. "I, **HEREBY SWEAR AND AFFIRM**, under penalty of law, that the facts contained in this document are true."

Signature of Incorporator(s) _____ Date _____

Daytime Contact: Phone: _____ Email: _____