

[illegible]

DATE 11. 1. 1988

MLS #	Type	Area	Address	City	Current Price	Price/SQFT	Close Date	Lot Size
321950	Commercial Condo	1SM	1716 W Main Street Unit#8C	Bozeman	\$256,000	\$218.80	9/25/2018	
326983	Commercial Condo	1SM	607 Professional Drive Unit#3	Bozeman	\$276,000	\$171.64	11/7/2018	
308225	Commercial Condo	1NW	2954 N 27th Avenue Unit#B	Bozeman	\$299,000	\$124.58	11/1/2018	SqFt
308393	Commercial Condo	1NW	2954 N 27th Avenue Unit#A	Bozeman	\$309,000	\$128.75	7/17/2018	SqFt
316034	Commercial Condo	1NW	2972 North 27th Avenue Unit#B	Bozeman	\$314,600	\$131.08	11/8/2018	
323879	Commercial Condo	1NW	2972 North 27th Avenue Unit#A	Bozeman	\$350,000	\$145.83	11/19/2018	SqFt
326434	Commercial Building	1NW	315 Edelweiss Dr 8	Bozeman	\$356,000	\$190.17	10/17/2018	
319876	Commercial Condo	1NE	1288 N 14th Avenue Unit#105	Bozeman	\$476,438	\$262.50	7/25/2018	1.21 Acres
323873	Commercial Building	1SM	516 W Main Street	Bozeman	\$550,000	\$227.55	7/20/2018	6,752 SqFt
320016	Commercial Condo	1NW	3701 Trakker Trail	Bozeman	\$555,000	\$87.39	11/9/2018	
327042	Commercial Building	1SM	1811 W Koch	Bozeman	\$625,500	\$172.98	10/26/2018	0.4 Acres
324394	Commercial Building	1SM	506 E Babcock	Bozeman	\$940,000	\$339.11	11/30/2018	12,200 SqFt
310733	Commercial Building	1SK	2030 Stadium Drive	Bozeman	\$1,400,000	\$306.48	7/27/2018	0.2 Acres
303671	Commercial Building	1NE	10 Evergreen Drive	Bozeman	\$2,325,000	\$105.07	8/31/2018	2.64 Acres
					\$645,181	\$186.57		

Land \$/Per Sqft

MLS #	Type	Area	Address	City	Current Price	Price/SQFT	Close Date	Lot Size
323816	Commercial Building	1NW	TBD Valley Commons	Bozeman	\$375,000	\$64.66	12/12/2018	5800
317495	Commercial Land	1NW	625 Boardwalk Avenue	Bozeman	\$525,000	\$36.52	8/8/2019	14374
328394	Commercial Building	1NW	3646 N 27Th Avenue	Bozeman	\$1,025,000	\$8.34	10/29/2019	122839
312560	Commercial Building	1SM	TBD S 29th Ave	Bozeman	\$1,275,000	\$13.00	8/10/2018	98101
						\$30.63		60278.5

Value Based On Comps

Subject	Building Sqfootage	Pad Sqfootage		\$	693,000.00
	3840	23100			
2 Floors	7680				

**DECLARATION**

**for**

**LAKESIDE CONDOMINIUM**

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CERTIFICATE OF NAME

The undersigned being the duly authorized agent of the Department of Revenue of the State of Montana within the County of Gallatin, herewith executes the following certificate relating to LAKESIDE CONDOMINIUM, situated as follows:

Lot 3-A of the Amended Plat of Lots 2 and 3 in Block 2 of Gallatin Park Subdivision, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. [Plat J-300B]

1. That the name LAKESIDE CONDOMINIUM, is not the same as, similar to or pronounced the same as a word in the name of any other property or subdivision within Gallatin County, except for the word "Condominium", and
2. All taxes and assessments due and payable for the said LAKESIDE CONDOMINIUM, have been paid to date.

Dated: Dec 18, 2018

  
Montana Department of Revenue

### CERTIFICATE OF FLOOR PLANS

The undersigned, being a duly registered professional engineer in the State of Montana, herewith certifies the following:

That the floor plans for LAKESIDE CONDOMINIUM, situated on Lot 3-A of the Amended Plat of Lots 2 and 3 in Block 2 of Gallatin Park Subdivision, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. [Plat J-300B], as duly filed with the Declaration and Bylaws thereof, fully and accurately depict the layout, location, unit designation and dimensions of LAKESIDE CONDOMINIUM as of this date, and that such floor and site plans are an accurate copy of the plans filed with and approved by the officials and officers of the City of Bozeman, Montana having jurisdiction to issue building permits. Such floor and site plans render hand representation of the actual building containing Units 1A, 1B, 2, 3A, and 3B as built.

Dated: 12/5/2018



Kurt Thomson  
Registered Professional Engineer  
License No. 13499 PE

**DECLARATION FOR  
LAKESIDE CONDOMINIUM**

THIS DECLARATION is hereby made and entered into this 28<sup>th</sup> day of December, 2018, by TRIPLE S PROPERTIES, LLC, a Montana limited liability company of 384 Gallatin Park Drive, Suite 101, Bozeman, Montana 59715, hereinafter referred to as "Declarant," whereby the lands and property hereinafter described are submitted to the provisions of Chapter 23, Title 70, MCA, also known as the "Unit Ownership Act" as a condominium.

The property subject to this Declaration shall be known as LAKESIDE CONDOMINIUM. The current address of LAKESIDE CONDOMINIUM is 304 Gallatin Park Drive, Bozeman, Montana 59715.

I.

DEFINITIONS

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

1. Aggregate Voting shall mean the entire number of votes or persons present or available to vote in person or by proxy in a particular circumstance.
2. Association or Lakeside Condominium Owners Association, Inc. shall mean all of the Unit Owners acting as a group and in accordance with duly adopted Bylaws and this Declaration.
3. Board or Board of Directors shall mean the Board of Directors of the Association as more particularly defined in the Bylaws.
4. Building shall mean a multiple Unit building or buildings comprising a part of the property.
5. Bylaws shall mean the Bylaws promulgated by the Association under this Declaration and the Unit Ownership Act.
6. Common Elements shall mean both General Common Elements and Limited Common Elements.
  - a. General Common Elements include all those elements which are for the use of all Unit Owners and guests, employees and invitees of Unit Owners of LAKESIDE Condominium. Specifically included are: any portion of grounds surrounding the Buildings that are not designated Limited

Common Elements, the land on which the Buildings are located, paths, sidewalks and walkways, any portion of the parking areas not specifically allocated to a particular Unit, any irrigation system placed on the property for landscape maintenance, any portions of the Buildings designated on the floor plans as common to all Units, electrical, gas, telephone, water and sewer lines and connections serving all of the Units, landscaping, plants and other materials and improvements separate from and outside of the Buildings containing the Units, and other elements necessary for the safety, maintenance and existence of LAKESIDE CONDOMINIUM in which each Unit Owner shall have his or her designated percentage of interest, as set forth in Paragraph IV below.

b. Limited Common Elements as used in this Declaration shall mean those Common Elements which are reserved for the use of fewer than all of the Owners and guests of Unit Owners of LAKESIDE CONDOMINIUM, to the exclusion of other such Owners and guests. Limited Common Elements may be designated as "LCE" on the Site Plan. As to any given Unit Owner or Owners, Limited Common Elements shall mean the Common Elements which are located within or affixed to the Building containing his or her Unit, and which are for the use of the Unit Owners and guests of that Unit in which the elements are located or situated on the real property known as LAKESIDE CONDOMINIUM.

Specifically included are: flues, chimneys, ducts, cables, conduits, public utility lines, water, sewer, electrical, gas, cable television lines, hot and cold water pipes (all such utility pipes and lines are Limited Common Elements where they service only one or two Units; where they service all Units, they shall be General Common Elements), stairways, balconies, entrances, stoops, furnaces, patios, decks, driveways, boilers, hot water tanks, and fixtures, or other portions of the Building servicing only a particular Unit or less than all of the Units. The percentage of interest in the Limited Common Elements for each respective Units shall be computed by taking the square footage of each Unit that has an interest in the Limited Common Element and dividing it by the total square footage of all the Units having an interest in such Limited Common Element.

The entire Building containing Unit 4 (excluding Unit 4) shall be a Limited Common Element to Unit 4. The entire Building (excluding the Units and their individually designated Limited Common Elements) containing Units 1A, 1B, 2, 3A and 3B shall be a Limited Common Element to said Units.

7. Common Expenses shall mean expenses of administration, maintenance, repair or replacement of General Common Elements, expenses agreed upon as common by the Association of all Unit Owners, and expenses declared common by the Unit Ownership Act.

8. Declaration shall mean this document and all parts attached thereto or incorporated by reference.
9. Limited Expenses shall mean the expenses attributable to the maintenance, repair and replacement of Limited Common Elements, and are expenses only for Owners of Units within the respective Building for which the expenses are accrued.
10. Manager shall mean the manager, the Board of Directors, management corporation, or any other person or group of persons retained or appointed by the Association of Unit Owners for the purpose of conducting the day-to-day operations of LAKESIDE CONDOMINIUM.
11. Property shall mean the land, Buildings, improvements and structures thereon, and all easements, rights and appurtenances belonging thereto, which are herewith submitted to the provisions of the Unit Ownership Act.
12. Unit shall be the separate condominium Units of LAKESIDE CONDOMINIUM and is a parcel of real property including and containing one or more rooms occupying one or more floors or a part or parts thereof, intended for any type of independent use, and with a direct exit to a public street or highway or to a common area or areas leading to a public street or highway.
13. Unit Designation shall mean the combination of letters, numbers, or words which identifies the designated Units. [Units are designated as Units 1A, 1B, 2, 3A, 3B and 4].
14. Unit Owner or Owners shall mean the person or persons owning a fee simple absolute, or one who is a co-owner in any real estate tenancy relationship that is recognized under the laws of the State of Montana, in one or more Units of LAKESIDE CONDOMINIUM.

## II.

### REAL ESTATE

#### Description

The Real Property which is by this Declaration submitted and subject to the Montana Unit Ownership Act is described as follows:

Lot 3-A of the Amended Plat of Lots 2 and 3 in Block 2 of Gallatin Park Subdivision, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. [Plat J-300B]



The condominium Units in of LAKESIDE CONDOMINIUM shall consist of six (6) separate Units, numbered Unit 1A, Unit 1B, Unit 2, Unit 3A, Unit 3B and Unit 4, subject to the expansion provisions of paragraph IV below. The provisions of this Declaration and the Bylaws shall be construed to be covenants running with the land, and shall include every Unit and shall be binding upon the Unit Owners, their heirs, successors, personal representatives and assigns for as long as this LAKESIDE CONDOMINIUM Declaration and Bylaws are in effect.

#### Condominium Units

Each Unit, together with the appurtenant undivided interest in the Common Elements of LAKESIDE CONDOMINIUM, shall together comprise one condominium unit, shall be inseparable, and may be conveyed, leased, rented, devised or encumbered as a condominium unit. The Units comprising the condominium will be contained in two (2) Buildings

#### Encroachments

If any portion of the General Common Elements or Limited Common Elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist. If any portion of any Unit encroaches upon the General Common Elements, or Limited Common Elements, or upon an adjoining Unit or Units, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the General Common Elements, the Limited Common Elements, or on the Units for the purpose of marketability of title.

#### Parking Areas

A portion of the Real Property has been designated as Limited Common Element for parking for Units 1A, 1B, 2, 3A and 3B. These parking areas shall be for the exclusive use of such Units. Declarant or the Association may adopt additional rules and regulations regarding such parking spaces. Declarant may also assign such parking spaces for the exclusive use of particular Unit or Units. The Association may also assign parking spaces but such assignment shall be made based on Unit square footage and no such assignment shall be made for the benefit of any Unit Owner which discriminates against another Unit Owner without the latter's consent.

A portion of the Real Property has been designated as Limited Common Element for Unit 4. The Association shall have no authority to make assignment of parking spaces on such designated Limited Common Element. Unit 4 shall also have an easement across the driving lanes located on the Limited Common Element for Units 1A, 1B, 2, 3A and 3B.

### Unit Boundaries

Each Unit shall include the part of the Building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

- a. Upper and Lower Boundaries: the upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:
  1. Upper Boundary: the plane of the lowest surfaces of the ceiling joists of the uppermost floor for all Units.
  2. Lower Boundary: the plane of the highest surface of the floor joists of the lowest floor for all Units.
- b. Perimetrical Boundaries: the perimetrical boundaries of the Unit shall be the following boundaries extended to an intersection with the upper and lower boundaries;
  1. Exterior Building Walls: the plane of the innermost interior surface of the exterior walls of the Buildings except that such boundary shall be extended so as to include within it all windows and doors in the Unit.
  2. Interior Building Walls: the vertical planes of the centerline of the walls bounding a Unit extended to an intersection with other perimetrical boundaries. Where walls between Units are of varying thicknesses, the plane of the centerline of a boundary wall shall be the median line drawn between the two outermost boundaries of such wall.

### III.

### EASEMENT, COMMON ELEMENT--INTERIOR REMODELING

#### Common Element Easements

A nonexclusive right of ingress, egress and support through the Limited Common Elements within the Building is appurtenant to each Unit, and all of the General Common Elements are subject to such rights.

#### Easement for Utilities

Each Unit may have its air space penetrated by electrical wires and lines, gas lines, mechanical equipment including air handling ducts, hot and cold water lines, waste water lines and vents and other utility and mechanical lines, pipes or equipment. A non-exclusive easement shall exist through, over and across each Unit for inspection, installation,

maintenance, replacement and repair of such utility lines and mechanical equipment for the use of all of the Unit Owners or the Unit Owners being serviced by the air space being penetrated by such lines and/or equipment to a minimum, ingress and egress for the purpose of such inspection, installation, maintenance, replacement or repair of such easement rights shall only be done under the direction and approval and with the authority of the Owners Association and/or the Manager unless an emergency exists in which event any action may reasonably be taken which is justified under the circumstances to minimize damage which would otherwise occur as a consequence of such emergency.

#### Easement for Support

Every portion of a Unit which contributes to the structural support of the Building in which it is located shall be burdened with an easement of structural support for the benefit of the Common Elements and the other Units located within such Building.

#### Easement for Access to Unit 4

As shown on the Site Plan, there shall be an easement for ingress and egress for the benefit of Unit 4 across the Limited Common Element for Units 1A, 1B, 2, 3A, and 3B for purpose of accessing Gallatin Park Drive. At such time as Unit 4 is ready to begin construction, the three (3) northwesternmost parking spaces located on the Limited Common Element for Units 1A, 1B, 2, 3A, and 3B shall be dedicated for such access easement and parking in such spaces thereafter shall be prohibited. During periods of construction of Unit 4, the owner of Unit 4 shall be responsible for cleaning such easement on a daily basis. The owner of Unit 4 shall pay for the cost of repairing any damage caused by the owner of Unit 4 or its contractors, agents, lessees or invitees.

#### Interior Remodeling

Each Unit Owner shall have the exclusive right to paint, repaint, tile, wax, paper, panel, carpet, brick or otherwise maintain, refinish and decorate the inner surfaces of the walls, ceilings, floors, windows and doors bounding his or her own Unit, and the interior thereof, so long as such Owner does not affect the structural integrity of the Building in which his or her Unit is located.

### IV.

#### OWNERSHIP AND VOTING - EXHIBITS - USE

##### Percentage of Interest

Each Unit Owner shall be entitled to the exclusive ownership, use and possession of his or her Unit. Additionally, each Unit Owner shall have a percentage of undivided interest in the General Common Elements of LAKESIDE CONDOMINIUM. Such percentage represents his or her ownership interest in the General Common Elements, his



or her voting interest, and his or her liability for Common Expenses. The percentage of interest in the General Common Elements for the respective Owners shall be computed by taking the square footage of each Unit at the date of filing this Declaration and dividing it by the total square footage of all the Units having an interest in the General Common Elements of LAKESIDE CONDOMINIUM. Such percentage of interest owned by each of the Units in LAKESIDE CONDOMINIUM shall be according to the percentages set forth below:

<u>UNIT NO.</u>	<u>SQUARE FOOTAGE<sup>†</sup></u>	<u>PERCENTAGE OF INTEREST IN GENERAL COMMON ELEMENTS*</u>
1A	5,945 <sup>†</sup>	27.17%*
1B	1,893 <sup>†</sup>	8.65%*
2	5,992 <sup>†</sup>	27.39%*
3A	2,097 <sup>†</sup>	9.58%*
3B	2,111 <sup>†</sup>	9.65%*
4	3,840 <sup>†*</sup>	17.56%*
<b>TOTAL</b>	<b>21,878<sup>†*</sup></b>	<b>100.00%</b>

\*Subject to the Supplemental Declaration provisions and Unit Subdivision provisions below.

<sup>†</sup> The actual dimensions and boundaries of the Units are set forth above in Article II, Unit Boundaries. The square footage measurements set forth in this Article IV may not be the actual square footage measurements of the Units as said Units are defined in Article II, Unit Boundaries. The square footage measurements set forth in this Article IV are used only for the purposes of determining each Unit Owner's percentage interest in the General Common Elements and liability for Common Expenses. No representation or warranty of any kind whatsoever is made that the square footage measurements set forth above are the actual square footage measurements of any Unit.

#### Supplemental Declaration

Construction for all Units within Lakeside Condominium is complete except for Unit 4. The Site Plan attached hereto as Exhibit A shows the proposed location of the Building to contain Unit 4 to be built by the Owner of Unit 4. The Declarant and its successors and assigns expressly reserves to itself and its successors and assigns the right to change the configuration and size of the Building containing Unit 4 in Declarant's sole discretion provided that the Building containing Unit 4 shall not exceed the Building Pad as set forth on the Site Plan without an amendment to this Declaration.

Within thirty (30) days from the date of completion of Unit 4, the Declarant (or its successor or assigns) or the then-current Owner of said Unit 4 shall file an amendment to

this Declaration in the office of the County Clerk and Recorder, Gallatin County, Montana, to which shall be attached:

1. An updated Site Plan showing the exact location of Unit 4 on the Real Property;
2. Floor Plans for Unit 4 showing the layout and dimensions of all floors within Unit 4;
3. A verified statement of a registered architect, registered professional engineer, or registered professional land surveyor certifying that the floor plans being filed simultaneously with the amendment fully and accurately depict the layout of Unit 4 as built and the date construction of Unit 4 was completed;
4. An updated schedule of the percentage of undivided ownership of all Units in Lakeside Condominium computed by taking the square footage of all Units (including completed Unit 4) and dividing it by the total square footage of all the Units having an interest in the General Common Elements of LAKESIDE CONDOMINIUM; and
5. A description of the Building containing Unit 4 and the materials of which it is constructed.

After completion of Unit 4, the Declarant (or its successors or assigns) or the then-current Owner of Unit 4 may unilaterally record the Supplemental Declaration to the Lakeside Condominium without the need to obtain the consent of any other Unit Owner.

#### Unit Subdivision

Unit 1A may be subdivided to create no more than two (2) total Units which shall be designated as Unit 1A-1 and Unit 1A-2.

Unit 1B may be subdivided to create no more than two (2) total Units which shall be designated as Unit 1B-1 and Unit 1B-2.

Unit 2 may be subdivided to create no more than two (2) total Units which shall be designated as Unit 2-A and Unit 2-B.

Unit 3A may be subdivided to create no more than two (2) total Units which shall be designated as Unit 3A-1 and Unit 3A-2.

Unit 3B may be subdivided to create no more than two (2) total Units which shall be designated as Unit 3B-1 and Unit 3B-2.

Unit 4 may be subdivided to create no more than four (4) total Units which shall be designated as Unit 4A, Unit 4B, Unit 4C, and Unit 4D.

Unit subdivision must comply with the zoning requirements of the City of Bozeman, and nothing herein shall be considered as a guarantee that future subdivision of any Unit will be allowed by the City of Bozeman. At such time as an Owner of the above described Units wish to subdivide one of said Units, the Owner thereof shall record in the office of the Clerk and Recorder of Gallatin County, Montana, a Supplemental Declaration containing:

a. Updated floor plans for the new Units created from the subdivided Unit together with the letters and numbers given to the specific Units as set forth above;

b. To be and remain in compliance with the provisions of Section 70-23-306, MCA, at the time of the filing of such supplemental declaration, a certificate of a registered professional architect, engineer or engineer shall be prepared and recorded, certifying that the said floor plans of the Units created by such subdivision fully and accurately depict the layout of said Units and that construction of said Units has been completed;

c. A revised schedule of the percentage of undivided ownership in the General Common Elements of the Units created by such subdivision. The percentage of undivided ownership of any other Unit that is not being subdivided may not be changed without amending the Declaration pursuant to the amendment procedures set forth below in Article VII. The percentage of undivided ownership in the General Common Elements of the of the Units created by such subdivision must not exceed the percentage interest of the subdivided Unit before subdivision;

d. A description of any and all Limited Common Elements to the new Units if there shall be any changes to the description contained in the existing Declaration or any of the amendments thereto; and

e. The signatures and acknowledgment of all lienors and mortgagees of the Unit being subdivided.

The signatures of the Unit Owners for any Unit not being subdivided shall not be required for the Unit Owner of the Unit being subdivided to file the Supplemental Declaration subdividing his or her Unit.

Except as otherwise specifically provided in this Declaration, all of the provisions, terms and definitions herein contained shall, upon recording of the same, be deemed expanded to include the additional Units. Any future condominium Units will be consistent with the initial Units in terms of quality of construction. All Units to be added to the Condominium shall be substantially completed before such Units are added to the existing Condominium regime.

### Floor Plans and Exhibits

LAKESIDE CONDOMINIUM will consist of two (2) Buildings and the Real Property described in Paragraph II above which will contain a total of six (6) separate LAKESIDE CONDOMINIUM Units (subject to expansion via the above unit subdivision provisions).

For identification and descriptive purposes the following Exhibits are attached and by reference hereto incorporated into and made a part of this Declaration:

Exhibit A: showing the site plan of LAKESIDE CONDOMINIUM and the location of the Buildings containing LAKESIDE CONDOMINIUM Units on the Property.

Exhibit B: showing the floor plans for each of the Units of LAKESIDE CONDOMINIUM, the square footage of each and the designation for each Unit.

### Storm Water Maintenance Plan

Attached hereto as Exhibit "C" is the Stormwater Maintenance Plan that is binding upon the Condominium. The Association shall follow and adhere to such plan. The Association shall maintain all detention ponds.

### Construction Materials

The principal materials of construction of the Units are concrete for the foundations, footings, and slabs, wood and wood products for the framing, structural and finish work, sheet rock, composite board, wood products, and plywood for the interior, carpet, wood, wood products, vinyl, or tile for the floors, metal, EFIS "Dryvit", and wood-product siding for exterior wall surfaces, and asphalt shingles for the roof of the Buildings.

### Use

The use of all of the Units in LAKESIDE CONDOMINIUM shall be for commercial and office use only as limited herein. Unit Owners and prospective purchasers of Units are advised to carefully consult all applicable zoning and use regulations of the City of Bozeman and the applicable covenants and restrictions of Gallatin Park Subdivision.

The use of the general common areas shall be for the enjoyment of the Unit Owners, their guests, tenants, lessees, employees and business invitees. The Units and Common Elements shall be limited as follows:

- a. There shall be no obstruction of the Common Elements, nor shall anything be stored in or on the Common Elements without the prior written consent of the

Association. Each Owner shall be obligated to maintain and keep in good order and repair the interior of his own Unit.

b. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the building or contents thereof, without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the building, or contents thereof, or which would be in violation of any law. No waste will be permitted on the Common Elements.

c. Except for appropriate signs, as discussed under Miscellaneous below, Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of a building, and no awning, canopy, radio or television antenna shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior written consent of the Association.

d. No nuisances shall be allowed upon the Property nor shall any use or practice be allowed which is a source of annoyance to Unit Owners or which interferes with the peaceful possession and proper use of the Property by its Unit Owners, their guests, tenants, lessees, employees and business invitees. No offensive or unlawful use shall be made of the Property nor any part thereof, and all valid laws, covenants and restrictions of record, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Nuisances include, but are not limited to, excessive or offensive noises and odors.

e. Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Buildings or which would structurally change the Buildings, except as is otherwise provided herein.

f. No animals of any kind shall be raised, bred or kept in any Unit except for service animals in aid of the disabled provided that the Unit Owner shall be solely responsible for any damage or claim resulting from such animal's presence in the Unit and/or the Condominium and shall indemnify and hold the Association and all other Unit Owners, tenants, occupants, licensees and invitees harmless from such damage or claim.

g. Nothing shall be altered or constructed in or removed from the Common Elements, and no easements, liens or encumbrances placed on the Common Elements, except upon the written consent of sixty percent (60%) of the aggregate ownership interest of the Unit Owners affected by such action. The foregoing restriction does not apply to the Declarant.

h. No immoral, improper, or offensive use shall be made of the Property nor any part thereof, including, but not limited to, the sale, rental, or use of any type of pornographic or obscene products. No condominium unit shall be used for the

growing or sale of marijuana (medical or otherwise) or for the sale of marijuana or tobacco smoking devices.

i. The condominium property shall not be used for the sale, rental, service or repair of automobiles, trucks, motorcycles, motorhomes, recreational vehicles, boats, or other vehicles. This includes the sale and on-site installation of parts, wheel and brake shops, body and fender shops, and similar repair and service activities. No junk or unlicensed vehicles shall be stored on the condominium property. A junk vehicle is one which cannot be driven away under its own power.

j. The following uses are also prohibited: ambulance service; truck, bus and rail terminal facilities; animal shelters; automobile or truck washing services; flour and feed mills; grain elevators; machine shops; truck stops; automobile lots or garages for lease.

#### Exclusive Ownership

Each Owner or Owners shall be entitled to exclusive ownership and possession of their Unit. Such Owners may use the General Common Elements and Limited Common Elements in accordance with the purposes for which they are intended and this Declaration and as they may otherwise agree between themselves, so long as they do not hinder or encroach upon the lawful rights of other Unit Owners. The right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit in the Condominium shall not be restricted by a right of first refusal or similar restriction in the Declaration and Bylaws (or any amendment thereto).

### V.

#### THE ASSOCIATION

##### Membership

Any Owner of a Unit in LAKESIDE CONDOMINIUM shall automatically, upon becoming the Owner of said Unit, be a member of the LAKESIDE CONDOMINIUM OWNERS ASSOCIATION, INC., a Montana nonprofit corporation, hereinafter referred to as the Association, and shall remain a member of said Association until such time as his or her membership in said Association shall automatically cease. The membership shall be limited to Unit Owners as defined in this Declaration.

##### Function

It shall be the function of the Association to:

a. Adopt Bylaws for the governance of the Association.



- b. Make provisions for the general management and/or repairs and maintenance of LAKESIDE CONDOMINIUM.
- c. Levy fines and assessments as provided for in the Declaration, Bylaws and Unit Ownership Act.
- d. Adopt and implement a policy for the affairs of the Association.
- e. Enter into contracts or hire personnel for the management of the affairs of the Association and the maintenance and repair of the General Common Elements.
- f. Be responsible for the perpetual maintenance of the landscaping, General Common Elements and driving lanes.

#### Voting

On all matters, unless excluded by this Declaration, to be decided by the Association, each Unit Owner shall have a vote equal to his or her percentage of interest in the General Common Elements. Multiple owners of a single condominium Unit shall collectively have such voting interest. In the event that Unit Owners of the same Unit cannot agree as to how to vote that Unit's interest, said Unit's vote shall be suspended for that particular matter. An owner of a condominium Unit, upon becoming an owner, shall be a member of the Association and remain a member for the period of his or her Unit ownership. Except as otherwise provided in the Unit Ownership Act, this Declaration or the Bylaws, a majority of the Unit ownership percentage present at any meeting or by proxy shall be sufficient to act on matters brought before the Unit Owners. Meetings of the Unit Owners shall only be conducted when a quorum is present, as defined in the Association Bylaws.

Voting on matters pertaining to a Limited Common Element shall only be done by those Units that have an interest in said Limited Common Element. The percentage of interest in the Limited Common Elements for each respective Units shall be computed by taking the square footage of each Unit that has an interest in the Limited Common Element and dividing it by the total square footage of all the Units having an interest in such Limited Common Element.

#### Failure to Comply

Each Owner shall comply strictly with the provisions of this Declaration, the Bylaws of the Association, and the rules, regulations, decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief or both, and for reimbursement of all costs, including attorney fees incurred in connection therewith, which action shall be maintainable by the Manager

in the name of the Association, on behalf of the Owner, or in the proper case, by an aggrieved Owner. Each Unit Owner shall also comply with any applicable subdivision covenants, rules and regulations for the subdivision in which the Condominium is located.

### Fines

The Association, acting through the Board or the Manager, shall have the authority to levy fines against Units for any violation of the covenants set forth herein or for any violation of the rules and regulations duly adopted by the Board. Violations caused by a tenant shall be assessed against the occupied Unit and shall be the responsibility of the Unit Owner. For each violation, the Unit Owner may be fined according to the following fine schedule:

First Offense:         \$50.00  
Second Offense:      \$150.00  
Third Offense and More:   \$200.00

Each separate occurrence of a violation, or each day that any Unit remains in nonconformance, shall be considered a separate violation subject to fine. The Board may adopt a separate written policy wherein it determines that a particular violation shall occur less than daily. The fine schedule may be amended by the Board at any duly called meeting provided it is thereafter approved by at least sixty percent (60%) of the aggregate Unit ownership interest at any regular or special meeting of the Association. All fines shall be considered final and shall be considered an assessment and a lien against the Unit unless the Unit Owner makes a written appeal to the Board within ten (10) business days of receiving the fine and the Board subsequently overturns such fine. The Board shall have thirty (30) days to meet and render its decision regarding the fine, which decision shall be final. All fines may be collected by the Association in the same manner as an assessment as set forth herein. All fines not paid within thirty (30) days shall accrue interest at the then maximum current legal rate of interest per annum on the amount of the fine from the due date thereof. The Board, in its sole discretion, may (but is not required to) issue a warning prior to levying a fine. However, the Board's decision on whether or not to issue a warning in any particular case shall not be binding upon any subsequent decision about whether or not to issue a warning prior to issuing a fine.

### Payment of Assessments

All assessments shall be due ten (10) days from the date of mailing such assessment following the meeting at which time assessments are levied by the Association, and may be payable in one annual payment, or in quarterly or monthly installments, as determined by the Board. The amount of the Common Expenses assessed against each Unit, and the amount of Limited Expenses assessed against each Unit shall be the personal and individual debt of the Owner or Owners thereof. No Owner may exempt himself or herself from liability for this contribution toward the Common Expenses and the Limited Expenses by waiver of the use of enjoyment of any of the



General Common Elements or Limited Common Elements or by abandonment of his or her Unit.

All assessments which are not paid within thirty (30) days from the date they are due and payable become delinquent and are subject to interest and penalty charges.

The Association or Manager shall have the responsibility of taking prompt action to collect any unpaid assessment which becomes delinquent. In the event of delinquency in the payment of the assessment, the Unit Owner shall be obligated to pay interest at the then maximum current legal rate of interest per annum on the amount of the assessment from the due date thereof and any late payment charges assessed, together with all expenses, including attorney fees incurred, as are provided in the Bylaws of the Association. Suit to recover a money judgment for unpaid Common Expenses and Limited Expenses may be maintainable without foreclosing or waiving the lien securing the same.

#### Levying Assessments - When Made - Purposes

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

a. Assessments shall be made as a part of the regular, annual business meeting of the Association as provided in the Bylaws of the Association, or assessments can be made for special purposes at any other regular or special meeting thereof. The Board of Directors shall prepare an annual budget for income and expenses for the condominium. The Board of Directors shall approve the budget and the amount of assessments. In the event that the members of the Board cannot agree upon a budget, the annual budget shall be increased by 10% over the previous budget, until such time as a new budget can be agreed upon. In the event that the budget is increased automatically, rather than through agreement of the Board, the Association shall continue to make all payments required to maintain the services acquired in the previous year, to the extent that funding is available, until such time as the Board can agree upon a new budget and spending priorities. Notice of the proposed assessment, amount thereof, and the purpose for which it is made whether regular or special, including an annual budget for expenditures and operation, shall be served on each Unit Owner affected by delivering a copy of the same to the Unit Owner personally or by mailing a copy of the notice to the Unit Owner at his or her address of record at least ten (10) days prior to the date for such meeting.

b. Assessments shall be made for the repair, replacement, general maintenance, management and administration of Common Elements, fees, costs and expenses of the manager, insurance, taxes for common areas if any, and as more particularly provided in the Unit Ownership Act (Section 70-23-101, et. seq., MCA), sidewalks, driveways, weed control, and any other matters that fall within the Common Elements of the condominium. In addition, the Association shall be

responsible for all special improvement district (SIDs) applicable to the condominium, including, but not limited to, lighting districts, street maintenance, tree maintenance or any other properly created SID, and assessments shall be levied for the same. Assessments shall be based upon and computed by using the percentage of interest that each Unit Owner has in the General Common Elements.

c. Assessments may also be made for the payment of Limited Expenses for Limited Common Elements such that the Unit Owners are chargeable only for the expenses relating to their respective Units or Buildings. Unit Owners shall share in the payment for Limited Expenses for the repair, maintenance and replacement of Limited Common Elements of their respective Units in accordance with the percentage the Unit or Units have in the Limited Common Elements for which the assessment is being made. If only one Unit is associated with the Limited Common Elements involved, then the entire cost of such repair, maintenance or replacement shall be borne by that Unit.

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

e. Common expenses and profits, if any, of the condominium shall be distributed among and charged to, the Unit Owners according to the percentage of undivided interest of each in the Common Elements.

f. In a voluntary conveyance of a Unit, the Grantee of the Unit shall be jointly and severally liable with the Grantor for all unpaid assessments by the Association against the latter for his or her share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. However, any such Grantee shall be entitled to a statement from the Manager or Board of Directors of the Association, as the case may be, setting forth the amount of said unpaid assessments against the Grantor due the Association and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the Grantor in excess of the amount therein set forth.

g. Any lien of the Association for Common Expense charges and assessments becoming payable on or after the date of recordation of the first mortgage or deed of trust, shall be subordinate to the first mortgage or deed of trust on the Unit. Such a lien for Common Expense charges and assessments shall not be affected by any sale or transfer of a Unit, except that a sale or transfer of a Unit pursuant to a foreclosure of a first mortgage or deed of trust shall extinguish a subordinate lien for common expense charges and assessments which became payable prior to such sale or transfer. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a Unit from liability for, nor the Unit so sold or

transferred from the lien of, any common expense charges thereafter becoming due.

h. Prior to the initial sales of Units within the Condominium, an initial assessment amount, including a capital contribution (reserves), may be established for each Unit. Said assessment amount shall be paid to the Association at the close of each Unit or upon the transfer of the deed for each Unit. The Association may establish a reserve account for repair and replacement of Common Elements as needed to keep such in good condition and repair. Any reserve account established under this section shall be funded by separate reserve assessments against the Units in such amount as the Board may approve as a part of the annual Association budget. Any reserve account shall be established in the name of the Association. The Association shall be responsible for administering the account. Assessments paid into the reserve account are the property of the Association and are not refundable to sellers or Unit Owners.

## VI.

### DECLARANT'S RIGHT TO CHANGE

The Declarant reserves the right to change the interior design and arrangement of all Units, and alter the boundaries between Units, so long as the Declarant owns the Unit so altered. No such change shall increase the number of Units or alter the boundary of the General Common Elements without an amendment of this Declaration.

Until one hundred percent (100%) of the Units have been built and sold, Declarant reserves the right to establish easements, reservations, exceptions and exclusions consistent with the condominium ownership project.

Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, the Articles of Incorporation or Bylaws of the Association, Declarant reserves the right to exercise the rights, duties and functions of the Board of Directors of the Association until 120 days after the date by which seventy-five percent (75%) of the Units have been conveyed to Unit purchasers. During the period of development and sale of the remaining condominium Units, the monthly assessment for Common Expenses for Units owned by the Declarant shall be based upon the estimate of the actual cost thereof, excluding therefrom any estimated amount for contingencies, reserves or sinking funds, and Declarant shall pay its pro rata share thereof only for those condominium Units which have been completed. During the period when fewer than all of the Units have been erected, the Common Expenses shall be allocated among the Owners of such existing Units.

VII.

AMENDMENT

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

This Declaration may be amended at any regular or special meeting of the Association of Unit Owners provided such amendment receives the favorable vote of at least seventy-five percent (75%) of the aggregate Unit ownership interest. If so approved, it shall be the responsibility of the Association to file the amendment with the Clerk and Recorder's Office of Gallatin County, Montana.

An amendment may be adopted at any time without a meeting if it is approved in writing by the notarized signatures of one hundred percent (100%) of the Unit Owners.

Notwithstanding the procedure set forth above, the Declarant may amend this Declaration, or any other project document, prior to any sale of a Unit or interest thereof.

Notwithstanding the procedures set forth above, Declarant reserves the right at any time, on behalf of itself and on behalf of the Association, to amend this Declaration and the Bylaws without approval of any Unit Owner for the purpose of correcting survey or other errors and for any other purpose unless the amendment would materially alter or change the rights of a Unit Owner or mortgagee, in which event consent shall be required as provided in this article.

Any right granted or reserved to Declarant may not be changed by an amendment unless consented to, in writing, by the Declarant. Declarant reserves the right to assign any and all of its rights reserved or granted herein.

VIII.

CHANGES, REPAIRS AND LIENS

Alterations by Unit Owners Association

The interior plan of a Unit may be changed by the Owner. The boundaries between Units may be changed only by the Owners of the Units affected. Except as specifically allowed in this Declaration, no Units may be subdivided. Subject to the provisions above regarding completion of Unit 4, no change in the boundaries of Units shall encroach upon the boundaries of the General Common Elements.

Boundary walls must be equal in quality of design and construction to the existing boundary walls. A change in the boundaries between Units shall be set forth in an amendment to this Declaration. No load bearing walls shall be altered or removed without the written permission of the Association. In addition to compliance with the provisions of

Paragraph VII above, such amendment must further set forth and contain plans for the Units concerned showing the Units after the change in boundaries, which plans shall be drawn by an architect, surveyor or engineer licensed to practice in Montana, and attached to the amendment as exhibits, together with the certificate of architect, surveyor or engineer required by the Unit Ownership Act. Such an amendment shall be signed and acknowledged by the Owners of the Units concerned, as well as those Owners with an interest in any Common Element affected. The amendment shall also be approved by the Board of Directors of the Association, and signed and acknowledged by all lienors and mortgagees of the Units concerned.

#### Maintenance by Unit Owners

Each Owner shall maintain and keep in repair the interior of his or her own Unit, including the fixtures thereof. All fixtures and equipment installed in the Unit, commencing at a point where the utilities enter the Unit, shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair the structural soundness or integrity of the Buildings or impair any easement.

Each Owner shall also keep any Limited Common Element, balcony, patio, entrance or deck area appurtenant to his or her Unit in a clean and sanitary condition. The right of the each Owner to repair, alter, and remodel is coupled with the obligation to replace any finishing or other materials removed with similar type or kinds of materials. All glass replacement shall be with similar quality, shade and design. No act or alteration, repairing or remodeling by any Unit Owner shall impair in any way the integrity of the adjoining Units or the integrity of Limited Common Elements or General Common Elements.

#### Exterior Alterations

No Owner may change, alter or remodel the exterior of his or her Unit without the prior written approval of the Association.

#### Liens for Alterations

Labor performed and materials furnished and incorporated into a Unit with the consent of or at the request of the Unit Owner, his or her agent, his or her contractor or subcontractor shall be the basis for the filing of a lien against the Unit of the Unit Owner consenting to or requesting the same. Each Unit Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Unit or any other Owner or against the general or Limited Common Elements for construction performed or for labor, materials, services or other products incorporated in the Owner's Unit at such Owner's request.

#### Liens and Foreclosure



All sums assessed but unpaid for the share of Common Expenses and Limited Expenses chargeable to any Unit shall constitute a lien on such Unit superior to all other liens and encumbrances, except only for tax and special assessment liens on the Unit in favor of any assessing authority, and all sums unpaid on a first mortgage, a first deed of trust, or contract for deed, of record. To evidence such lien, the Association shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of accrued interest and late charges thereon, the name of the Unit Owner, and a description of the Unit. Such notice shall be signed and verified by one of the officers of the Association or by the Manager, or his or her authorized agent, and shall be recorded in the office of the Clerk and Recorder of Gallatin County, Montana. Such lien shall attach from the date of recording such notice. Such lien may be enforced by the foreclosure of the defaulting Owner's Unit by the Association as provided in the Unit Ownership Act in like manner as foreclosure of a mortgage on real property. In any foreclosure, the Unit Owner shall be required to pay a reasonable rental for the Unit, if so provided in the Bylaws, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. Suit to recover a money judgment for unpaid Common Expenses and Limited Expenses shall be maintainable without foreclosure or waiving the lien securing the same. In any such proceeding the Owner shall be required to pay the costs, expenses and attorney's fees incurred in filing a lien, and in the event of foreclosure proceedings, additional costs, expenses and attorney's fees incurred.

#### Bidding at Foreclosure

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

### IX.

#### INSURANCE

##### Purchase

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

- a. Named Insured: The named insured shall be the Association individually and as agent for the Unit Owners without naming them. Such policies shall provide that payments for losses thereunder by the insurer shall be paid to the insurance

Trustee hereinafter designated, and all policies and endorsements thereon shall be deposited with the insurance Trustee. Unit Owners may obtain insurance coverage, at their own expense, upon their own personal property and for their personal liability and living expense.

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

### Coverage

a. Casualty: All buildings and improvements upon the land shall be insured in an amount equal to the maximum insurable replacement value, and all personal property included in the Common Elements shall be fully insured, with all such insurance to be based on current replacement value, as determined annually by the Board of Directors, but subject to such deductible clauses as are required in order to obtain coverage at reasonable costs. Such coverage shall afford protection against:

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

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

(3) Errors or Omissions Insurance for the Directors, Officers and Managers if the Association so desires, in amounts to be determined by the Board.

The policies shall state whether air handling or service equipment, interior fixtures and carpets are included within the coverage in order that Unit Owners may insure themselves if the items are not insured by the Association.

b. Public Liability: In such amounts and with such coverage as shall be required by the Board of Directors of the Association, including, but not limited to, hired automobile and non-owned automobile coverage, if applicable, and with cross-liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

c. Other Insurance: Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable and as may be required by Federal and State laws.

- d. For all insurance policies, the Association shall only use generally acceptable insurance carriers.

### Premiums

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

### Separate Policies

Either: (i) Unit 4, (ii) the Board, or (iii) the majority ownership interest of the Units other than Unit 4, can require that separate insurance policies be purchased and maintained by the Association to separately insure the Building and its improvements containing Unit 4 and the Building and its improvements containing the remaining Units of the Condominium. In such event, the insurance premiums shall be Limited Expenses attributable and payable only by such Units located in each respective Building. If the proceeds of insurance are not sufficient to defray the costs of reconstruction or repair to a Building that is a Limited Common Element to a specific Unit(s), assessments shall only be made against the Unit(s) for which the Building is a Limited Common Element. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for a damaged or destroyed Building, such balance shall be paid to the Unit Owners for which the reconstructed or repaired Building is a Limited Common Element.

### Insurance Trustee

All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to such bank in Montana with trust powers as may be designated as insurance trustee by the Board of Directors of the Association, which trustee is herein referred to as the insurance trustee. The insurance trustee shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the insurance trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated in this instrument and for the benefit of the Unit Owners, and their mortgagees in the following shares, but which shares need not be set forth on the records of the insurance trustee:

- a. Unit Owners - An undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his or her Unit.



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

#### Distribution of Proceeds

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

a. Miscellaneous: Expenses of administration, the insurance trustee, and construction or remodeling supervision shall be considered as part of the cost of construction, replacement or repair.

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

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

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

#### Association as Agent

The Association is irrevocably appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon a Unit and for each Owner of any other interest in the condominium property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

#### Benefit to Mortgagees

Certain provisions in this paragraph entitled "Insurance" are for the benefit of mortgagees or trust indenture beneficiaries of condominium parcels, and all such provisions are covenants for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee or beneficiary.

#### Reconstruction

##### A. Repair After Casualty

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

1. Lesser Damage - If a Unit or Units are found by the Board of Directors of the Association to be tenantable after the casualty, the damaged property shall be repaired.
2. Greater Damage - If a Unit or Units are found by the Board of Directors to be not tenantable after the casualty, the damaged property shall be reconstructed or rebuilt.
3. Certificate - The insurance trustee may rely upon a certificate of the Association made by its president and secretary to determine whether or not the damaged property is to be reconstructed or repaired.

##### B. Plans and Specifications

Any reconstruction or repair must be substantially in accordance with the plans for specifications and the original improvements, or if not, then according to plans and specifications approved by: (1) the Board of Directors; and (2) more than seventy-five percent (75%) of the aggregate unit ownership interest, including the Owners of all Units the plans for which are to be altered. Any such reconstruction not in accordance with the original plans and specifications must be set forth in an amendment to the Declaration, which amendment shall be prepared and filed of record in accordance with the provisions of such amended filing, more particularly set forth in Article VII and Article VIII, paragraph 1, hereinabove.

##### C. Responsibility

The responsibility for reconstruction or repair after casualty shall be the same as for maintenance and repair of the condominium property, and the Association shall work with the insurance trustee to carry out the provisions of this Article.

##### D. Assessments

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

E. Construction Funds

The funds for payment of costs of reconstruction or repair after casualty, which shall consist of proceeds of insurance held by the insurance trustee and funds collected by the Association from assessments against Unit Owners, shall be disbursed in the sound discretion of the trustee and according to the contract of reconstruction or repair, which contract must have the approval of the Board and the Unit Owners involved.

F. Surplus

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

Commercial Unit Owners' Commercial General Liability Insurance

Each Unit that is being used for a commercial purpose shall, at its own cost and expense, maintain a comprehensive general liability insurance policy on the occurrence basis in the amount of not less than \$1,000,000.00 in respect to bodily injury or death to any one person, and not less than \$2,000,000.00 in respect to bodily injury or death to any number of persons in any occurrence or accident, with the Association named as an additional insured and shall cover all risks incident to the use of the Unit and business in connection therewith. The Association may increase the required policy limits under this section by majority vote of the unit ownership interest. All such insurance policies purchased by each commercial Unit shall contain a clause or endorsement to the effect that they may not be terminated or materially amended during the term of this Lease, except after fifteen (15) days written notice thereof to the Association. Said insurance shall cover general liability for injuries to invitees and employees (portions not covered by worker's compensation insurance) and damage to property. Insurance shall be purchased from a company licensed to do business in the state of Montana (with an "A" rated or better classification). The Unit Owner shall deliver to the Association certificates of insurance evidencing compliance with this insurance requirement upon written request from the Board or Manager.

X.

## REMOVAL OR PARTITION - SUBDIVISION

### Consent to Removal

All of the Unit Owners may remove the Property from condominium ownership by executing and recording an instrument to that effect if the holders of all liens affecting any of the Units consent thereto or agree, in either case by instruments duly recorded, that their liens be transferred to the undivided interest of the Unit Owner in the Property after removal from condominium ownership.

### Obsolescence, Damage and Destruction

If ninety percent (90%) of the aggregate ownership interest of the Unit Owners agree that the Property is obsolete in whole or in part and that the Property should be renewed and restored, the expense thereof shall be paid by all the Unit Owners as Common Expenses. If ninety percent (90%) of the aggregate ownership interest of the Unit Owners agree that the Property is obsolete in whole or in part and that the Property should be sold, the Property shall be considered removed from condominium ownership.

If within 60 days after the date of the damage to or destruction of all or part of the Property the Association does not decide to repair, reconstruct, or rebuild, the Property shall be considered removed from condominium ownership.

### Condemnation Representation

For all condemnation issues concerning the Condominium, the Association shall represent the Unit Owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements, or part thereof, by the condemning authority. Each Unit Owner hereby appoints the Association as attorney-in-fact for such purpose.

### Effect of Removal - Ownership in Common - Liens - Sale

If the Property is removed from condominium ownership as provided in this Article, the Property shall be considered owned in common by all the Unit Owners. The percentage of undivided interest of each Unit Owner in the Property owned in common shall be the same as the percentage of undivided interest previously owned by such Owner in the Common Elements. Liens affecting any Unit shall be liens, in accordance with the then existing priorities, against the undivided interest of the Unit Owner in the Property owned in common. If the Property is removed from condominium ownership as provided in this Article, it shall be subject to an action for partition at the suit of any Unit Owner. The net proceeds of sale, together with the net proceeds of the insurance on the Property, if any, shall be considered as one fund and shall be divided among the Unit Owners in proportion

to their respective undivided interests after first paying out of the respective shares of the Unit Owners, to the extent sufficient for the purpose, all liens on the undivided interest in the Property owned by each Unit Owner.

XI.

REMEDIES

All remedies provided in this Declaration and Bylaws shall not be exclusive of any other remedies which may now be, or are hereafter, available to the parties hereto as provided for by law. The Association and any aggrieved Unit Owner has a right of action against Unit Owners for failure to comply with the provisions of the Declaration and/or Bylaws or with decisions of the Association which are made pursuant to authority granted the Association by the Declaration and Bylaws. Unit Owners also have a right of action against the Association for failing to comply with the provisions of the Declaration and/or Bylaws.

XII.

SEVERABILITY

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

XIII.

INTERPRETATION

The provisions of the Declaration and of the By-Laws to be promulgated and recorded herewith, shall be liberally construed to effectuate the purpose of the Declaration and By-Laws and to create a Building or Buildings subject to and under the provisions of the Unit Ownership Act.

XIV.

MISCELLANEOUS

Utility Easements

In addition to the easements provided for herein, easements are reserved through the condominium property as may be required for utility services, including heat, air conditioning, water, sewer, power, telephone, natural gas and cable television, in order to serve LAKESIDE CONDOMINIUM adequately. However, such easements through the

property or Units shall be only according to the plans and specifications for the Unit Building, as set forth in the recorded plat, or as the Building is constructed, unless approved in writing by the Unit Owner.

#### Right of Access

The Association shall have the irrevocable right, to be exercised by the Manager or Board of Directors, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Limited Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the general or Limited Common Elements or to any other Unit.

Damage to the interior or any part of the Unit resulting from maintenance, repair, emergency repair or replacement of any of the general or Limited Common Elements, or as a result of an emergency repair within another Unit at the instance of the Association, shall be designated either limited or general Common Expenses by the Association and assessed in accordance with such designation.

#### Expenditures

No single expenditure or debt in excess of \$3,000.00 may be made or incurred by the Association or Manager without the prior approval of the majority of the Unit ownership percentage.

#### Benefit

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

#### Service of Process

The name and address of the person to receive service of process for LAKESIDE CONDOMINIUM until another designation is filed of record shall be:

Scot Spratt  
384 Gallatin Park Drive, Suite 101  
Bozeman, MT 59715

#### Signs

The size, location and placement of all signs must be approved by the Association before installation. All signs must be in conformity with any zoning and sign ordinances then in effect.




## Warranties

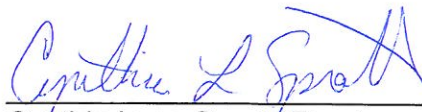
The Declarant expressly makes no warranties or representations concerning the property, the Units, the Declaration, Bylaws, or deeds of conveyance except as specifically set forth therein, and no one may rely upon such warranty or representation not so specifically expressed therein. Estimates of Common Expenses are deemed accurate, but no warranty or guarantee is made or is intended, nor may one be relied upon.

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

### **DECLARANT:**

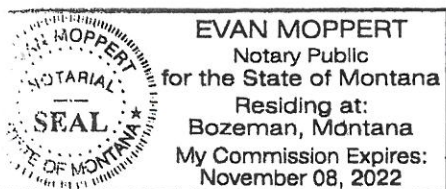
TRIPLE S PROPERTIES, LLC, a Montana  
limited liability company, by

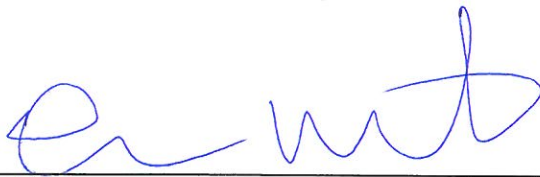
  
Scot Conley Spratt, Trustee of the Scot  
Conley Spratt Living Trust dated  
March 11, 2016, Member

  
Cynthia Lynn Spratt, Trustee of the  
Cynthia Spratt Living Trust dated  
March 11, 2016, Member

STATE OF MONTANA     )  
  : ss.  
County of Gallatin     )

On this 28<sup>th</sup> day of December, 2018, before me, a Notary Public in and for said State, personally appeared SCOT CONLEY SPRATT, Trustee of the Scot Conley Spratt Living Trust dated March 11, 2016 and CYNTHIA LYNN SPRATT, Trustee of the Cynthia Lynn Spratt Living Trust dated March 11, 2016, Members of TRIPLE S PROPERTIES, LLC, a Montana limited liability company, known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that the company executed the same.



  
Printed Name: \_\_\_\_\_  
Notary Public for the State of Montana  
Residing at \_\_\_\_\_, Montana  
My commission expires: \_\_\_\_\_

CONSENT OF MORTGAGEE

COMES NOW, FIRST SECURITY BANK, as the Beneficiary/Lender under that certain Deed of Trust wherein REVX-689 LLC was Grantor, AMERICAN LAND TITLE COMPANY was Trustee, recorded on May 27, 2016 as Document No. 2546468 and as the Beneficiary/Lender under that certain Deed of Trust wherein CYNTHIA SPRATT f/k/a CYNTHIA JOHNSTON was Grantor, AMERICAN LAND TITLE COMPANY was Trustee, recorded on December 6, 2017 as Document No. 2600492, all in the office of the Clerk and Recorder of Gallatin County, Montana against the following described real property:

Lot 3-A of the Amended Plat of Lots 2 and 3 in Block 2 of Gallatin Park Subdivision, City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. [Plat J-300B]

AND HEREBY CONSENTS to the submission of the above described real property to condominium ownership and to the recording of the Declaration and Bylaws for LAKESIDE CONDOMINIUM set forth herein.

DATED this 5 day of December, 2015<sup>18</sup>

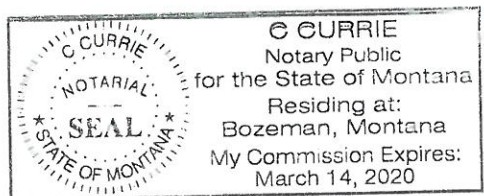
FIRST SECURITY BANK, by




Russ Nelson, Senior Vice President

STATE OF MONTANA     )  
  : ss.  
County of Gallatin     )

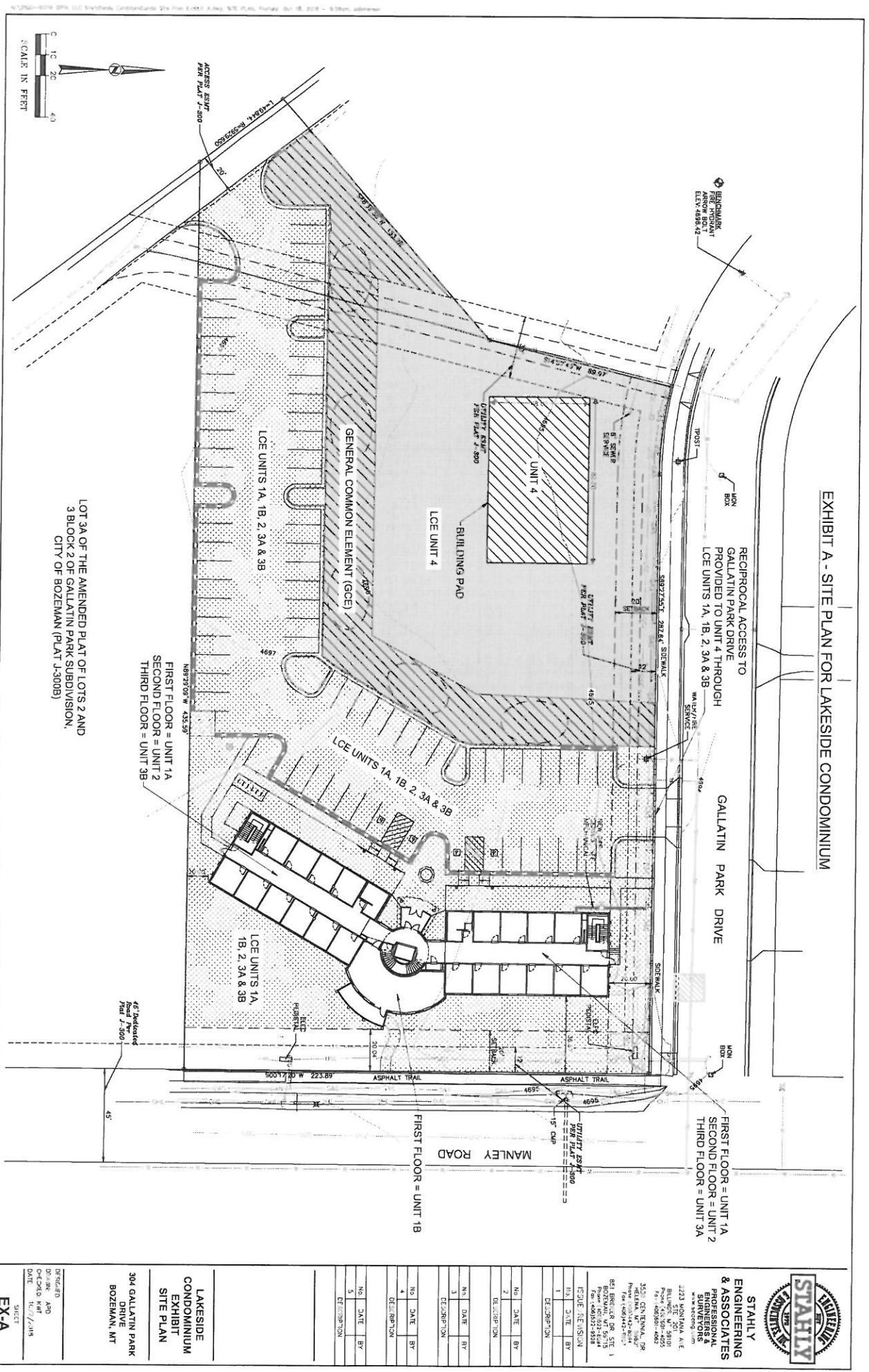
On this 5 day of December, 2018, before me, a Notary Public in and for said State, personally appeared RUSS NELSON, Senior Vice President of FIRST SECURITY BANK, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that the corporation executed the same.



  
Printed Name: C. Currie  
Notary Public for the State of Montana.  
Residing at Bozeman, Montana.  
My commission expires: 3-14-2020



# EXHIBIT A - SITE PLAN FOR LAKESIDE CONDOMINIUM



STAHLY  
ENGINEERING  
& ASSOCIATES  
PROFESSIONAL  
SURVEYORS  
2223 S. 20th Ave.  
Bozeman, MT 59703  
P: 406-592-4400  
F: 406-592-4401  
www.stahly.com

35% GENERAL PER  
PROJECT: LAKESIDE CONDOMINIUM  
PROJECT NO. 2023-001  
DATE: 10/15/2023  
BY: [Signature]  
CHECKED: [Signature]  
DATE: 10/15/2023

1. DATE: 10/15/2023  
2. DATE: 10/15/2023  
3. DATE: 10/15/2023

NO. DATE BY  
1. DATE: 10/15/2023  
2. DATE: 10/15/2023  
3. DATE: 10/15/2023

NO. DATE BY  
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2. DATE: 10/15/2023  
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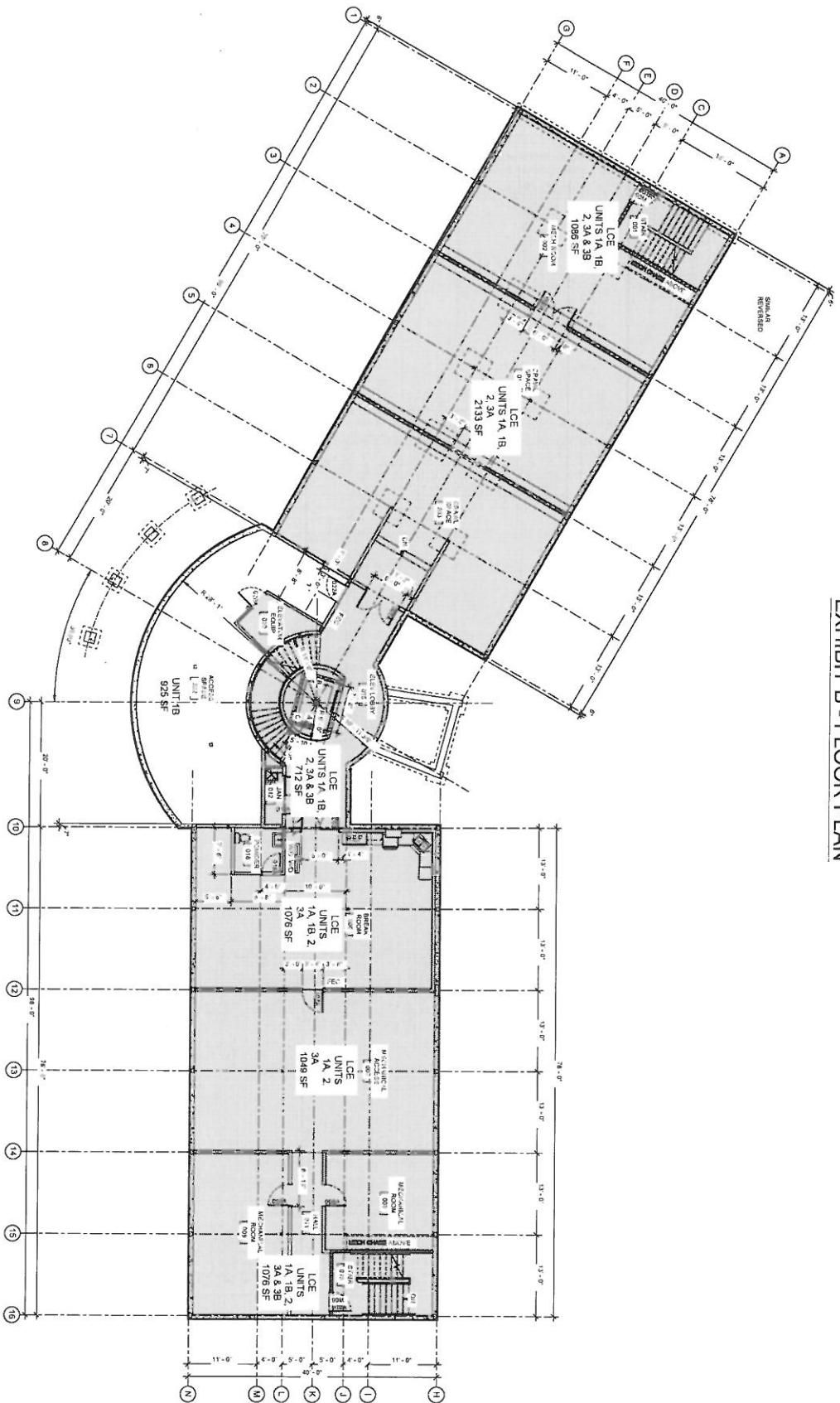
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3. DATE: 10/15/2023

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1. DATE: 10/15/2023  
2. DATE: 10/15/2023  
3. DATE: 10/15/2023

EX-A

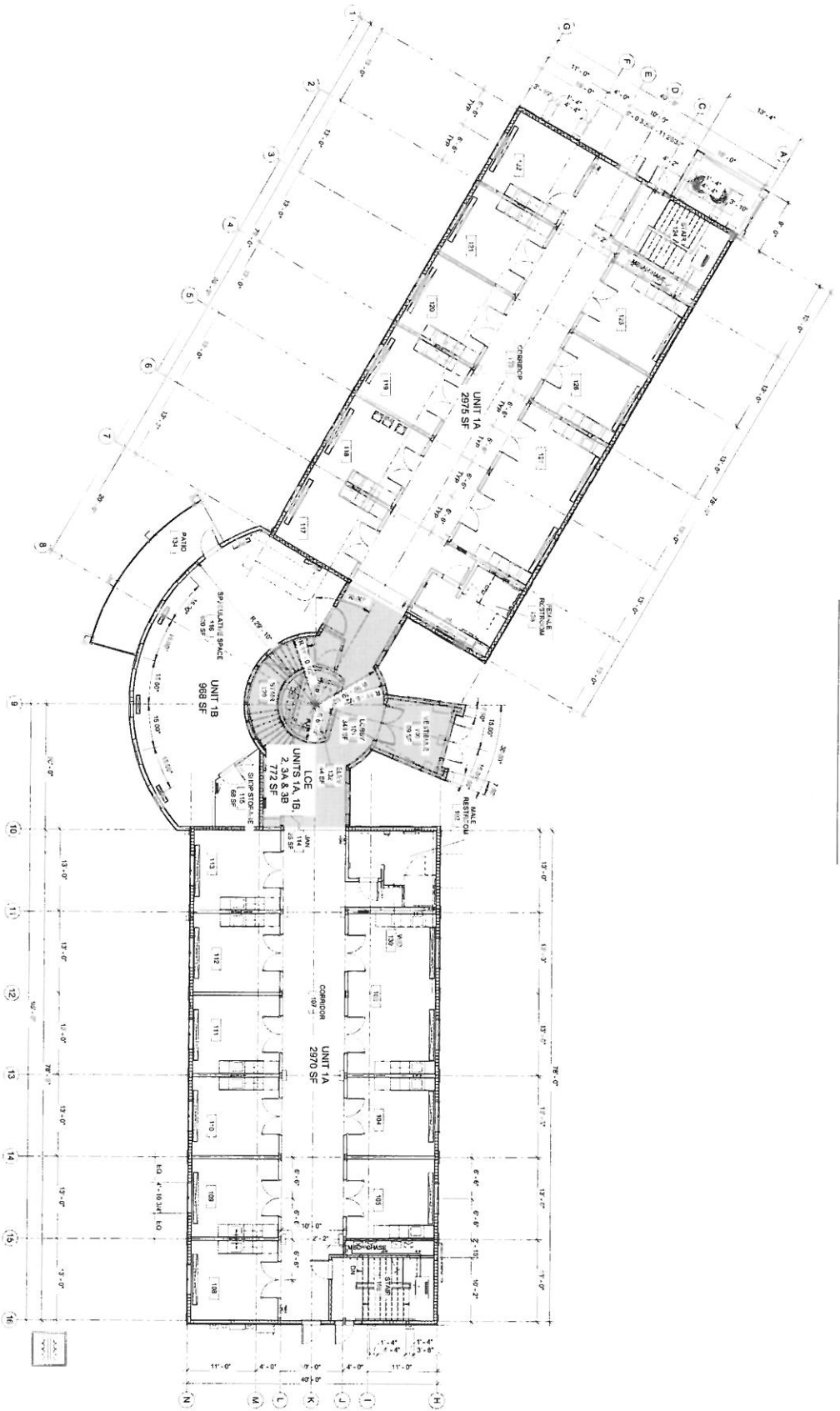
# EXHIBIT B - FLOOR PLAN



DESIGNED  
DRAWN AND  
CHECKED BY  
DATE: 10/16/2018  
SHEET  
**EX-B**

LAKESIDE  
CONDOMINIUM  
EXHIBIT  
BASEMENT  
301 GALLATIN PARK  
DRIVE  
BOZEMAN, MT

# EXHIBIT B - FLOOR PLAN



PROJECT:  
 DRAWN: AEC  
 CHECKED: KAT  
 DATE: 10/16/18

SHEET  
 EX-B

LAKEVIEW  
 CONDOMINIUM  
 EXHIBIT  
 1ST FLOOR  
 304 GALLATIN PARK  
 DRIVE  
 BOZEMAN, MT







## STORMWATER TREATMENT FACILITIES

### MAINTENANCE PLAN

The maintenance matrix below is required to be completed by the property owner after the snow melt each year before the rainy season begins. The stormwater drainage facilities include curb and gutter and a storm retention pond located down gradient. Normal functioning of the facilities may involve retention of water up to 72 hours following significant storm event.

<b>Frequency</b> Annually after all Snow Melt	<b>Observation</b> Inspect flow line of the drainage areas. Look for obstructions, vegetation, debris, litter, sediment, etc. in the flow lines of the drainage areas.	<b>Maintenance Activity</b> Remove litter or any other debris.
	<b>Observation</b> Inspect retention pond for sediment build up, excessive debris and litter.	<b>Maintenance Activity</b> Remove any debris
	<b>Observation</b> Inspect the entire storm drain system from the upstream end to the retention pond.	<b>Maintenance Activity</b> Find and remove any obstruction and debris

EXHIBIT

C

**BYLAWS**  
**OF**  
**LAKESIDE CONDOMINIUM OWNERS ASSOCIATION, INC.**

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I.

**PURPOSE AND APPLICATION**

These Articles are and shall be the Bylaws of the LAKESIDE CONDOMINIUM OWNERS ASSOCIATION, INC. These Bylaws shall, upon being recorded with the Clerk and Recorder of Gallatin County, State of Montana, govern and control the administration of LAKESIDE CONDOMINIUM. All Unit Owners, their employees, business invitees, guests and any renters or sublessees, present and future, shall have the responsibilities described in these Bylaws and shall be subject to the provisions thereof.

The acquisition of an ownership interest in a Unit in LAKESIDE CONDOMINIUM signifies that the Owner accepts, ratifies and agrees to comply with these Bylaws.

II.

**MEMBERSHIP**

Each person owning an ownership interest in a Unit in LAKESIDE CONDOMINIUM shall be a member of the Association. An owner may not decline membership in the Association. Membership begins concurrently with the acquisition of an ownership interest and terminates at the time such ownership interest is terminated. Such termination shall not relieve any owner of liability for obligations incurred while a member of the Association; further, membership in the Association does not in any way negate or impair any owner's legal remedies, right to bring legal action, or defenses to any and all actions involving the Association, other Unit Owners, or the Management, which may arise from or be incidents of unit ownership.

III.

**OBLIGATIONS**

Each Unit Owner shall be obligated to comply with these Bylaws, the Declaration, and the laws of the City of Bozeman, County of Gallatin, the State of Montana and any other governing body with jurisdiction. Such obligations shall include, but not be limited to, the paying of assessments levied by the Association, and the adherence to the protective covenants which are a part of the Declaration. Failure of any owner to abide by these Bylaws, and all rules made pursuant thereto, the Declaration, and the laws of the City of Bozeman, the County of Gallatin, and the State of Montana, shall be grounds for appropriate legal action by the Association or by an aggrieved Unit Owner against such noncomplying Owner. Each Unit Owner shall also comply with any applicable subdivision covenants, rules and regulations for the subdivision in which the Condominium is located.

#### IV.

##### **MEETING AND VOTING**

There shall be a regular meeting of the Association annually at a date, time, and place fixed by the Board. The first annual meeting shall be called by the Declarant and held within ninety (90) days of the closing of the sale of seventy-five percent (75%) of the Units of the Condominium.

Pursuant to these Bylaws, the Association may at any time hold special meetings. Such special meetings may be called: on the initiative of the President of the Association; by the Board of Directors; by a signed request of the Manager; or by a petition signed by Unit Owners representing at least fifty percent (50%) of the Unit ownership interest in the Condominium. Notice of any special meeting must specify the reason for such meeting and the matters to be raised. Only matters set forth in the petition or request may be brought before such meeting unless at least fifty percent (50%) of the Unit ownership interest present agree otherwise.

##### A. Notice.

Notice of all meetings, regular or special, shall be mailed by the Association's Secretary to every Unit Owner of record at his address of record at least ten (10) business days prior to the time for holding such meeting. Such notice shall specify the date, time and place of the meeting and shall make provisions to allow for the voting of each Unit Owner's interest by ballot or proxy at the discretion of the owner. The mailing of a notice in the manner provided in this paragraph or the personal delivery of such notice by the Secretary of the Association shall be considered as notice served.

##### B. Quorum.

No meeting, regular or special, shall be convened to conduct business unless a quorum is present in person or by proxy. A quorum shall consist of at least fifty percent (50%) of the Units ownership interest of LAKESIDE CONDOMINIUM. A Unit Owner may participate in any meeting by means of a conference telephone or similar communication equipment through which all persons participating in the meeting may communicate with the other participants. Participation in a meeting pursuant to this section constitutes presence in person at the meeting. At any time, during any meeting that a quorum is not present, such meeting shall be adjourned forthwith.

#### V.

##### **VOTING INTEREST**

Each Unit at Association meetings shall have a vote equal to said Unit's percentage of interest in the General Common Elements as set forth in the Declaration, a copy of



which is being filed concurrently with the filing of these Bylaws with the Clerk and Recorder of Gallatin County, State of Montana.

In the event that Unit Owners of the same Unit cannot agree as to how to vote that Unit's interest, said Unit's vote shall be suspended for that particular matter. Voting upon matters affecting Limited Common Elements and assessments for Limited Expenses shall be only by owners having a Unit or interest in Units located in the building affected. In the event that a Unit is delinquent in payment of assessments, that Unit's vote shall be suspended until such time as said delinquent assessment is brought current.

Whenever a quorum is present at a meeting of the Association or the Board of Directors, those present may do any and all acts they are empowered to do unless specific provisions of these Bylaws, the Declaration, or the laws of the State of Montana direct otherwise.

## VI.

### **BOARD OF DIRECTORS**

The governance of LAKESIDE CONDOMINIUM shall be by a Board of three (3) Directors, elected among the Unit Owners. Until at least seventy-five percent (75%) of the condominium Units have been sold, the Board shall consist of three (3) persons appointed by the Declarant, who shall serve until the first annual meeting of the Association, at which time a new Board shall be elected. The initial directors appointed by the Declarant are listed below. The Board shall have all powers and responsibilities attendant to the general administration and control of the condominium. Additionally, the Board shall have the authority necessary to carry into effect the powers and duties specified by these Bylaws.

## VII.

### **OFFICERS OF THE BOARD OF DIRECTORS**

The Association shall elect from its membership a Board of Directors which shall consist of a President, Secretary, and Treasurer, who shall all serve for a term of one (1) year. The manner of election of the Board of Directors shall be as follows:

At the first and all subsequent annual meetings of the Association, nominations for positions on the Board shall be accepted from any of the Unit Owners present. Voting will be noncumulative, with each Unit having a vote equal to said Unit's ownership percentage for each nominated person. Board members shall be elected by majority vote of the Unit ownership percentage present or voting by proxy at any annual or special meeting at which a quorum is reached.

## VIII.

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

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

- A. To call annual meetings of the Association and give due notice thereof.
- B. To conduct elections of the Board of Directors.
- C. To enforce the provisions of the Declaration, Bylaws, and protective covenants of LAKESIDE CONDOMINIUM by appropriate action.
- D. To promulgate and adopt rules and regulations for the use of the Common Elements and for the occupancy of the Units so as not to interfere with the peace and quiet of all the residents. Such rules may be revoked or modified by majority vote of the ownership interest at any regular or special meeting of the Association.
- E. To provide for the management of LAKESIDE CONDOMINIUM by hiring or contracting with suitable and capable management and personnel for the day-to-day operation, maintenance, upkeep and repair of the General Common Elements and Limited Common Elements.
- F. To levy assessments as allowed by the Declaration, these Bylaws and the State of Montana, and to provide for the collection, expenditure and accounting of said assessments.
- G. To pay for the expenses of the maintenance, repair and upkeep of the General Common Elements and the Limited Common Elements, and to approve payment vouchers either at regular or special meetings.
- H. To delegate authority to the Manager for the routine conduct of condominium business, however, such authority shall be precisely defined with ultimate authority at all time residing in the Board of Directors.
- I. To provide a means of hearing grievances of Unit Owners and to respond appropriately thereto.
- J. To meet at regularly scheduled times and to hold such meetings open to all Unit Owners or their agents.
- K. To prepare an annual budget for the condominium in order to determine the amount of the assessments payable by the Unit Owners to meet the Common Expenses and Limited Expenses, and allocate and assess such

charges among the Unit Owners according to their respective interests in the General Common Elements and Limited Common Elements.

- L. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses, costs, or additional capital expenses, or because of emergencies.
- M. To take appropriate legal action to collect any delinquent assessments, payments or amounts due from Unit Owners, or from any person or persons owing money to the condominium, and to levy a penalty and to charge interest on unpaid amounts due and owing. However, other than for the collection of delinquent assessments or accounts, the Board shall not initiate any litigation or lawsuit without prior approval of at least two-thirds ( $\frac{2}{3}$ ) of the aggregate unit ownership in the condominium.
- N. To defend in the name of the Association any and all lawsuits wherein LAKESIDE CONDOMINIUM is a party defendant.
- O. To enter into contracts necessary to carry out the duties herein set forth.
- P. To establish a bank account for LAKESIDE CONDOMINIUM, and to keep therein all funds of the Association. Withdrawal of monies from such accounts shall only be by checks signed by such persons as are authorized by the Board of Directors.
- Q. In general, to act for and carry on the administration and affairs of the Association as authorized and prescribed by the Declaration, and to do all those things which are necessary and reasonable in order to carry out the governance and operation of LAKESIDE CONDOMINIUM.
- R. To make repairs, alterations, additions, and improvements to the General Common Elements and Limited Common Elements consistent with managing the condominium in a first class manner and in the best interest of the Unit Owners.
- S. To provide for the perpetual maintenance of the general common open area and landscaping, the parking areas and driving lanes, and any stream/ditch and irrigation canals, and to make any assessments necessary for such maintenance as provided herein. Such maintenance shall specifically include the control of County declared noxious weeds.
- T. To arrange, keep, maintain and renew the insurance for the Association as set forth in the Declaration.

- U. If applicable, to receive and make payment for common utility expenses for all of the condominium Units. The pro-rata portion of the utility expenses shall be paid by the unit owners as part of, or in addition to, their condominium assessment, with the method of payment to be determined by the Board.
- V. To levy fines as more particularly set forth in the Declaration.
- W. To carry out the duties and responsibilities of the Board in all other matters as may be authorized, needed or required by the Declaration.

IX.

#### **VACANCIES AND REMOVAL**

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

Subject to Declarant's right to appoint the members of the Board set forth above, at any regular or special meeting of the Association, any member of the Board may be removed by majority vote of the aggregate unit ownership interest. Such vacancy shall be filled by the Association's members. Such removal matter must be announced in the notice of such regular or special meeting.

X.

#### **COMPENSATION**

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

XI.

#### **MANAGER**

If the Board elects to hire a Manager, said Manager shall be appointed and/or removed by the Board of Directors. The Manager (or any member of the Board or Association handling Association funds or having power to withdraw or spend such funds) shall be bonded if required by the Board of Directors, and shall maintain the records of the financial affairs of the condominium.

- A. Accounts: The Manager shall keep detailed accurate records in chronological order of the receipts and expenditures affecting the Common Elements, itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. The receipts and expenditures of the Association shall be under the direction of the Manager and be classified as appropriate into Common Expenses and Limited Expenses, and shall include a provision for current expenses which shall include all receipts and expenditures to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or betterments. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year. Other budget items may be provided for in the discretion of the Manager. All records shall be available for examination during normal business hours to any Unit Owner or his or her assigned representative. All functions and duties herein provided for the Manager may be performed by the Board, or the President, if the Board should decide not to have a Manager.
- B. Budget: The Manager shall prepare and submit to the Board each calendar year, a budget, which must be approved and adopted by the Board. The budget shall include the estimated funds required to defray the Common Expenses and Limited Expenses and to provide and maintain funds for the foregoing accounts according to good accounting practices.
- Copies of the budget and proposed assessments shall be transmitted to each Unit Owner on or before December 15 of the year preceding the year for which the budget is made.
- C. Financial Report: A financial report of the accounts of the Association may be made annually by a Certified Public Accountant, if required by the Board of Directors, and a copy of the report shall be furnished to each Unit Owner no later than March 1st of each year for which the audit is made.
- D. Inspection Rights: The Association shall make available, for inspection upon request during normal business hours, to Unit Owners, lenders, prospective purchasers, and the holders and insurers of the first mortgage on any Unit, current copies of the Declaration, Bylaws and other rules governing the Condominium, and other books, records and financial statements of the Association.

The Manager shall generally operate and manage the condominium for and on behalf of the Unit Owners and shall have such other powers and authority as the Board may designate. If there is no Manager or if the Manager resigns, is terminated or his contract expires, the Board shall perform all the duties of the Manager.



XII.

**AMENDMENT OF BYLAWS**

These Bylaws may be amended at any regular or special meeting of the Association. Upon a vote of at least seventy-five percent (75%) of the Unit ownership percentage, the amendment shall be declared adopted.

An amendment may also be adopted at any time without a meeting if it is approved in writing by the notarized signatures of one hundred percent (100%) of the Unit Owners.

The Secretary shall as soon as practicable after adoption, prepare a copy of these Bylaws as amended for certification by the President and Secretary of the Association. Such amended and certified Bylaws shall then be filed and recorded in the office of the Clerk and Recorder of Gallatin County, State of Montana. Bylaws as amended shall become effective at the time of such recording.

XIII.

**ASSESSMENTS**

In accordance with the percentage of interest in the General Common Elements as set forth in the Declaration, each Unit Owner shall be assessed for Common Expenses, which shall include the expenses of any properly created special improvement districts (SIDs) affecting the property, including, but not limited to, lighting districts, street maintenance and tree maintenance. Such assessments, and assessments for Limited Expenses, shall be collected and paid according to the terms and under the procedures more particularly set forth in the Declaration. The amount of assessments described above and any other assessments allowed by these Bylaws, the Declaration, and by the State of Montana, shall be fixed by the Board of Directors at any regular or special meeting. Notice of each Unit Owner's assessments shall be mailed to said owner at his or her address of record.

XIV.

**THE DECLARATION**

The undersigned has filed, along with these Bylaws, a Declaration whereby the properties known as LAKESIDE CONDOMINIUM are submitted subject to Title 70, Chapter 23, M.C.A. The Declaration shall govern the acts, powers, duties and responsibilities of the Association, and in the event these Bylaws and the Declaration are in conflict, the Declaration shall prevail.

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

By virtue of these Bylaws and the Declaration, each Unit Owner has the right to membership in the Association and any Unit Owner may be on the Board of Directors of LAKESIDE CONDOMINIUM subject to the Declarant's rights to appoint the Board as provided herein.

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


IN WITNESS WHEREOF, the undersigned, as the owner of record of all of the Units of LAKESIDE CONDOMINIUM and one hundred percent (100%) of the voting interests of LAKESIDE CONDOMINIUM as of the date hereof, hereby appoints the following persons to serve on the Board of Directors until the first annual meeting of the Association, to-wit:


Scot C. Spratt, President  
Cheryl A. Spratt, Secretary  
William C. Spratt, Treasurer

And, the Declarant hereby declares and affirms the adoption of the foregoing Bylaws on the 28<sup>th</sup> day of December, 2018.

**DECLARANT:**

TRIPLE S PROPERTIES, LLC, a Montana  
limited liability company, by

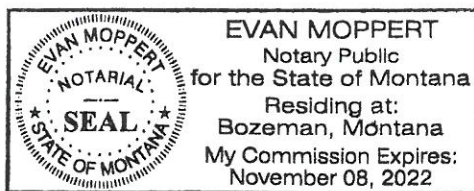
  
Scot Conley Spratt, Trustee of the Scot  
Conley Spratt Living Trust dated  
March 11, 2016, Member

  
Cynthia Lynn Spratt, Trustee of the  
Cynthia Spratt Living Trust dated  
March 11, 2016, Member

STATE OF MONTANA )

County of Gallatin : ss.

On this 28<sup>th</sup> day of December, 2018, before me, a Notary Public in and for said State, personally appeared SCOT CONLEY SPRATT, Trustee of the Scot Conley Spratt Living Trust dated March 11, 2016 and CYNTHIA LYNN SPRATT, Trustee of the Cynthia Lynn Spratt Living Trust dated March 11, 2016, Members of TRIPLE S PROPERTIES, LLC, a Montana limited liability company, known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that the company executed the same.



Evan Moppert  
Printed Name: \_\_\_\_\_  
Notary Public for the State of Montana  
Residing at \_\_\_\_\_, Montana  
My commission expires: \_\_\_\_\_