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Shelley Vance-Gallatin Co MT MISC 264.00

DECLARATION OF CONDOMINIUM

FOR

COPPER BLOOM CONDOMINIUM HOMES

Wells Development, L.L.C., a Montana limited liability company with its principal place of business in Bozeman, Montana (the "Declarant" and the "Developer"), executes this Declaration of Condominium for Copper Bloom Condominium Homes (the "Declaration") to submit the real property described herein to the provisions of § 70-23-101, et seq., Montana Code Annotated, known as the Unit Ownership Act, to be known as Copper Bloom Condominium Homes (the "Condominium"), to take effect when filed for record in the office of the Gallatin County, Montana, Clerk and Recorder, and as otherwise required by law.

ARTICLE I

PURPOSE AND CERTAIN DEFINITIONS

1. Purpose. The purpose of this Declaration is to submit and convey the lands described in this Declaration, and the buildings and other improvements constructed or to be constructed on the lands, to the condominium form of ownership and use pursuant to Montana law. Developer has constructed, or is constructing, eleven (11) Buildings: five (5) Buildings with eight (8) Units each, five (5) Buildings with twelve (12) Units each, and one (1) Building with three (3) Units, along with twelve (12) Garage Structures containing a total of one hundred twelve (112) garage stalls, all in accordance with the terms of this Declaration. Developer reserves the right to add additional land and to construct additional units, but shall not be required to do so.

2. Use of Terms and Definitions. The terms employed in this Declaration have the meanings given them in the Unit Ownership Act, unless the context or the more particular provisions of any Condominium Document requires a different one. Certain terms are used as follows:

- (a) Plural and Gender. All words or phrases shall be taken to include the singular or plural, according to context, and to include the female, male, or neuter gender as may be applicable.

A condominium Recording Only
5/10/2002



- (b) Tense. Upon the effective date of this Declaration, use of the present tense shall include the future tense and use of the future tense shall include the past or present tense as may be applicable, particularly where the subject matter relates to completion of an improvement that has not been or already has been completed, as the case may be.
- (c) Successors. References to Developer, owner, or to any entity or association shall include the respective successors, grantees, and assigns thereof.
- (d) Units. The term "Unit" means generally an area defined by surfaces or planes which is capable of being owned as a separate parcel of real property under the Unit Ownership Act, which includes, but is not limited to, the living areas. This Declaration defines a total of up to one hundred (100) Units that are capable of being owned as separate parcels of real estate when all phases of planned development are completed.
- (e) Buildings. The term "Building" shall refer to any structure containing one or more Units which is constructed on the land submitted to condominium ownership pursuant to the Unit Ownership Act. This Declaration provides for, and defines, up to eleven (11) Buildings when all phases of planned development are completed.
- (f) Condominium Documents and Property. This Declaration, the Bylaws, all other attached exhibits, and all supplements and amendments constitute the "Condominium Documents." The terms "Condominium Property" or the "Property" include all property, real, personal, or mixed, including such as are sometimes referred to as "facilities," submitted now or later to condominium ownership pursuant to the Unit Ownership Act or owned by the Association if context requires, other than the sole personal property of Developer or any owner.
- (g) Eligible Mortgage Holder. An eligible mortgage holder is the holder of a first mortgage on a Unit estate who has submitted a written request that the Association notify it of any proposed action requiring the consent of a specified percentage of eligible mortgage holders.



- (h) Garage Structure. The term "Garage Structure" means a structure which contains designated, separately-identifiable garage stalls and which is constructed on the land submitted to condominium ownership pursuant to the Unit Ownership Act.
- (i) Association. The term "Association" means the Copper Bloom Condominium Homes Owners' Association, Inc., a non-profit corporation organized under § 35-2-101, et seq., Montana Code Annotated, to serve as the council of the owners of the of the Units.
- (j) Bylaws. The term "Bylaws" means the Bylaws of the Association.

ARTICLE II

DESCRIPTION OF LAND AND BUILDINGS; PRINCIPAL MATERIALS

1. Land. The land conveyed and submitted to the Unit Ownership Act is situated in Gallatin County, Montana, and is legally described as follows:

Lots 1 and 2 of Block 10 of the River Rock Subdivision, Phase 2A. a tract of land located in the SW ¼ of Section 3, Township 1 South, Range 4 East, P.M.M., Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. (Plat Reference: J-292)

(hereafter, the "Land").

TOGETHER WITH the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and easements for ingress and egress, sewer and water systems, telephone, power, other utilities, and cable services to each Building and Unit as shown or delineated on the subdivision plat or certificate of survey, site plan, and other documents filed or recorded with the Clerk and Recorder of Gallatin County, Montana, and reserving the non-exclusive use thereof to the Unit owners and a general easement therefor to the Association.

Reserving unto Declarant and its successors and assigns non-exclusive easements and rights of way for ingress, egress, and utilities and right to construct, use, and convey present and future condominiums, Buildings, and Units located on the Property; along with the right, during and for any purpose



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concerning the construction of any Building and the finishing of any Unit or proposed Unit therein, to use, access, and go upon the general common elements for access, deliveries, and the placement or temporary parking of vehicles, materials, and equipment.

The real property submitted to the Unit Ownership Act is subject to existing easements, covenants, articles of incorporation, bylaws, terms, conditions, obligations, disclosures, reservations, restrictions, dedications, conditions shown and delineated in the Condominium Documents, plats, site plans, and other documents filed or recorded with the Clerk and Recorder of Gallatin County, Montana, or the state of Montana, and subject to applicable zoning ordinances and land use restrictions, if any, laws and regulations of the state of Montana and the United States of America, and also subject to taxes, assessments, and charges levied by Gallatin County, improvement districts, sewer and water districts, fire districts, and any other district or taxing authority, if any.

The Property submitted to the Unit Ownership Act pursuant to this Declaration is also subject to the First Amended Declaration of Covenants, Conditions, and Restrictions for River Rock, Gallatin County, Montana, filed and recorded in the office of the Clerk and Recorder of Gallatin County, Montana, beginning at Film 201, Page 2283, and as that document may be amended. In addition, the Property is within the River Rock Zoning District of Gallatin County, Montana, and the River Rock Zoning Ordinance and corresponding River Rock Master Plan are the governing administrative documents enforced by Gallatin County. The River Rock Covenants, Conditions, and Restrictions are in addition to the basic zoning district regulations and provisions which are administered by Gallatin County, and the Property is further subject to the requirements, restrictions, and conditions set forth in these Condominium Documents. In addition to assessments upon Units as provided by the Condominium Documents, assessments may also be levied upon Units, and payable by the owners of Units, by and through the River Rock Property Owners Association.

2. Development in Phases. The Condominium is planned to be a 103-Unit residential condominium development at River Rock in Belgrade, Montana. Upon ultimate completion of the entire project, the project will consist of eleven (11) Buildings containing a total of one hundred three (103) single-residential condominium Units. Throughout the development of this project, Developer retains the right and will retain the right to develop less than one hundred three (103) single-residential Units in the project and less than eleven (11) Buildings as part of the project, but, in any event, the project will not consist of more than eleven (11) Buildings and one hundred three (103) residential condominium Units.

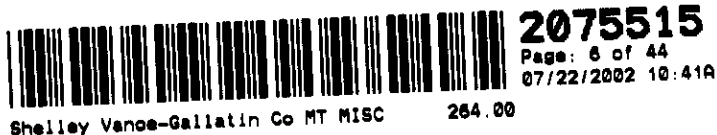
3. Site Plan and Description. Attached as Exhibit A is the Site Development Plan which shows the eleven (11) Buildings, each identified by number and street address (all of which are in Belgrade, Montana, 59714), along with a designation of the number of Units to be contained in each Building and the number of levels in each Building, as follows:

<u>Building #</u>	<u>Address</u>	<u># of Units</u>	<u># of Levels</u>
1	21 North Shore Drive	8	2
2	31 North Shore Drive	8	2
3	41 North Shore Drive	3	2
4	51 North Shore Drive	12	3
5	61 North Shore Drive	12	3
6	71 North Shore Drive	12	3
7	81 North Shore Drive	12	3
8	91 North Shore Drive	12	3
9	101 North Shore Drive	8	2
10	111 North Shore Drive	8	2
11	121 North Shore Drive	8	2

None of the Buildings will have a basement. In addition, there are eighteen (18) Garage Structures that contain spaces for eight (8) or sixteen (16) stalls, as set forth on the Site Development Plan that is Exhibit A, for a total of one hundred twelve (112) stalls.

4. Use. The use for each Building, each Unit contained therein, each Garage Structure, and all common and limited common elements is for residential purposes only, subject, however, to Developer's reserved rights of use as described in Article VI of this Declaration.

5. Service of Process. The name and address of the person designated to receive service of process for the Condominium, until another designation is filed of record, are Tom W. Stonecipher, 1439 West Babcock, Bozeman, Montana, 59715.



6. Particulars of Units; Certificate of Architect. Attached to this Declaration as Exhibits B-1, B-2, and B-3 are the floor plans and layouts for the Units that are contained in Buildings 1 through 11. Exhibit B-1 (consisting of 2 pages) shows the floor plans and layouts for the Units to be contained in Buildings 1, 2, 9, 10, and 11 (8-plexes). Exhibit B-2 (consisting of 3 pages) shows the floor plans and layouts for the Units to be contained in Buildings 4, 5, 6, 7, and 8 (12-plexes). Exhibit B-3 (consisting of 2 pages) shows the floor plans and layouts for the Units to be contained in Building 3 (a 3-plex). The square footages of the Units are set forth on Exhibits B-1, B-2, and B-3 accordingly. A Certificate of Architect concerning the floor plans in Exhibits B-1, B-2, and B-3 is attached to this Declaration as Exhibit C.

7. Principal Materials. The principal construction materials for each Building and Unit are described on Exhibit D to this Declaration.

ARTICLE III

IDENTIFICATION OF UNITS

1. Location and Numbering of Units. In each Building, the Units will be numbered. In Buildings 1, 2, 9, 10, and 11, the Units will be numbered 1 through 8, consecutively. In Buildings 4, 5, 6, 7, and 8, the Units will be numbered 1 through 12, consecutively. In Building 3, the Units will be number 1 through 3, consecutively. The Unit rooms, the dimensions of the Units, and the common areas to which the Units will have access are all shown and depicted on Exhibits B-1, B-2, and B-3.

2. Identification of Units Not Completed. Developer reserves the right to amend this Declaration to make other modifications as set forth in Article VI.

ARTICLE IV

DESCRIPTION/DEFINITION OF COMMON ELEMENTS AND UNITS

The condominium consists of Units that are separate parcels of real estate individually owned and of common property ("common elements") that may be used by the Unit owners. The common elements are either "general common elements" or "limited common elements".

1. General Common Elements. The general common elements are the land and all improvements, devices and installations existing for the common use, except the Units and such common elements as are specifically defined as



limited common elements. The general common elements include, without being limited thereto, (i) the land, private drives, paths, all personally required by the Association for its functions as the council of co-owners, all outside parking areas, common water system and meter, common lighting system, (ii) all landscaping and plantings, sidewalks, outside lighting systems and fixtures that are not reserved as a limited common element for the use of a specific Unit and (iii) all devices or installations existing for common use. Developer reserves the right, in Developer's sole discretion, to build a pool and clubhouse facility in or adjacent to Building 3 that, if constructed, shall be a general common element of the Condominium.

All general sewer, water, electrical, gas, telephone and other utility or service lines that are not reserved for the use of a particular Unit are general common elements. The general common elements shall include easements to Units for all such lines, wiring, ducts and the like above referred to for the furnishing of utility and other services or systems to the other Units and to the common property and easements of support in every portion of a Unit which contributes to the support of the improvements.

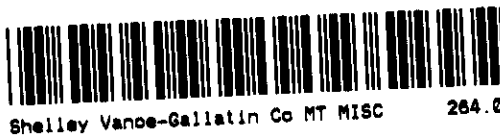
2. Limited Common Elements. The limited common elements include such common property that is reserved for the use of a particular Unit to the exclusion of other Units. The common property that is specified and determined to constitute a limited common element for the sole use of a Unit includes, but is not limited to, (i) all of the external and internal structural and non-structural elements of a Unit, including the foundations, basements, floors, exterior walls, ceilings, roofs, stairways, decks, patios, entrances and exits of a particular Unit, (ii) all fixtures, attachments, machines, equipment, utility lines, service lines, driveways, sidewalks, landscaping, plantings and outside lighting systems and fixtures that pertain to the use of a particular Unit, and (iii) the garage stall in the Garage Structure which corresponds to the Building number and Unit number.

3. Units. Each Unit shall consist of the area between the interior surfaces of its perimeter walls (including windows and sliding doors or windows, and including the interior surface of the exterior door(s)), and between the lower surface of the ceiling and the upper surface of the concrete slab or the floor. In all cases, a Unit shall include and be defined by the surfaces referred to and shall include any non-load bearing partitions within.

ARTICLE V

FRACTIONAL INTEREST OF EACH UNIT IN THE COMMON ELEMENTS; VOTING RIGHTS

1. Fraction of Ownership Interest; Voting Rights.



1.1. Fractional Adjustment. The owner of each Unit shall own as an appurtenance an undivided interest in the lands and other common elements of the Condominium, both limited and general. Such interest shall be the same in both the limited common elements and the general common elements, notwithstanding any exclusive right of use of any limited common element which may be appurtenant to a particular Unit.

1.2. Fractional Interest of Undivided Ownership. At the completion of all Buildings proposed for the Condominium, each Unit owner shall have a 1/103 fractional interest of undivided ownership in the land and other common elements in the Condominium, and, upon completion, each Unit conclusively shall be presumed to have a value equal to 1/103 of the whole, provided, however, that Declarant may elect not to construct the entire one hundred three (103) Units subject to this Declaration. The Declarant reserves the right to file a supplemental declaration increasing the fractional interest of undivided ownership in the land and other common elements of each Unit owner to the appropriate pro rata share of the same based on the number of Units ultimately constructed in the Condominium. Declarant specifically reserves the right to terminate and conclude this project before constructing all one hundred three (103) Units as contemplated. The fractional interest may also be changed as provided in Article VI (2).

2. Voting Rights. The initial total number of votes outstanding and entitled to be cast by the owners is one hundred three (103), which is equal to the number of Units in the completed project. The owner or owners (collectively) of each Unit, as such and as an Association member (if applicable) shall be entitled to cast one vote for each Unit. Developer is entitled to cast one vote for each unsold Unit and one vote for each unbuilt Unit in the project.

ARTICLE VI

DEVELOPER'S RESERVED RIGHTS AND POWERS

1. Developer's Activities and Unit Ownership. Developer is irrevocably and perpetually empowered, notwithstanding any use, designation, restriction or other provision of the Declaration to the contrary, to sell, lease, or rent Units without restriction of any kind. Developer shall have the right to transact on the condominium property any business relating to construction, sale, lease or rental of Units, including, but not limited to, the right to maintain models, offices, signs, employees and equipment and materials on the premises and to use common elements to show Units. A sales and rental office, signs and all items and equipment pertaining to sales or rentals or other facilities furnished



by the Developer shall not be considered common elements and shall remain its separate property. Until Developer conveys title, Developer shall be and remain the owner of all Units, all under the same terms and conditions as other owners including membership in the Association save for this right to sell, rent, or lease. Units that have not been built shall not be subject to assessment. Units that have been built and are owned by the Developer shall only be subject to assessment and lien for "current expenses" of the Association as distinguished from assessments for "reserves" or "emergencies" as referred to in the Bylaws, and furthermore Developer shall have the option of either paying such current expense assessment on unsold Units, or, in lieu thereof, to make up any deficiencies existing in the current operational and maintenance expenses of the Condominium. If Developer makes up such deficiencies, the lien of any assessments against its Units shall be automatically discharged but the Association upon request shall satisfy or release such lien in writing.

1.1 Working Capital Fund. The Developer shall establish a working capital fund to meet unforeseen expenditures or to purchase any additional equipment or services while Units are under construction and have not yet been sold. The Developer shall establish the initial working capital fund in an amount equal to at least two (2) months of estimated common charges for each Unit when construction of the Unit has begun. Any amounts paid into this fund shall not be considered advance payments of regular assessments. The Developer may not use working capital funds to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficits while Developer is in control of the Association. When a Unit for which Developer has made a working capital fund contribution is sold, the Developer may charge, at closing, an amount equal to the working capital fund contribution it made for that Unit and may reimburse itself for that amount. The working capital fund shall be transferred to the Association for deposit to a segregated fund to be used for appropriate purposes (whether as reserves or otherwise) when control of the Association is transferred from the Developer to the Unit owners.

2. Construction of Units and Reservation of Rights to Modify Units without Amendment of the Declaration. Developer reserves the right on its own initiative or pursuant to agreement with the purchaser of a particular Unit, or at the request of mortgagees, any insurance carrier, the architect, or the public authorities to make or authorize variations or adjustments of an insubstantial character that are not meaningfully prejudicial to the rights of owners and do not materially affect such rights or the value of a Unit, which variations or adjustments are permitted without the necessity of consent by other owners and

shall not constitute an amendment of this Declaration. Variations which do materially affect such rights or value shall be limited to a change in the location of the buildings or a reduction by more than ten percent (10%) in size, physical layout or design of a Unit, except that slight deviations required by construction or arising from the installation of the walls and/or partitions, changes in the location or design of a non-load bearing partition, closet or other feature within a Unit, and slight variations in the location of the condominium which an accurate survey would show are permitted and the right to make the same reserved by Developer. Notwithstanding the foregoing, the Developer shall not have any obligation to construct any additional Units or improvements to be added to this Condominium.

3. Termination of Developer's Rights/Voting Rights/Adjustment of Fractional Interest. On December 31, 2015, Developer's right to develop Units shall terminate with respect to all Proposed Units that have not been built. Until such time, Developer shall be entitled to cast one vote for each Unit, built or unbuilt, owned by the Developer.

If Developer's right to construct Units terminates as provided in this, Declaration, then the fractional interest in the common elements appurtenant to each existing Unit shall be in a fraction which has one as its numerator and the total number of built Units as its denominator. Declarant may amend this Declaration to record this increase in fractional interest ownership in then-existing Units.

4. Designation of Association Directors. Developer shall have the right to nominate or appoint all of the members of the board of the Association, who need not be owners of Units, until the annual meeting of the members of the Association in 2004 or until the annual meeting or any special meeting in any prior year, if at such meeting in any prior year Developer elects to relinquish to the Association the right to elect such board of directors. If Developer does not exercise its right to nominate or appoint the members of the board, the Association shall elect the directors.

5. Additional Improvements. At any time prior to December 31, 2015, Developer may, in its sole discretion, and as allowed by law, construct improvements on the real estate described in Article II, which improvements shall be in addition to the Units contemplated by this Declaration. Such improvements may include, without limitation recreational facilities, or additional drives or parking facilities. Such improvements shall be for the benefit of the owners of Units and shall be general common elements. Developer shall have no obligation to construct any additional improvements. If Developer constructs such additional improvements, Developer shall file such amendments to this Declaration as are necessary to fully describe the improvements.

6. Assignment of Developer's Rights. Developer may assign all of its rights and powers under this Declaration, in whole or in part, without the consent of Unit owners or the Association.

ARTICLE VII

APPURTENANCES TO UNIT OWNERSHIP AND TRANSFER; SUBDIVISION

1. Appurtenances. The ownership of each Unit shall include all of the appurtenances, including, but not limited to, the following:

- (a) Fractional Interest of Ownership of Common Elements and Funds; Liabilities for Expenses. There shall be appurtenant to each Unit and the ownership thereof an undivided fractional interest of ownership in or liability for (1) the general common elements, (2) the limited common elements, (3) the funds and surplus, if any, of the Association, and (4) except as otherwise specifically provided in this Declaration, the common expenses and liabilities of the Association. Such undivided fractional interest of ownership or liability shall be identical as to each of the four aspects above named, and the amount of such fractional interest or liability shall be the fraction (as may be adjusted as provided in this Declaration) fixed pursuant to and as set forth in or adjusted pursuant to Article V.
- (b) Encroachment Easements. If any portion of the common elements encroaches upon any Unit or any other portion of the common elements, or if any Unit encroaches upon any other Unit or upon any portion of the common elements upon completion of construction, or if any of such encroachments shall occur thereafter as a result of shifting or settling of a Building or from alteration, repair or improvement to the common elements and/or as a result of repair or restoration of the common elements or a Unit after damage by fire or other casualty, or as a result of condemnation or eminent domain proceedings, then in each of such events a valid easement shall exist for such encroachment and for the maintenance thereof so long as the Buildings, common elements and Units exist.

- (c) Cross Easements. The appurtenances shall include, so long as the Buildings, common elements and Units exist, easements from each Unit owner to each other Unit owner and to the Association and from the Association to the respective Unit owners as required as follows:
 - (i) Ingress, Egress and Maintenance. Easements are reserved for ingress and egress through the common areas for access to the Units and through the common areas and the Units for purposes of maintenance, repair, replacement or reconstruction of each as authorized;
 - (ii) Support. Every portion of a Unit contributing to the support of a Building is burdened with an easement of support for the benefit of all other Units and common elements in or of the Building;
 - (iii) Utilities and Other Services. Easements are reserved through the Units and common elements for conduits, ducts, plumbing, wiring, piping and other facilities for the furnishing of utility or other services and facilities to the other Units and common areas, provided such easements through a Unit shall be only according to the plans and specifications for a Building as and if varied during construction as permitted in this Declaration unless otherwise agreed by the Unit owner.
- (d) Possession and Use of Unit, Including Air Space. In addition to the fee simple ownership of a Unit, there shall be as an appurtenance an exclusive easement for the possession and use of the air or room space within the Unit and to the limited common elements of that Unit as the same exists from time to time or as altered or reconstructed from time to time subject to necessary and authorized easements for maintenance, repair and the like; which appurtenance shall be terminated automatically in the event of termination of the Condominium.

2. Assignment or Transfer of Appurtenances; Severance. The ownership of each Unit shall include and there shall pass and be transferred in the event of any transfer of ownership of such Unit as a parcel of realty or of any owner's right, title or interest in the Unit, whether by deed, mortgage, other instru-



ment or otherwise than by an instrument, all of the appurtenances whether enumerated and separately described or not; and no part of the appurtenant interest of any Unit may be sold, transferred or otherwise disposed of except in connection with the sale, transfer or other distribution of the Unit itself or all Units in the Condominium.

3. Subdivision; Partition. No Unit shall be subdivided, nor shall any Unit be partitioned.

4. Liens. Taxes, assessments, judgments and any other matter against a Unit owner which may give rise to a lien shall be a lien only against the Unit owner's Unit and not against any other Unit or the common elements.

ARTICLE VIII

MANAGEMENT OF THE CONDOMINIUM

1. Council of Co-Owners; Membership, Vote or Other Action of Owners. The business and affairs of the Condominium shall be governed and managed by the Association, a non-profit membership corporation organized and existing under § 35-2-101, et seq., Montana Code Annotated, which corporation is and shall constitute the council of the co-owners of the Units and common elements submitted to the Unit Ownership Act. Copies of its Articles of Incorporation for the Association and its Bylaws are attached to this Declaration as Exhibits E and F. All owners of Units shall automatically be members of the Association, and membership in the Association shall automatically cease upon termination of such ownership interest. Whenever a vote or other action of owners as a group is required, the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Association and the Bylaws.

2. Agreements and Compliance. All owners, tenants, families, guests and other persons using or occupying a Unit shall be bound by and strictly comply with the provisions of the Bylaws of the Association and the applicable provisions of the other condominium documents, and all rules and regulations and all agreements and determinations lawfully made by the Association and its directors, officers, or agents shall be binding on all such owners and other persons. A failure to comply with the Bylaws or the provisions of the other condominium documents or any agreements or determination thus lawfully made shall be grounds for an action to recover sums due for damages on the part of the Association or any owner as applicable and for mandatory or other injunctive relief, and the election of one such remedy shall not constitute the waiver of any other.

3. Included Powers; Foreclosure of Lien, Waiver of Partition. Each owner agrees that the Association has and shall exercise all powers, rights, and authority granted unto it by the Unit Ownership Act, § 35-2-101, et seq., Montana Code Annotated, and such as are more particularly set forth in the Condominium Documents, including the making of assessments chargeable to owners and a lien on a Unit for any common expenses, and the right to foreclose the lien on a Unit and acquire a Unit at foreclosure sale and to hold, lease, mortgage or convey the same, but such acquisition shall be on behalf of all Unit owners, all of whom, however, shall be deemed to have waived all rights of partition with respect to the Unit.

4. No Avoidance by Waiver of Use; Right of Entry. The liability of an owner for all assessments made by the Association may not be avoided by waiver of the use or enjoyment of any common elements, or by abandonment of a Unit for which an assessment is made. Except in the event of an emergency, the Association shall have the right exercisable at reasonable hours to enter a Unit as may be necessary or advisable to exercise its rights or responsibilities. In the event of an emergency the Association shall have the right to enter a Unit at any time as may be necessary or advisable to exercise its rights or responsibilities.

5. Management Contract. Pursuant to authority granted in its Bylaws, the Association may, but is not required to, enter into a contract for professional management of its affairs, and the management fee and other obligations or of any subsequent management contract shall be a common expense.

6. Association as Attorney-in-Fact for Owners. The Association is irrevocably appointed attorney-in-fact for the owners of each and every Unit, to manage, control, and deal with the interest of such owners in the common elements so as to permit the Association to fulfill all of its duties and obligations, and to exercise all of its rights, to deal with the Condominium upon its destruction or obsolescence as provided in this Declaration and to deal with and handle insurance and insurance proceeds and condemnation and condemnation awards. The Association is designated and appointed to represent the Unit owners in any related proceedings, negotiations, settlements, or agreements. Any proceeds from a settlement must be payable to the Association and used for the benefit of the Unit owners and their mortgage holders, if any. Any distribution of funds made by the Association in connection with the termination of the Condominium shall be based on the relative value of each Unit, which shall be rebuttably presumed to be in proportion to the Unit owner's individual interest in the common elements. The acceptance by any person or entity of any interest in any Unit shall constitute an appointment of the Association as an attorney-in-fact as provided above.



7. Subordination of Assessment Liens. If any Unit subject to a lien created by any provision in this Declaration shall be subject to the lien of a first Mortgage of record: (i) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such Mortgage; and (ii) the foreclosure of the lien of such Mortgage or the acceptance of a deed in lieu of the foreclosure by the Mortgage, shall not operate to affect or impair the lien except that assessment liens, if any, that shall have come due up to the time of foreclosure or the acceptance of the deed in lieu of foreclosure shall be subordinate to the lien of the Mortgage, with the foreclosure-purchaser and successor purchasers taking title free of assessments, if any, that have come due up to the time of the foreclosure or deed given in lieu of foreclosure, but subject to assessment liens that come due subsequent to the foreclosure or deed given in lieu of foreclosure. All assessment liens as shall have come due up to foreclosure or the acceptance of a deed in lieu of foreclosure and have not been paid shall be deemed to be an expense of the Association, but this shall not derogate the Association's right to collect the sums from the defaulting owner personally.

8. Project Documents Held by Association. The Association shall maintain, at its offices, and make available for inspection during normal business hours, current copies of the Declaration, Articles of Incorporation of the Association, Bylaws of the Association, and all other rules concerning the Condominium, as well as the Association's own books, records, and financial statements, all of which shall be current and shall include, as appropriate, all amendments to any of these documents. These documents shall be available for inspection by Unit owners or by holders, insurers, or guarantors of first mortgages that are secured by Units in the Condominium.

9. Commencement of Assessments. Assessments on Units will commence as determined by the Board of Directors of the Association. The Association may provide for the allocation of a reduced assessment for unsold Units if they are not occupied. In any event, full assessments for all Units in a building must commence and be allocated no later than sixty (60) days after the first Unit in that building is conveyed.

10. Rights of Action. The Association, and any aggrieved Unit Owner, has a right of action against Unit owners who fail to comply with the provisions of this Declaration, the Association Bylaws, rules, regulations, or any other provisions of documents relating to the Condominium or the decisions made by the Association.

11. Written Notice. Upon receipt of a written request from the



holder, insurer, or guarantor of a mortgage on any Unit, the Developer or the Association must provide timely written notice, to the address specified in the writing from the holder, insurer, or guarantor, of any of the following:

- (a) any condemnation or casualty loss that affects either a material portion of the Condominium project or the Unit securing the mortgage;
- (b) any 60-day delinquency in the payment of assessments or charges by the owner of any Unit on which it holds the mortgage;
- (c) a lapse, cancellation, or material modification of any insurance policy maintained by the Association; and
- (d) any proposed action that requires the consent of a specified, eligible mortgage holder.

In any such written request for notice, the mortgage holder, insurer, or guarantor must identify the name and address of the mortgage holder, insurer, or guarantor and the number or address of the applicable Unit.

ARTICLE IX

MAINTENANCE, ALTERATION AND IMPROVEMENTS

1. Terms. Although the use of one shall not be deemed to exclude the applicability of another unless specifically so stated or required by the context, the following terms shall be defined as follows: "maintenance" is used generally to include repair, renovation, restoration, reconstruction, rebuilding or replacement as may be necessary to maintain the condominium property in the same condition as when constructed and completed by Developer; "alteration" relates to changes from such state other than maintenance; "improvement" as distinguished from alteration relates generally to the addition of new and different structures, elements or facilities other than those referred to in this Declaration.

2. Maintenance by Association.

- (a) All garage structures, common elements, limited common elements, and facilities, limited or general, shall be maintained by the Association as a common expense unless responsibility is otherwise imposed on the Unit owner by Paragraph 3 of this Article, or

otherwise.

- (b) Incidental damage caused to a Unit through maintenance by the Association shall be repaired by the Association as common expense.
- (c) The Association shall determine from time to time what maintenance may be required with respect to a particular Unit or Units. If a Unit owner defaults in his or her responsibilities of maintenance, the Association shall assume the same and perform the maintenance as a common expense and levy a special assessment against the Unit and against the Unit Owner, collectible as other assessments.
- (d) The Association shall arrange for all required snow removal, including removal from all sidewalks and driveways, to be paid for as a common expense. Likewise, the Association shall arrange for all lawn care, landscaping and maintenance, to be paid as a common expense.

3. Maintenance by Owner.

- (a) It shall be the responsibility of each Unit owner, after the Developer has deeded the Unit to the owner and at the owner's expense, to provide all maintenance of and within the owner's Unit as defined in Article IV, Paragraph 3.
- (b) The Unit owner shall maintain at his or her expense any improvements or alterations subsequently added by him or her.
- (c) The Owner shall perform all maintenance required to be performed by the Owner without disturbing the rights of other Unit owners.

4. Responsibility of Owner; Insurance Proceeds. The owner of a Unit shall be responsible and liable for the expense of any maintenance rendered necessary by his or her act, neglect or carelessness or that of his or her family, guests, employees, agents or lessees, which liability shall include any increase in insurance rates occasioned thereby, provided this requirement shall not preclude the proceeds of insurance maintained by the Association or any Owner from being applied to discharge such expense, in whole or in part; provided further,



nothing in this Declaration shall be construed to modify subrogation rights of or any modification of subrogation rights by insurance companies.

5. Maintenance Involving More Than One Unit. If maintenance is required involving more than one Unit, the Association, in order to provide centralized direction, may assume responsibility therefor and provide for the same, in whole or in part, as a common expense assessable to the owners of the Units involved.

6. Alteration or Improvements by Unit Owner. No Unit owner shall make any alteration of or improvements to a Unit or to any of the common elements or remove any portion without approval of the board of directors of the Association as to the proper insurance of such alterations or improvements under any master insurance policy purchased by the Association or by an insurance policy purchased by the owner and as to arrangements for bearing the expense of such insurance. In addition, no alteration or improvements to a Unit shall be made unless the board of directors shall approve the design and safety and no work by an owner is permitted which will jeopardize the soundness of a building or impair any easement. Any alteration or improvements of a Unit shall neither increase nor decrease the fractional interest in the common elements appurtenant to that Unit.

7. Alteration or Improvement by the Association or All Owners. The board of directors is authorized to make minor alterations and improvements to buildings or other common elements, which minor alteration or improvement shall be defined to be minor if the total cost of the alteration or improvement project in any calendar year is less than one percent (1%) of the total annual dues of the Association. Except as provided in Article VI and in Paragraph 6 above for alteration or improvement of a Unit, there shall be no other alteration of a Building or other common elements, the Garage Structures, further improvements added to the land or other common elements, without the approval of all owners, provided upon the question being put to a vote by referendum ballot or membership meeting as provided in the Bylaws any such alteration or improvement may be done if seventy-five percent of the total number of votes outstanding and entitled to be cast are voted in favor of the alteration or improvement and if the dissenting owners are relieved from the cost and their share of the cost is borne by the assenting owners. Bids shall be taken and the cost accurately estimated before such vote is conducted. An alteration or improvement pursuant to this paragraph shall not alter the fractional interest appurtenant to each Unit in the common elements and such interest shall remain as before, irrespective of whether the owner voted in favor of or against the alteration or improvement.



ARTICLE X

CONDITIONS OF AND RESTRICTIONS ON
OWNERSHIP, USE AND ENJOYMENT

The ownership, use, occupation and enjoyment of each Unit and of its appurtenances and of the common elements of the Condominium shall be subject to covenants, conditions, easements, or other encumbrances of record and to the provisions of the Bylaws and Articles of Incorporation of the Association and of this Declaration, all of which provisions, irrespective of where set forth or classified as such, shall with equal status constitute such a covenant, condition, restriction, and requirement as shall be enforceable and binding as a covenant, condition, restriction or requirement running with the land and shall be binding on and enforceable against all Units and the owners and their respective assigns, lessees, tenants, occupants, and successors in interest. The following particular covenants, conditions, restrictions and requirements are noted and set forth:

1. Conveyance/Mortgage/Lease. No owner of a Unit shall convey, mortgage or lease such Unit unless and until all sums due the Association by way of assessment of any kind or other charge and whether evidenced by recorded liens or not are currently paid and not delinquent and in the event of delinquency the grantee, mortgagee or lessee, if notified before paying or disbursing to the owner, shall apply the proceeds of such transaction first to payment of the delinquent amounts before payment of any sum to the owner. The Association shall in any event issue a written statement under signature of an officer or management contractor to such grantee, mortgagee or lessee verifying the status of all delinquencies or upon payment of delinquencies as shown shall constitute conclusive evidence of compliance with this paragraph.

2. Exterior Facade. No Unit owner may paint or in any manner decorate the exterior facade of the walls or add or connect equipment, structures or facilities or erect any For Sale or other sign or otherwise disturb or affect the same without complying with the condominium documents and without the prior consent of the board of directors.

3. Parking/Vehicles. The Association, acting through its board of directors, shall have the right to designate and control the manner of use of the outside parking spaces and to reserve a space or spaces for service purposes and to otherwise permit or prohibit the use of any such space or spaces by a particular owner and family, including their guests or invitees. Vehicles shall not be stored on general common elements for more than forty-eight (48) continuous hours, and no recreational vehicles, motorcycles, disabled motor vehicles, boats, campers or similar vehicles can be parked on limited or general common



elements. Except when a garage door is open to permit the ingress or egress of a vehicle, garage doors must remain closed.

4. Activity Affecting Insurance. The owner of each Unit covenants and agrees not to engage or permit any activity or condition as would cause a termination of or increase the premium for insurance carried by the Association or by any Owner.

5. Pets; Procedure for Removal of Uncontrolled Pets.

- (a) No pets or animals of any kind may be kept on the land or in any Unit, Building, or Garage Structure, except as follows:
 - (i) One dog may be kept in Units 1, 2, 3, and 4 of each Building;
 - (ii) Up to two cats may be kept in any Unit; and
 - (iii) Birds and gerbils, hamsters, and similar small, tame rodents may be kept in any Unit.
- (b) The breeding or marketing or any pet or its offspring is not permitted and may not occur.
- (c) No pet may run free, unleashed, or unattended anywhere outside its owner's Unit. Owners must immediately clean up after a pet if it defecates or urinates outside the owner's Unit, on Condominium property. The failure of any pet owner to abide by this subparagraph (c) on two or more occasions, and the Association's receipt of written complaints to that effect by two or more Unit owners, shall permit the board of directors of the Association, by majority vote, following a hearing on the issue, to require the owner to permanently remove the pet from the Condominium property within seventy-two (72) hours of the board's decision.

6. Structures/Refuse/Compliance. No sheds, fences or other outbuilding or structure of any kind shall be erected on the land other than the Buildings and Garage Structures. No activity is allowed which unduly interferes with the peaceful possession and the proper use of the property by its owners. No fire hazard or unsightly accumulation of refuse is allowed. All laws, ordinances and the regulations of governmental bodies shall be observed by the owners and the Association.



7. Repair, Maintenance and Reconstruction. Each Unit owner covenants and agrees with all other Unit owners to repair and maintain, rebuild and reconstruct his or her own Unit and keep the same in good repair for the benefit of all such other owners, as may be required and applicable, and to pay his or her separately metered utility expenses and assessments.

8. Liens. A Unit owner shall give notice to the Association of every lien against his Unit other than permitted mortgages, taxes and Association assessments, and of any suit or other proceeding which may affect the title to his or her Unit within ten days after the lien attaches or the owner receives notice of such suit.

9. Additional Rules, Restrictions and Regulations. The Association, acting through its board of directors, shall have power to adopt and enforce all reasonable rules, restrictions and regulations relating to the use, occupancy and enjoyment of the condominium property, and without limiting the scope of the Board's authority, the following in particular shall govern: The board (a) may approve temporary structures, the same being otherwise prohibited, (b) may regulate or prohibit the ownership and use of motorcycles or other power driven equipment, (c) may have, at the expense of the vehicle owner, any vehicles towed that remain parked on general common elements longer than 48 continuous hours, (d) may prohibit the use of flags, banners and decorations and (e) may permit the enclosure of a deck or patio area, the same being an alteration or improvement otherwise not permissible without approval by the board of directors.

10. Use of Units/Leases and Restrictions on Leasing of Units/Liability.

- (a) Units shall be used and occupied for single family dwellings purposes only.
- (b) No Unit may be leased until the Association has received, in advance of the signing of any lease, a request from the Unit owner to lease that Unit and, in addition, has granted approval to that Unit owner, in writing, to lease the Unit. No more than thirty percent (30%) of the total number of constructed Units can be leased at any time. Failure of a Unit owner to obtain prior, written approval from the Association to lease a Unit shall render the lease null and void, and the Association shall have the right to exclude or evict any tenant who is attempting to occupy or occupying a Unit pursuant to an unauthorized lease. All costs and expenses of the Association associated with enforcement of



this provision shall be chargeable to, and payable by, the owner of the Unit affected. The Association shall develop rules and procedures by which Unit owners may make application to the Association for approval to lease a Unit, rules and procedures by which Unit owners may be placed upon a waiting list for the grant of such approval when the thirty percent (30%) maximum has been reached, and other rules and procedures necessary and proper for the implementation of this provision. A Unit may be rented or leased by the owner, provided the entire Unit is rented, and the lease is in writing and copy of the lease is filed with the Association prior to possession. No lease shall relieve the owner as against the Association and other owners from any responsibility or liability imposed by the condominium documents.

- (c) The term "lease" shall include any form of occupancy, whether technically a lease or tenancy and whether for consideration or not. Ownership of a Unit by a corporation or a trust is permitted, but no individual shall be allowed to occupy or use such a Unit, except pursuant to a written lease complying with this Declaration. An owner shall be liable to the Association and other owners, as the case may be, for damage to common elements or property of other owners.

11. Antennas: Required Use of Common Antennas. Each Building includes a central antenna, accessible by all Units, which provide the following types of video antenna reception:

- (a) Direct broadcast satellite service, including direct-to-home satellite service, or to receive or transmit fixed wireless signals via satellite.
- (b) Video programming services via MMBS (wireless cable) or to receive or transmit fixed wireless signals other than via satellite.
- (c) Local television broadcast signals.

All Unit owners must access and use these central antennas in lieu of separate discrete antennas located on any portion of any Unit exclusively controlled by an owner. The board of directors of the Association may grant a variance from this



restriction if necessary to comply with Section 207 of the Telecommunications Act of 1996 and the rules and regulations promulgated thereunder.

12. No Waiver. Failure of the Association or any owner to enforce any covenant, condition, restriction, or other provision of the Unit Ownership Act, this Declaration, the Articles of Incorporation or Bylaws of the Association, or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to enforce the same thereafter.

13. Additional Regulations. In addition to all of the foregoing provisions, the use of a Unit and the common elements shall be in accordance with and subject to the following provisions:

- (a) An owner has the right to decorate windows in his or her Unit, however, this right is limited to the extent that only drapers, curtains, sheers, and shutters may be used that must be lined so that they appear white from the outside of the building. Nothing shall be hung between the interior surface of the window and the drapes, curtains, sheers or shutters used.
- (b) No grills shall be stored or used on patios or decks except for the following:
 - (i) one-pound propane grills;
 - (ii) Underwriter Laboratories listed electric grills; and
 - (iii) natural gas grills installed by a licensed mechanical contractor.

These restrictions shall not apply to grills used in conjunction with the club house and pool, should the Developer decide to construct them. However, these restrictions do apply to Units located in Building 3.

- (c) Each Unit owner shall deposit with the Association, if required by it, a key to the Unit, and consents that in the case of any emergency originating in or threatening any Unit, the board of directors of the Association or any person authorized by it may enter the Unit for the purpose of remedying or abating such emergency whether the owner is present or not. If an owner deposits a key with the Association and later re-keys the Unit, the owner shall notify

the president of the Association in writing before any such re-keying.

- (d) No noxious or offensive activity shall be carried on in any Unit, and nothing shall be done or be permitted to remain in any Unit, including any pet, which may be or become a nuisance or annoyance to occupant Owners and/or other occupants. Occupant Owners and other occupants of Units shall exercise extreme care not to disturb other owners or occupants with excessive noise.
- (e) There shall be no obstruction of and nothing shall be stored upon any common elements, other than internal limited common elements reserved to the use of a specific Unit, without the approval of the Association.
- (f) Except for such signs as may be posted by the Developer for promotional or marketing purposes, no signs of any character which are visible from the outside of a Unit shall be erected, posted or displayed upon, from or about any Unit, unless first reviewed and approved by the Association.
- (g) No burning of any trash and no unreasonable or unsightly accumulation or storage of litter, new or used materials, or trash of any other kind shall be permitted within any Unit or be permitted to remain in public view.
- (h) No owner or other person shall install any electrical or telephone wire, television antenna, or other antenna, air-conditioning unit or other machine or device on the exterior of a Building.
- (i) Nothing shall be altered in, constructed in, or removed from the common elements, except upon written consent of the board of directors of the Association which may be given through regulations of the Association, and further provided that any holder of a first mortgage which acquires possession of a Unit by foreclosure or by deed in lieu of foreclosures shall have the right to post signs for the sale or rental of such Unit until such Unit is sold or a rental agreement is signed.
- (j) No activity shall be allowed which unduly interferes with the peaceful possession and use of the condominium property



by the Unit owners.

- (k) Agents of or contractors hired by the Association may enter any Unit when necessary in connection with any maintenance, landscaping, or construction for which the Association is responsible, provided such entry shall be made with as little inconvenience to the owners as practicable.
- (l) Each Unit occupant shall keep his or her Unit and limited common elements to which he or she has sole access in a good state of repair, presentation and cleanliness.
- (m) No hunting, target practice, discharge of firearms, or disturbance of the natural state of the property, including the removal of living trees, plants, shrubs, bushes, grass, or top soil, damage to any of the foregoing is permitted without the prior consent in writing of the board of directors.

ARTICLE XI

INSURANCE

The insurance that shall be carried on the condominium property and the property of the Unit owners shall be governed by the following provisions:

1. Casualty, Common Elements. The Association shall purchase casualty and extended coverage insurance upon the condominium property, including the Units and limited common elements, for the benefit of the Unit owners, and their respective mortgagees, it not being necessary in the policies to name the owners or mortgagees. Payments for losses shall be paid to the Association as the agent for the owners and their respective mortgagees.

2. Casualty, Units. Each Unit owner may, but is not required, to obtain fire and extended coverage insurance at his or her own expense upon the owner's Unit and that portion of the Building in which his or her Unit is located, including all limited common elements which pertain to his or her Unit. Such insurance shall be in a form and an amount approved by the Association. Such policies shall provide that payments for losses by the insurer shall be paid to the owner, the owner's mortgagee and the Association as their interests may appear. In such event, a copy of all such policies and endorsements shall be deposited with the Association.

3. Personal Property and Liability. Each Unit owner may obtain

insurance at the owner's own expense affording coverage for such owner's personal property within the Unit and for such owner's liability. The Association shall have no responsibility for obtaining or maintaining insurance affording coverage upon any owner's personal property.

4. Coverage, Casualty Insurance. All Units and improvements upon the land shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually for the insurance company affording such coverage. All personal property included in the common elements shall be insured for its value. Any insurance so obtained shall be subject to such deductible clauses as may be approved by the Association in order to obtain coverage at reasonable costs. Such coverage shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including, but not limited to, vandalism, malicious mischief, windstorm and water damage.

5. Coverage, Public Liability. Public liability insurance shall be purchased by the Association in such amounts and with such coverage as shall be required by the board of directors, including, but not limited to, water damage, off premises employee coverage, hired automobile and non-owned automobile liability coverages.

6. Cross-Liability Endorsements; Subrogation Waiver. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit owners as a group to a Unit owner. All fire and extended coverage insurance shall provide that the insurer waives its right of subrogation as to any claim against the Unit owners, the Association and their respective employees, agents and guests.

7. Other Insurance. The Board shall obtain workmen's compensation policies to meet the requirements of law and shall obtain such other insurance as the board of directors determines desirable.

8. General Policy Provisions. If agreeable to the respective insurers, the policies procured by the Association and the owners shall, where applicable, include provisions that they shall be without contribution or pro ration and that the doctrine of "no other insurance" shall not apply; that the conduct or default of any one or more owners will not constitute grounds for avoiding liability under doctrines of warranties, conditions or forfeiture with respect to increase in hazard or vacancy clauses or other conditions or warranties purporting to relieve a carrier of its obligations; for payment of common expenses with respect to

damaged Units during the period of reconstruction patterned after "use and occupancy" riders; for sub-policies specifying the portion of any master policy earmarked for each owner's interest. Reference to all or any of the foregoing provisions is for the purpose of providing flexibility and certainty and is not to be interpreted as constituting an admission that any of the doctrines or rights referred to are applicable or would exist in the absence of a specific provision or waiver referring to the same.

9. Use of Proceeds. If the damage for which the proceeds of casualty insurance are paid to either the Association or any owner, as the case may be, is to be repaired or reconstructed, the insurance proceeds shall be paid to defray the cost as provided in this Declaration. If any proceeds are remaining after defraying such costs, such proceeds shall be retained by the named insured or his or her mortgagee, as their interest may appear.

10. Enforcement by Mortgagees. Certain provisions in this Article are for the benefit of mortgagees as well as owners of Units, and all of such provisions are covenants for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

11. Owner Failure to Insure. If an owner fails to obtain and keep in force the insurance required to be maintained by the owner, the Association may obtain such insurance and assess the cost to the owner and such owner's Unit. Such assessment shall be a lien against the Unit and shall be collectible as other assessments.

ARTICLE XII

RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE

1. Responsibility. The responsibility for reconstruction and repair after casualty shall be the same as for maintenance and repair of the condominium property. Specifically, the Unit owner shall be responsible for reconstruction and repair after casualty of the Unit, his or her limited common elements and that portion of the building in which the Unit is located. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

2. Caliber of Work. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements, as available from the exhibits and amendments of this Declaration unless a change is permitted by the approval of at least seventy-five percent of the owners of Units voting at a meeting of the Association called for such purpose.

3. Payment of Costs. If the Unit owner does not, within fifteen days of the date of the damage or destruction to his or her Unit and the limited common elements whose use is reserved to the Unit, advise the Association in writing of the owner's determination to repair, reconstruct or rebuild, the Association may, in the manner provided in this Declaration, determine to so repair, reconstruct or rebuild, as the case may be, and in such event:

- (a) The insurance proceeds payable on account of such casualty shall be utilized by the Association and the owner to defray the expenses, and
- (b) To the extent that such insurance proceeds are inadequate to defray such expenses, the Association shall have a lien against the Unit to the extent of such inadequate coverage and shall levy a special assessment in that amount against the Unit collectible as other assessments.

In the event the Association so proceeds with repair, reconstruction or rebuilding as contemplated, the determination of its board of directors as to what constitutes adequate repair, reconstruction or rebuilding shall be binding on the owner and the owner shall have no claim of any kind against the Association or any of its officers, directors or representatives on account of such repair, reconstruction or rebuilding or on account of any claimed failure in that regard.

ARTICLE XIII

AMENDMENT

Amendment of this Declaration and the necessity for amendment shall be governed by the following:

1. Fractional Interest. The fractional interest in the common elements appurtenant to a Unit, except as provided in Articles VI (2) and (3), may be amended only by unanimous consent of owners of all of the Units and their mortgagees, provided, in the event of condemnation of any Unit or of long-term obsolescence, the same may be adjusted and may be amended as provided in paragraph 4 of this Article.

2. Contracts Excepted. No lawful agreement entered into by the Association shall require an amendment of this Declaration, provided the same is not in conflict with this Declaration.

3. Developer's Rights. The Developer shall have the right to amend the Declaration as set forth in Article VI. Neither Article VI nor any other



provision of this Declaration affecting the rights of the Developer shall be subject to amendment without the written consent of Developer and any attempt to so amend this Declaration without such prior written consent shall be null and void.

4. (a) General Procedure. Except as otherwise provided in this Article, this Declaration may be amended:
- (i) by the written agreement of the owners of seventy-five percent (75%) of the Units; or
 - (ii) by the owners acting through the Association and in accordance with the procedures of its Bylaws at a regular or special membership meeting at which notice of the proposed amendment has been given and upon the favorable vote of seventy-five percent (75%) of the total number of votes outstanding and entitled to be cast. No amendment shall be adopted at variance with that proposed in the notice, but the notice may contain more than one proposed amendment. Approval of the Board of Directors is not required of an amendment thus adopted.
- (b) Eligible Mortgage Holder Approvals. A change to any of the provisions of the Declaration pertaining to the following items requires the affirmative vote of eligible mortgage holders who represent at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by eligible mortgage holders:
- (i) voting rights;
 - (ii) increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%), assessment liens, or the priority of assessment liens;
 - (iii) reductions in reserves for maintenance, repair, and replacement of common elements;
 - (iv) responsibility for maintenance repair;
 - (v) reallocation of interests in the general or



limited common elements, or rights to their use;

- (vi) re-definition of any Unit boundaries;
 - (vii) convertibility of Units to common elements, or vice versa;
 - (viii) expansion or contraction of the project or the addition, annexation, or withdrawal of property to or from the project;
 - (ix) hazard or fidelity insurance requirements;
 - (x) imposition of any restrictions on a Unit owner's right to sell or transfer his or her Unit;
 - (xi) restoration or repair of the project (after damage or partial condemnation) in a manner other than that specified in the Declaration;
 - (xii) any provisions that expressly benefit mortgage holders, insurers, or guarantors;
 - (xiii) any action to terminate the legal status of the project after substantial destruction or condemnation occurs, or for any other reason; or
 - (xiv) the termination of the legal status of the project for reasons other than substantial destruction or condemnation of the property.
- (c) Deemed Approvals. If any eligible mortgage holder fails to attend any meeting, in person or by proxy, called for the purposes of amending the Declaration, notice of which is received by the eligible mortgage holder by certified mail with return receipt requested, or if any eligible mortgage holder fails to submit a response to any written proposal for an amendment to the Declaration within thirty (30) days after receipt of a proper notice of the proposal delivered by certified mail, return receipt requested, then each such eligible mortgage holder shall be deemed to have approved the proposed amendment.



- 5. Execution and Recording. An amendment pursuant to paragraph 1 or paragraph 4(a) of this Article shall be effective when executed and acknowledged by all owners and mortgagees, as the case may be, with the formalities of a deed and recorded in the office of the Gallatin County Clerk and Recorder. An amendment adopted pursuant to paragraph 4(b) of this Article shall be effective when a certificate of its due and proper adoption containing the provisions of the amendment is executed in the name of the Association by its president and secretary with the formalities of a deed and acknowledged as having been thus executed by authorization of the owners, and is recorded in the office of the Gallatin County Clerk and Recorder. An amendment pursuant to Article VI shall be effective when signed by the Developer and recorded in the office of the Gallatin County Clerk and Recorder.

ARTICLE XIV

EFFECTIVE DATE; POSSESSION OF COMMON ELEMENTS;
CONDEMNATION AND OBSOLESCENCE; PARTITION;
SEVERABILITY; ARTICLES OF INCORPORATION AND
BYLAWS OF ASSOCIATION

- 1. Effective Date of Fractional Interest. The fractional ownership interests in the common elements referred to in this Declaration shall come into being and take effect at such time as this Declaration has been recorded and shall exist for all purposes irrespective of any actual occupancy or use and whether the Units are constructed, sold or unsold.
- 2. Possession of Common Elements. Each Unit owner, the Developer, and the Association may use the common elements other than the limited common elements for the purposes for which they are maintained, but without hindering or encroaching upon the lawful rights of other users.
- 3. Condemnation and Obsolescence. The contingencies of condemnation and long-term obsolescence have not been provided for in this Declaration and may be governed by appropriate amendments to this Declaration or by Bylaws as the case may be.
- 4. Severability. The invalidity of any covenant, restriction, agreement, undertaking, or other provisions of any condominium document shall not affect the validity of the remaining portions of this Declaration.

5. Articles of Incorporation and Bylaws of Association. The owners of Units are bound by the terms of the attached Articles of Incorporation and Bylaws.

6. Unit Ownership Act and § 35-2-101, et seq., Montana Code Annotated. Wherever reference is made to the Unit Ownership Act or § 35-2-101, et seq., Montana Code Annotated or any section of the chapters of the Montana Code Annotated, it is intended that such reference shall include the provisions of such Code sections as they now exist or may later be amended, and if a question arises at some time in the future, the specific section of the Code in its then form shall be applied.

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Dated the 11 day of July, 2002.

WELLS DEVELOPMENT, L.L.C.

By: Alan L. Wells, Member
Alan L. Wells, Member

STATE OF IOWA)
 :SS
COUNTY OF LINN)

This instrument was acknowledged before me on the 11 day of July, 2002, by Alan L. Wells, as a Member of Wells Development, L.L.C., a Montana limited liability company.

Patricia D. Gnagy
Notary Public
in and for the State of Iowa

Printed Name: PATRICIA D. GNAGY
Residing at: CEDAR RAPIDS
My Commission Expires: 3-11-2004

(SEAL)





**ASSESSOR'S CERTIFICATE
OF NAME**

(Copper Bloom Condominium Homes)

The undersigned, being the duly authorized agent of the Department of Revenue of the State of Montana within Gallatin County, hereby executes this Certificate relating to the Copper Bloom Condominium Homes, located in Gallatin County, Montana, on property legally described as follows:

Lots 1 and 2 of Block 10 of the River Rock Subdivision, Phase 2A. a tract of land located in the SW ¼ of Section 3, Township 1 South, Range 4 East, P.M.M., Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana. (Plat Reference: J-292)

1. The name "Copper Bloom Condominium Homes" is not the same as, similar to, or pronounced the same as the name of any other property or subdivision within Gallatin County, Montana, excluding the word "Condominium;" and
2. All taxes and assessments due and payable for Copper Bloom Condominium Homes have been paid to date.

Dated: 07-01-2002

GALLATIN COUNTY ASSESSOR

By: Steve Hering

LEGEND

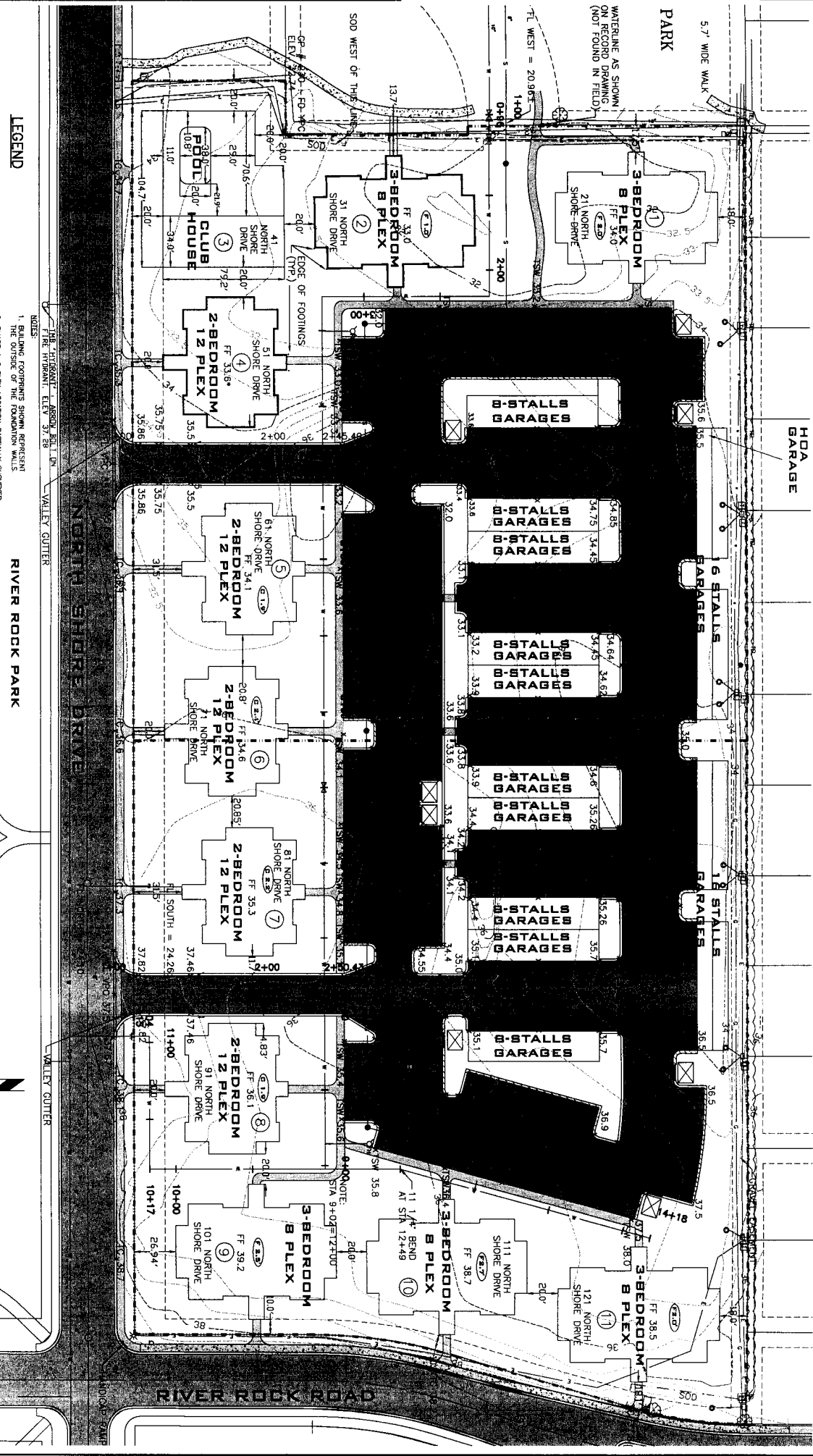
ABBREVIATION	DESCRIPTION
FF 33.0	FINISH FLOOR ELEV
FSM 31.0	TOP OF SIDEWALK ELEV
FS1.0	FLOWLINE OR A/C ELEV
VPT	VERTICAL POINT OF TANG ELEV
VPC	VERTICAL POINT OF CURV. ELEV
GR 31.0	GRADE ELEVATION
□	SHALL CURB
□	STORM DRAIN INLET
□	DRAINAGE DIRECTION
□	CONCRETE FLOW PAVS
③	UNIT NUMBER

COPPER BLOOM SITE PLAN
 AT
 RIVER ROCK
 BELGRADE, MONTANA
 WELLS DEVELOPMENT L.L.C. Exhibit A

T&D
 THOMAS, DEAN & HOSKINS, INC.
 ENGINEERING CONSULTANTS

DRAWN BY: RJD DATE: 02/02/02 QUALITY CHECK: JFP
 SURVEYED BY: SCA JOB NO: B01-027 FIELD BOOK: 10466
 GREAT FALLS - BOZEMAN - KANSAS CITY

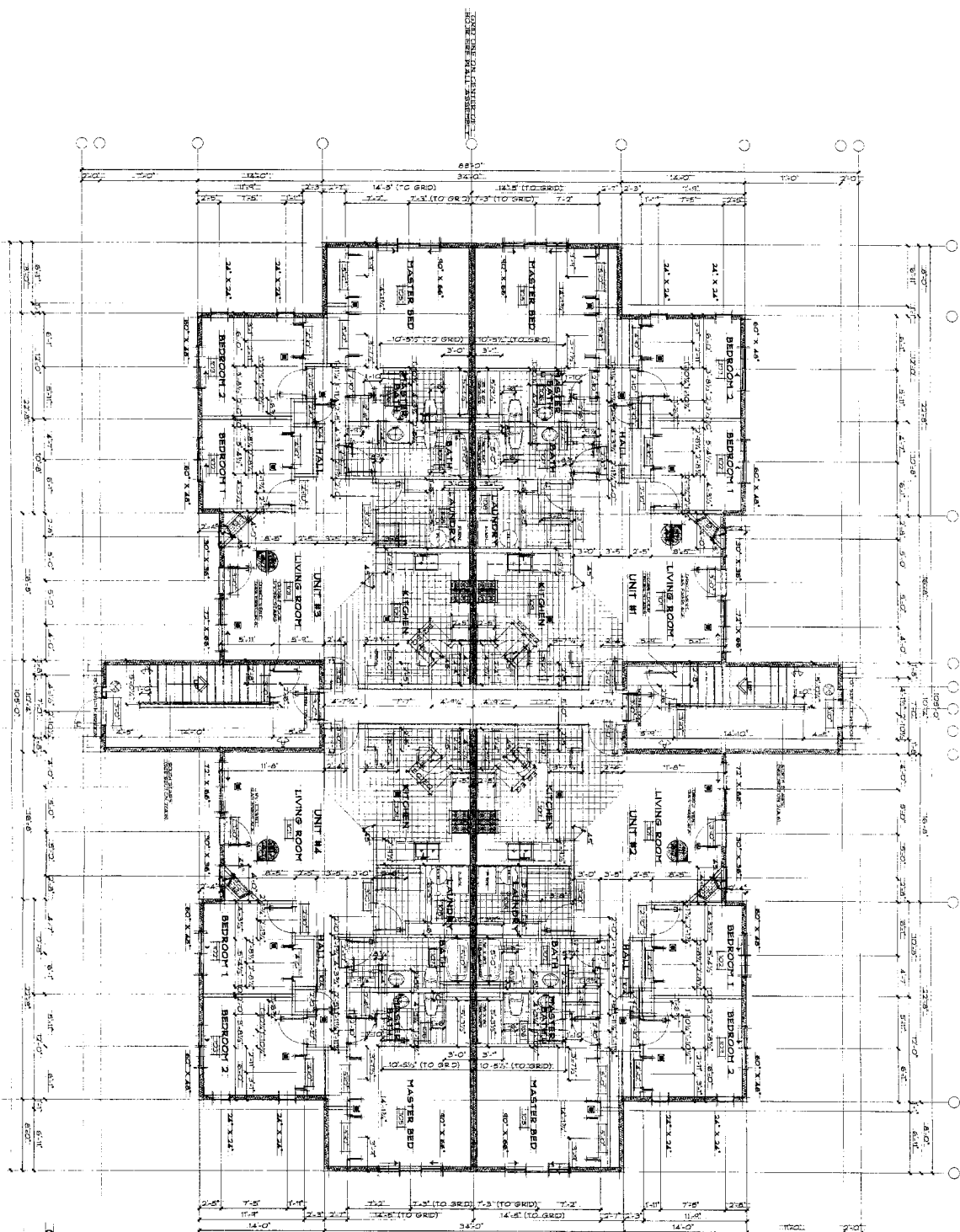
0 30' 60' 90'
 SCALE



0 30' 60' 90'
 SCALE

THOMAS, DEAN & HOSKINS, INC.
 ENGINEERING CONSULTANTS

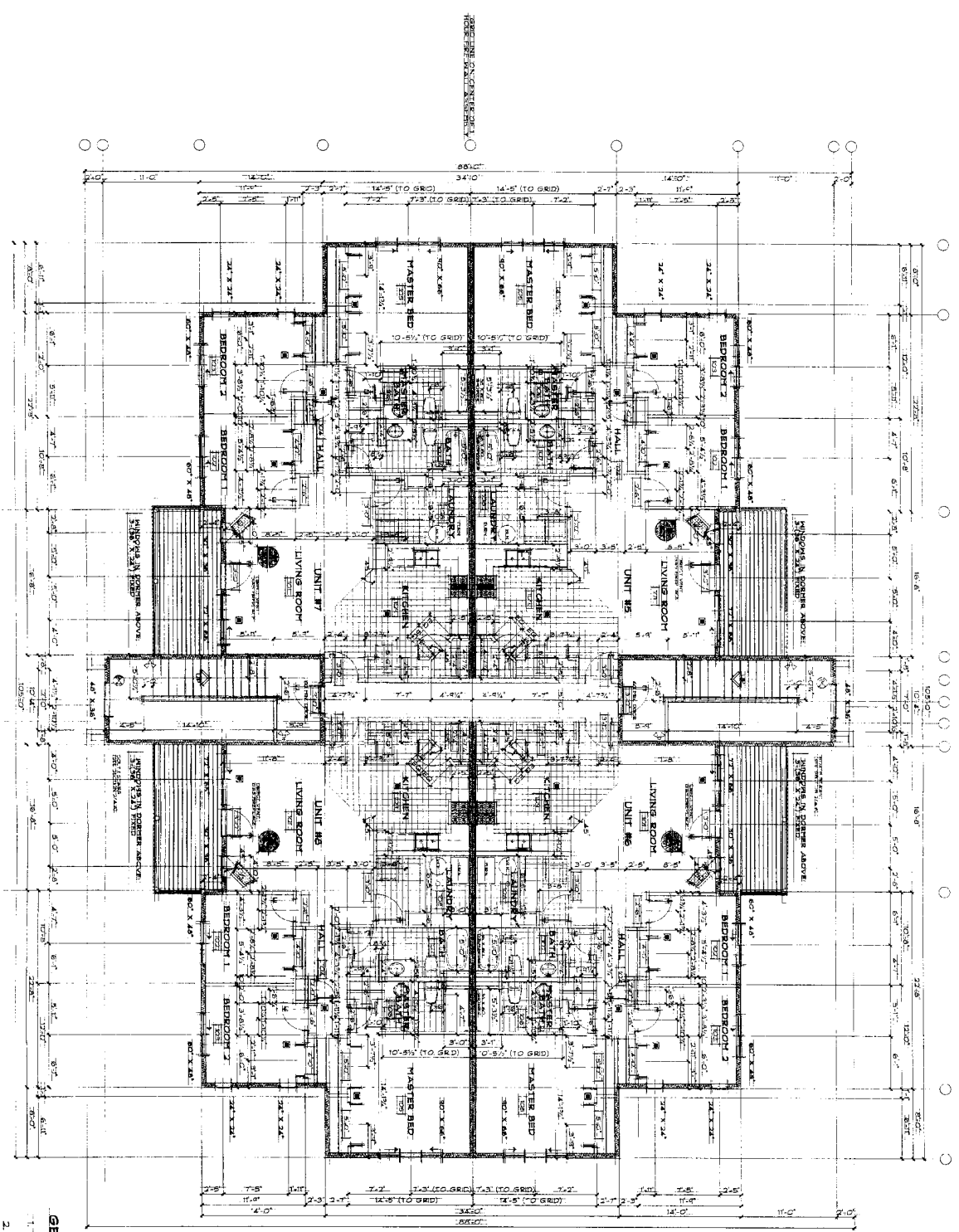
MAIN LEVEL FLOOR PLAN
 SCALE 1/8" = 1'-0"
 1505 B P BLDG UNIT



- GENERAL NOTES**
1. SMOKE DETECTOR
 2. EMERGENCY LIGHTING
 3. EXIT LIGHT

Copper Bloom
 Exhibit B1
 Pg 1 of 2

<p>ARCHITECT: SEABURY DESIGN ASSOCIATES, P.C. DAVID H. SEABURY ARCHITECT 24 SOUTH WILSON AVENUE, SUITE 02, BOZEMAN, MONTANA 59718 PHONE 402-586-7251 FAX 406-494-0317</p> <p>CLIENT: HELLIS DEVELOPMENT, LLC, P.O. BOX 10567, BOZEMAN, MONTANA 59718 PHONE 406-522-5477</p> <p>SUBJECT: COPPER BLOOM CONDOMINIUMS - B PLEX</p> <p>DATE: 07/22/02</p>	<p>REVISIONS:</p> <table border="1"> <tr> <th>NO.</th> <th>DATE</th> <th>DESCRIPTION</th> </tr> <tr> <td>1</td> <td>07/22/02</td> <td>ISSUED FOR PERMITS</td> </tr> <tr> <td>2</td> <td>07/22/02</td> <td>ISSUED FOR PERMITS</td> </tr> <tr> <td>3</td> <td>07/22/02</td> <td>ISSUED FOR PERMITS</td> </tr> </table>	NO.	DATE	DESCRIPTION	1	07/22/02	ISSUED FOR PERMITS	2	07/22/02	ISSUED FOR PERMITS	3	07/22/02	ISSUED FOR PERMITS	<p>SEAL AND SIGNATURE OF ARCHITECT</p> <p>DAVID H. SEABURY</p> <p>REGISTERED ARCHITECT</p> <p>STATE OF MONTANA</p> <p>NO. 1111</p>
NO.	DATE	DESCRIPTION												
1	07/22/02	ISSUED FOR PERMITS												
2	07/22/02	ISSUED FOR PERMITS												
3	07/22/02	ISSUED FOR PERMITS												



UPPER LEVEL FLOOR PLAN

SCALE: 1/8" = 1'-0"

- GENERAL NOTES:**
1. SMOKE DETECTOR.
 2. EMERGENCY LIGHTING.
 3. EXIT LIGHT.

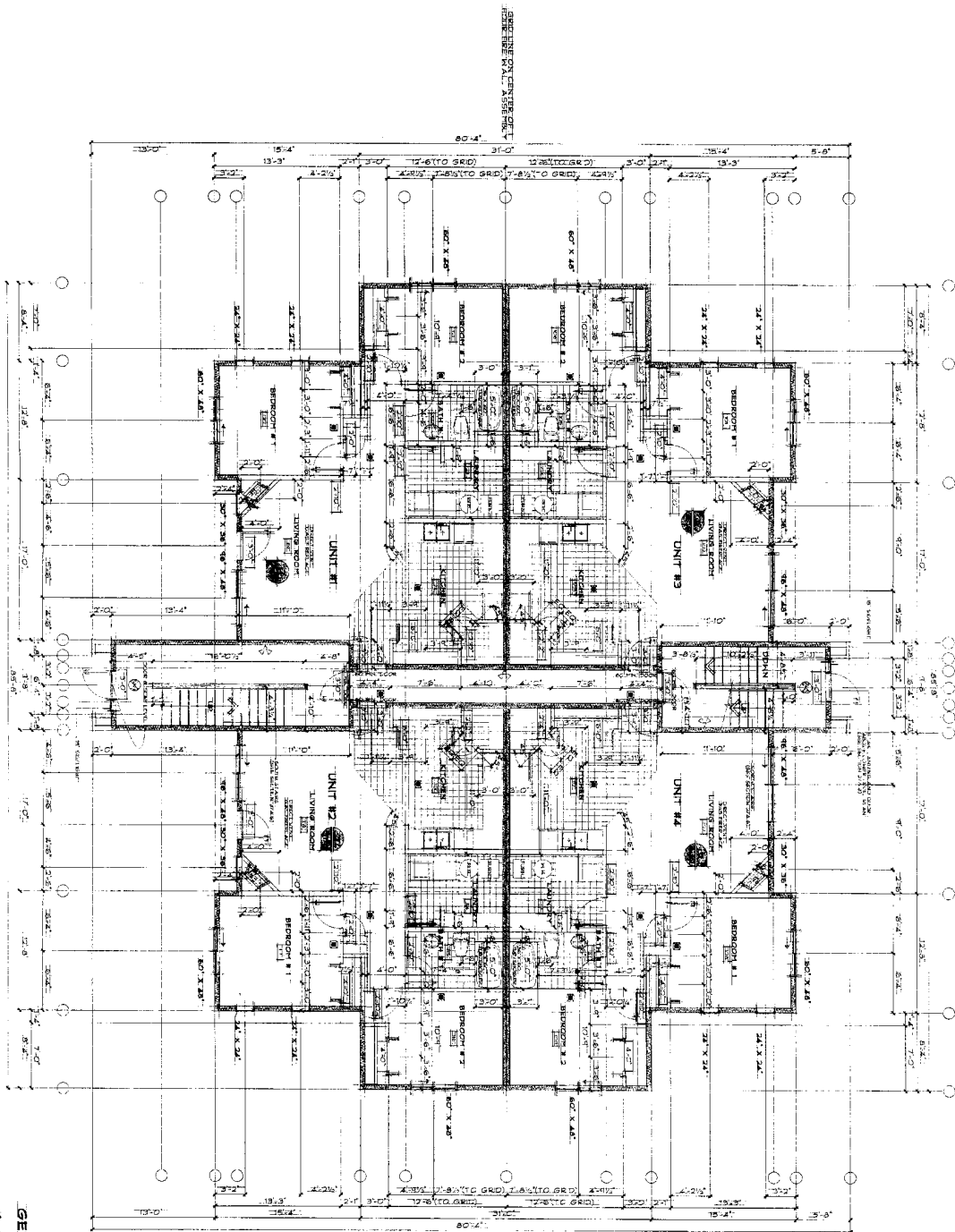
Copper Bloom
Exhibit B1
Pg 2 of 2

<p>ARCHITECT: SEABURY DESIGN ASSOCIATES, P.C. PROJECT: COPPER BLOOM CONDOMINIUMS - 6 PLEX CLIENT: WELLS DEVELOPMENT L.L.C. WELLS DEVELOPMENT L.L.C.</p>	<p>1. ARCHITECT'S SEAL</p>	<p>2. CONTRACTOR'S SEAL</p>	<p>3. ENGINEER'S SEAL</p>
	<p>4. DATE</p>	<p>5. DATE</p>	<p>6. DATE</p>
	<p>7. DATE</p>	<p>8. DATE</p>	<p>9. DATE</p>
	<p>10. DATE</p>	<p>11. DATE</p>	<p>12. DATE</p>
	<p>13. DATE</p>	<p>14. DATE</p>	<p>15. DATE</p>

SEABURY DESIGN ASSOCIATES, P.C.
DAVID W. SEABURY ARCHITECT, 24 SOUTH HILLSON AVENUE, SUITE 04, BOZEMAN, MONTANA 59715 PHONE 406-526-7251 FAX 406-514-0377
COPPER BLOOM CONDOMINIUMS - 6 PLEX
WELLS DEVELOPMENT L.L.C. P.O. BOX 10987, BOZEMAN, MONTANA 59714 PHONE 406-522-5677
51 NORTH SHORE DR. RIVER ROCK SUBDIVISION, BELGRADE, MONTANA

STATE OF MONTANA
COUNTY OF GALLATIN
SEAL OF DAVID W. SEABURY ARCHITECT

A-9
OF 11 SHEETS
CONSULTING ARCHITECT
PROGRESS COPY
DATE DIVISIONS



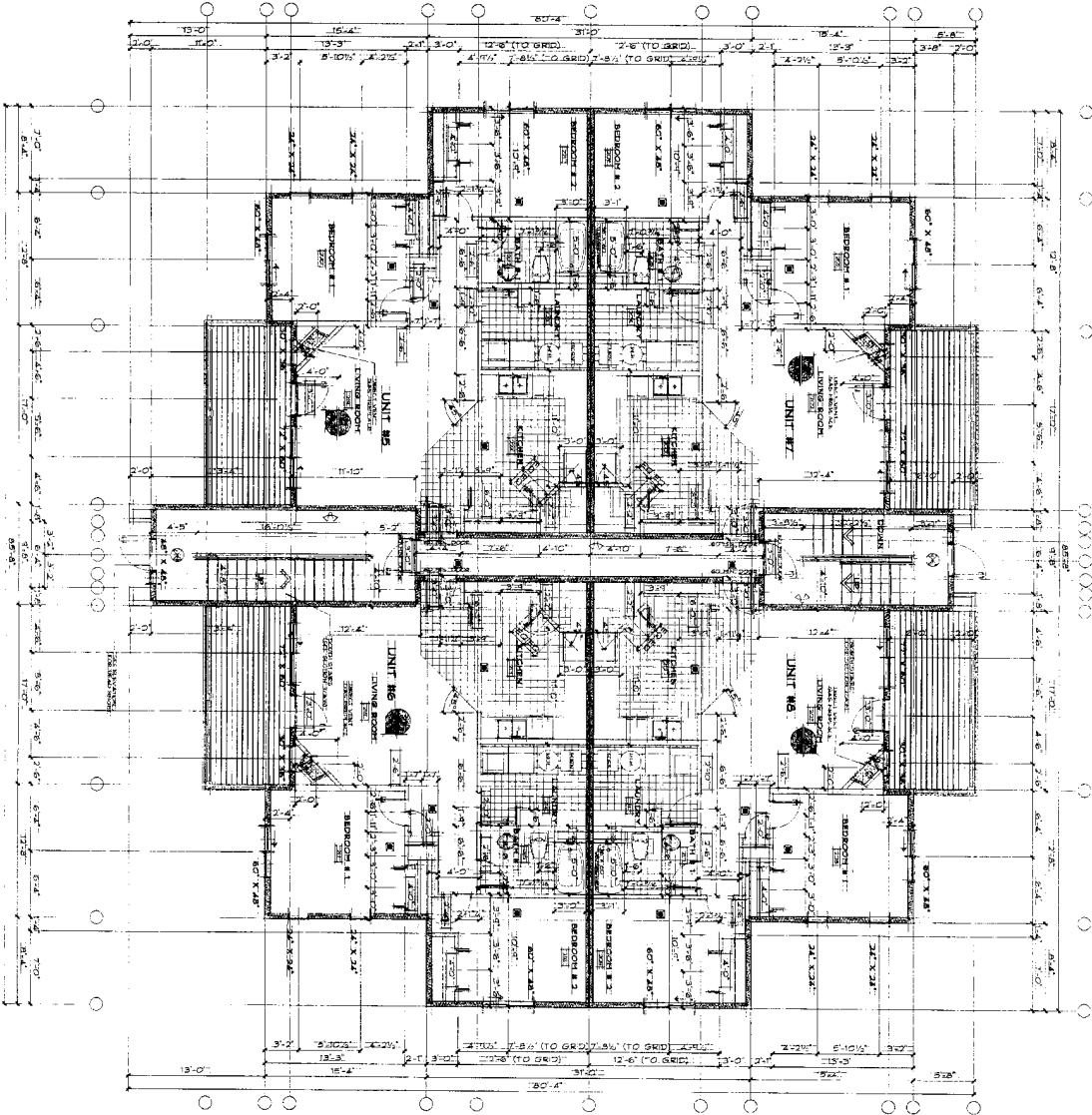
LOWER LEVEL FLOOR PLAN
 SCALE: 1/8" = 1'-0"
 1000 SQFT PER UNIT

Copper Bloom
 Exhibit B2
 Pg 1 of 3

- GENERAL NOTES**
1. SMOKE DETECTOR
 2. EMERGENCY LIGHTING
 3. EXIT LIGHT

A.1 PERMIT SET DATE: 07/22/02	ARCHITECT SEABURY DESIGN ASSOCIATES, P.C. DAVID W. SEABURY, ARCHITECT, 24 SOUTH WILSON AVENUE, SUITE 202, BOZEMAN, MONTANA 59715, PHONE 406-586-7251, FAX 406-994-0357	CLIENT WELLS DEVELOPMENT, L.L.C. , P.O. BOX 10567, BOZEMAN, MONTANA 59715, PHONE 406-522-5477	BUILDERS WELLS DEVELOPMENT L.L.C.	REVISIONS 1. 07/22/02 2. 07/22/02 3. 07/22/02	PROJECT COPPER BLOOM CONDOMINIUMS - 12 PLEX 21 NORTH SHORE DR., WEEB ROCK SUBDIVISION, BELGRADE, MONTANA	
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DO NOT SCALE

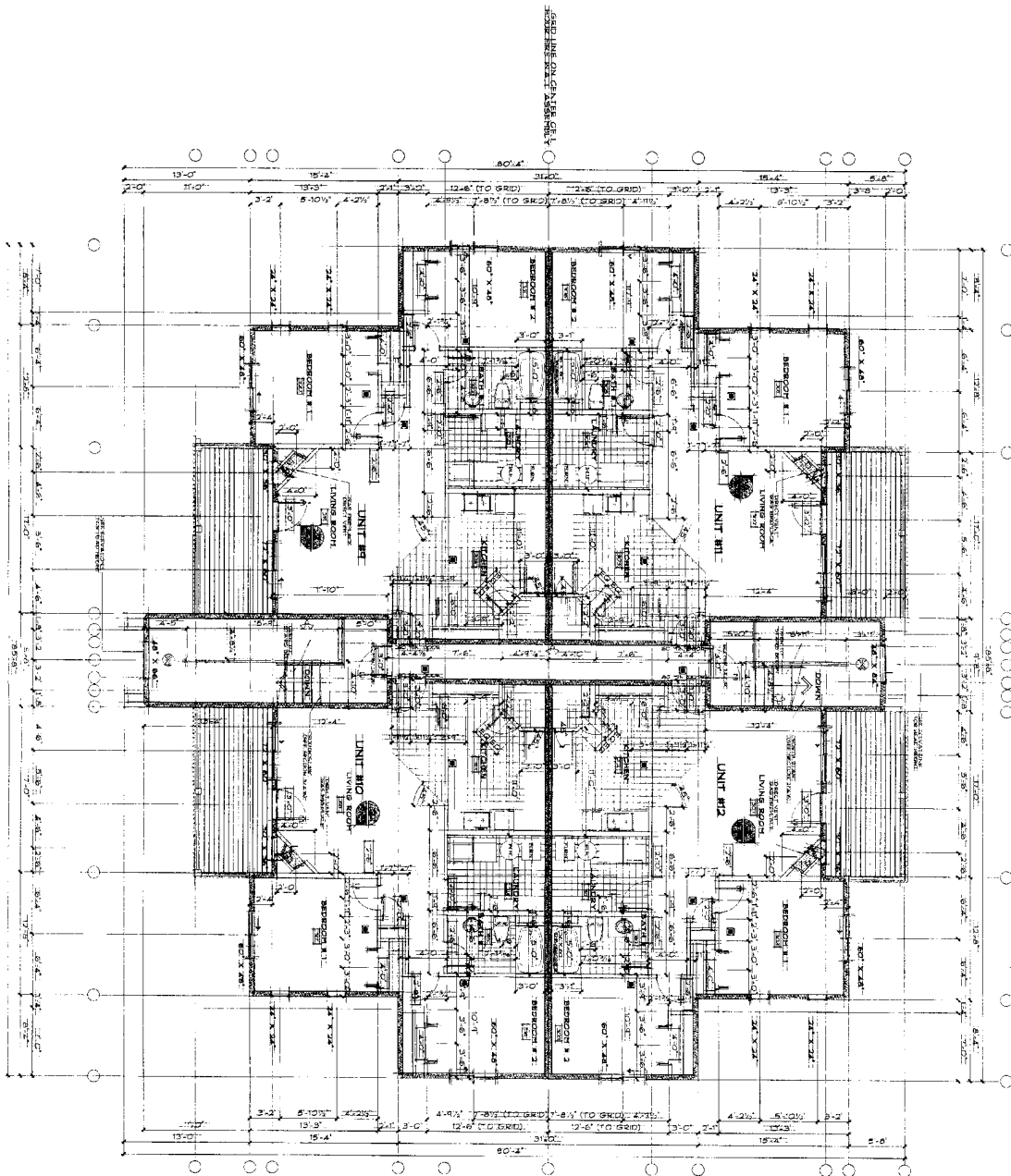


MAIN LEVEL FLOOR PLAN

- GENERAL NOTES**
- 1. SMOKE DETECTOR
 - 2. EMERGENCY LIGHTING
 - 3. EXIT LIGHT

Copper Bloom
 Exhibit B2
 Pg 2 of 3

<p>A-3</p> <p>13 SHEETS</p> <p>PERMIT SET</p> <p>DATE: 07/22</p>	<p>ARCHITECT: SEABURY DESIGN ASSOCIATES, P.C.</p> <p>DAVID M. SEABURY - ARCHITECT, 24 SOUTH HILL, SON AVENUE, SUITE 04, BOZEMAN, MONTANA 59715, PHONE 406-586-7251, FAX 406-594-0347</p>	
	<p>PREPARED BY: COPPER BLOOM CONDOMINIUMS, 12 PLEX</p> <p>WELLS DEVELOPMENT, L.L.C., P.O. BOX 10867, BOZEMAN, MONTANA 59715, PHONE 406-522-9477</p>	
	<p>DATE: 07/22</p>	
	<p>REVISIONS:</p>	

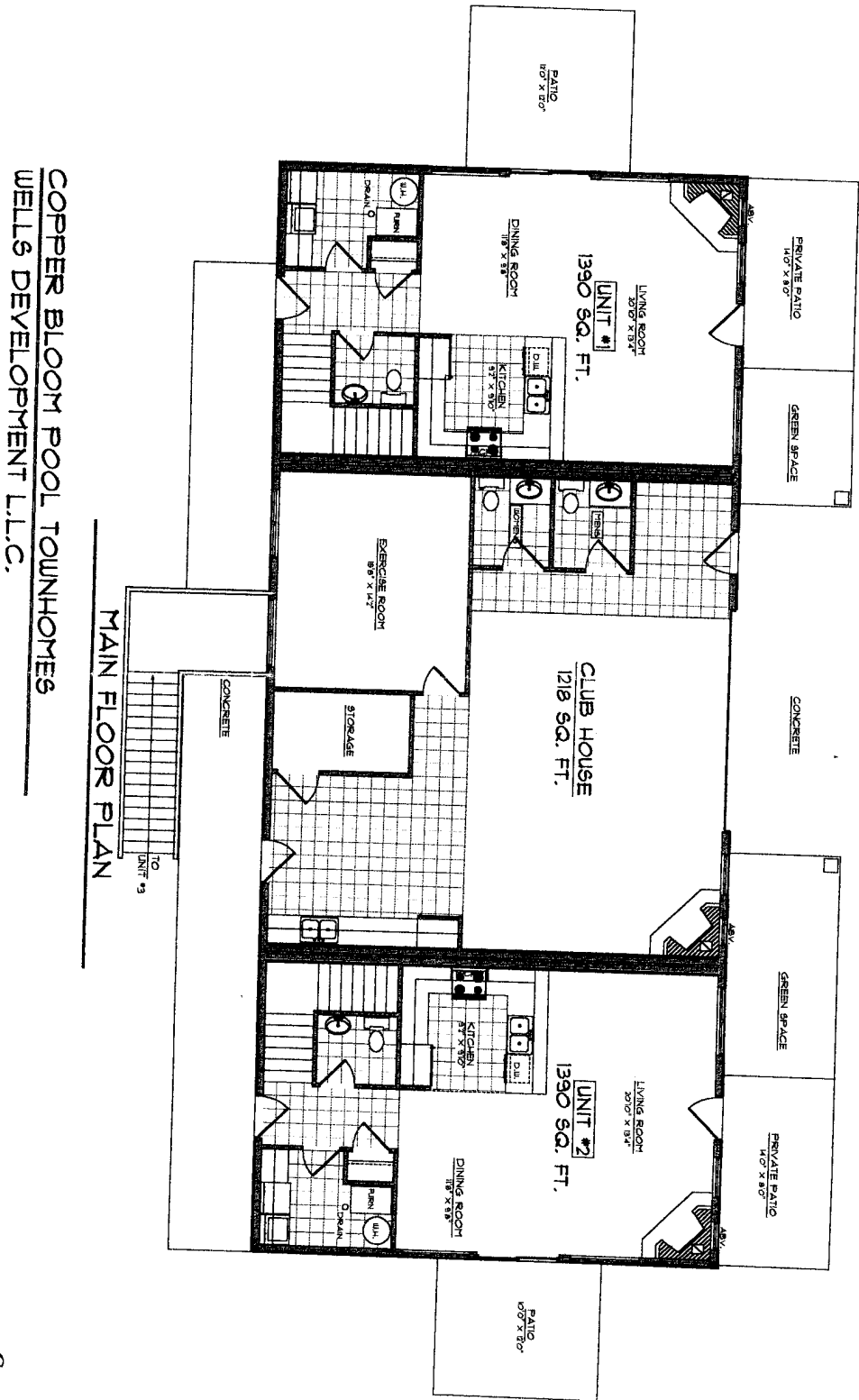


UPPER LEVEL FLOOR PLAN

- GENERAL NOTES**
1. SMOKE DETECTOR
 2. EMERGENCY LIGHTING
 3. EXIT LIGHT

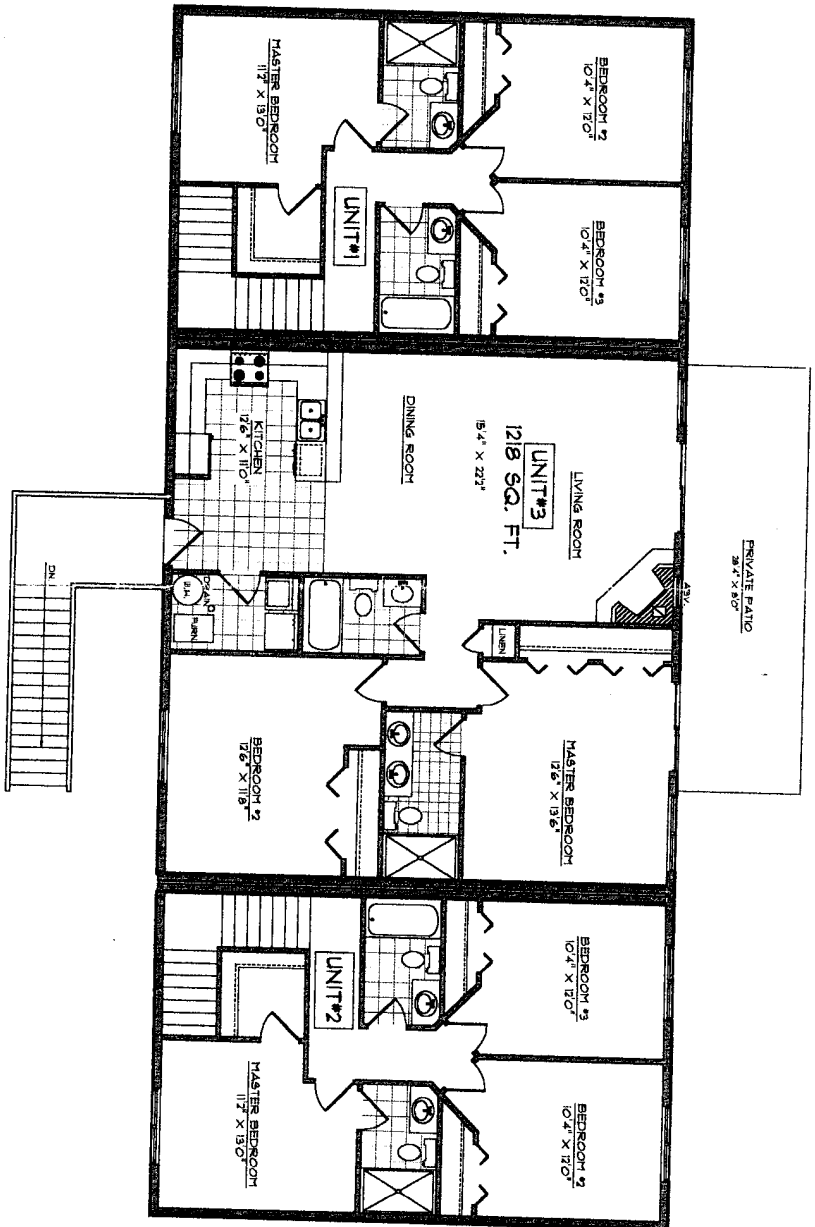
Copper Bloom
 Exhibit B2
 Pg 3 of 3

<p>A-5 PERMIT SET</p>	ARCHITECT: SEABURY DESIGN ASSOCIATES, P.C. DAVID R. SEABURY - ARCHITECT 221 SOUTH HILSON AVENUE, SUITE 04 BOZEMAN, MONTANA 59717 PHONE 406-586-7251 FAX 406-594-0317	
	PROJECT: COPPER BLOOM CONDOMINIUMS - 12 PLEX	
	CLIENT: HELLS DEVELOPMENT, L.L.C. P.O. BOX 10567, BOZEMAN, MONTANA 59717 PHONE 406-522-5477	
	CONTRACTOR: HELLS DEVELOPMENT L.L.C.	



COPPER BLOOM POOL TOWNHOMES
WELLS DEVELOPMENT L.L.C.

MAIN FLOOR PLAN



SECOND FLOOR PLAN

COPPER BLOOM POOL TOWNHOMES
WELLS DEVELOPMENT L.L.C.

CERTIFICATE OF REGISTERED ARCHITECT


The undersigned, an architect licensed and registered with the state of Montana, hereby certifies as follows:

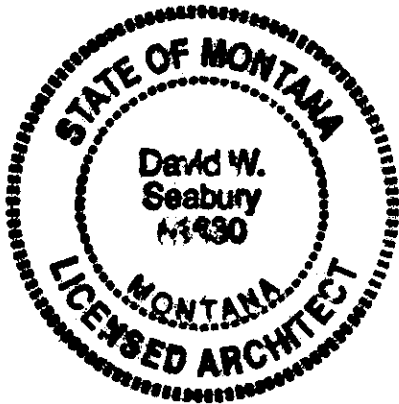
1. I have reviewed the floor plans for the Copper Bloom Condominium Homes, Units 1 through 12 in Building 4 and Units 1 through 8 in Building 2, copies of which are attached as Exhibits B-1 and B-2 to the Declaration of Condominium for Copper Bloom Condominium Homes (the "Plans").

2. I certify that the Plans are an accurate copy of the plans for these Units in Building 4 and Building 2 filed with, and approved by, the state of Montana and its duly authorized officers, agents, and employees having jurisdiction to issue building permits.

DATED this 17 day of July, 2002.

(SEAL)


David W. Seabury
#1630



Copper Bloom

Exhibit C



COPPER BLOOM CONDOMINIUM HOMES Belgrade, Montana

Principal Materials

Foundation system consists of an 8"-wide reinforced cast-in-place concrete wall on continuous reinforced footing that is 8" x 16". Garages, and thickened frost-bearing footings, are poured in place with continuous reinforcing.

Floor slab is 4" concrete with welded wire fabric reinforcing over .006 mil polyethylene vapor barrier and granular fill.

Typical exterior wall (from inside to out) is 5/8" sheetrock over 2" x 6" studs, with 6" glass fiber insulation between studs; 5/8 sheetrock sheathing; and siding, brick, or other veneer.

Interior partitions are 2" x 4" studs at 16" o.c. with 1/2" sheetrock over.

On both sides of common wall studs is 5/8" sheetrock. Walls are filled with 3 1/2" glass fiber insulation.

Roof system is pre-engineered wood trusses throughout with 2" x 8" rafters at vaulted ceilings. Ceilings are 5/8" sheetrock with 12" glass fiber ceiling insulation. Roofing is 330 lb. fiberglass shingles on one layer 15 lb. building felt and 15/32" OSB plywood sheathing. Attic ventilation is provided with continuous soffit and ridge vents. Eaves occurring over exterior walkways, decks, and doors have aluminum gutter and downspout.

Polyvinyl windows and sliding doors have exterior vinyl cladding, a thermal break, insulating glass, and screens at operating sash. Exterior doors are insulated steel. Interior doors are either hollow core veneer or colonial style panel. Interior trim to match doors.

Each Unit has hot water radiant heat. Individual electrical items include: service with circuit breaker panel, copper wiring to Unit, and telephone conduit.

Exterior walks are 4" reinforced concrete. Exterior drives are asphalt with concrete curb and gutter.

Copper Bloom

Exhibit D