

HERITAGE CONDOMINIUMS DECLARATION AND BY-LAWS

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Amendment 2011

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**AMENDMENT TO BY-LAWS
of
HERITAGE CONDOMINIUMS**

The Amended By-Laws of Heritage-Condominiums, dated May 7, 1987, and recorded with the Gallatin County Clerk and Recorder in Film 97 page 1863 is hereby amended in the following respects:

1. Article VI, Section 6(j), is hereby deleted in its entirety.
2. The word "family" is hereby deleted in each and every instance it is used in the above identified Amended By-Laws

Except as herein amended, and as amended in subsequent Amendments, the Amended By-Laws shall remain in full force and effect and is incorporated herein by this reference.

The undersigned officers of the Heritage condominium Association, Inc., certify that the foregoing Amendment was approved by at least three-quarters (3/4) of interests of unit owners pursuant to authority under Article VII, Section 1, entitled "Amendments", at a duly constituted meeting or by written ballot for such purposes to amend such By-Laws.

IN WITNESS WHEREOF, the Heritage Condominium Association, Inc., by and through its President and Secretary, has caused this Amendment to be made and executed on the 19th day of January, 2011.

HERITAGE CONDOMINIUM ASSOCIATION, INC.
a non-profit, mutual benefit corporation

BY: _____

its President

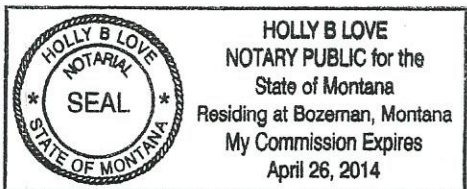
BY: _____

its Secretary

STATE OF MONTANA)
 :SS
County of Gallatin)

On this 19th day of January, 2011, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Mark Amende, and Sara Breeland, known to me to be the President and Secretary, respectively of HERITAGE CONDOMINIUM ASSOCIATION, INC., and Montana non-profit, mutual benefit corporation that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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



Holly B Love
Holly B Love
NOTARY PUBLIC for State of Montana
Residing at: *Bozeman, MT*
My Commission expires *4-26-2014*

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Page: 1 of 1
Charlotte Mills - Gallatin County, MT
01/21/2011 10:07:34 AM
Fee: \$11.00
MISC



**AMENDMENT 2005 TO AMENDED DECLARATION
OF CONDOMINIUM OWNERSHIP FOR
HERITAGE – CONDOMINIUMS**

The Amended Declaration of Condominium Ownership for Heritage – Condominiums dated October 6, 1976 and filed of record on the office of the Clerk and Recorder, Gallatin County, State of Montana, on October 6, 1976, at 2:30 P.M. at Book 34 of Miscellaneous, Page 1935, is hereby amended as follow:

Amendment No. 1 (2005)

The following statement is added to top of first page of By-Laws, top of first page of declaration, and at top of Administration Rules as adopted by the Board of Directors.

**NOTICE: THESE BY-LAWS ARE SUBJECT TO BINDING ARBITRATION
PURSUANT TO MONTANA CODE ANNOTATED, TITLE 27, CHAPTER 5**

Amendment No. 2 (2005)

Article IX, Section 2 of the By-Laws of Heritage condominiums shall be amended to read as follows:

Section 2. When a violation of the terms and conditions set forth in the Declaration of Condominium, the Bylaws or the administrative rules duly adopted by the Board of Directors is reported to the Board or otherwise comes to the attention of the Board, the Board shall issue a Notice of Violation to the Unit Owner. The Unit Owner shall have thirty (30) days to correct the violation, ten (10) days for administration rules. If the Unit Owner believes that a violation is not occurring, the Unit Owner shall contact the Board of Directors in writing within thirty (30) days and request a hearing. A hearing shall be promptly scheduled before the Board of Directors and the Unit Owner shall have the opportunity to present witnesses and such other evidence the Unit Owner deems necessary. The Management Agent shall also present witnesses and such other evidence as it deems necessary. The Chairperson of the Board shall have the right to limit the receipt of evidence that is repetitive or not relevant to the matter being heard. The Unit Owner and the Management Agent shall have the right to cross examine witnesses who appear at the hearing. At the conclusion of the hearing, the Board shall determine if a violation is occurring or not. If it is determined that a violation is in fact occurring, the Board shall send written notice to the Unit Owner, be certified mail, return receipt requested, notifying that the Unit owner has thirty (30) days to correct the violation.

If a Unit Owner disagrees with the determination of the Board following a hearing, the Unit Owner shall have the right to file an appeal to an arbitration panel. The appeal process shall be commenced by the Unit Owner delivering a written Notice of Appeal to Arbitration Panel, to the Board by registered mail, return receipt requested. The Notice



Shelley Vance-Gallatin Co MT MISC

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of Appeal to Arbitration Panel shall be placed in the mail within fifteen (15) days from the date of receipt of the notice of the Boards hearing decision.

The arbitration panel shall consist of three members and shall be selected as follows:

- (a) Each party shall select a member to serve on the arbitration panel and shall notify the other party in writing of the person so selected. This notification shall occur no later than fifteen (15) days following the receipt of the Notice of Appeal to Arbitration Panel.
- (b) Within ten (10) business days of their selection, the two arbitration panel members selected by the parties shall select a third member of the panel by mutual agreement. This jointly selected member shall serve as chairperson of the arbitration panel. Any question of procedure shall be determined in accordance with the rules of the American Arbitration Association.

The arbitration panel so selected shall by majority decision make a binding determination of the dispute before them. The Board and an appealing Unit Owner shall abide by any decision made by the panel and that said decision shall be binding upon them and not subject to judicial appeal or review, in the absence of fraud. The parties may file a decision of the arbitration panel in a court of law for the limited purpose of enforcing an arbitration panel decision.

The board and the appealing Unit Owner shall equally share any and all costs of the arbitration process. Said costs shall be paid within five (5) business days of being in being invoiced for a cost. Each party shall bear their own attorney fees.

Amendment No. 3 (2005)

Article II, Section 2 of the By-Laws of Heritage condominiums shall be amended to read as follows:

Section 2. All new purchasers of a Unit in Heritage Condominiums shall meet with a Board Member or a Manager employed by the Board within ten (10) business days of the closing of their purchase on their Unit to confirm receipt of a copy of the Declaration of Condominium for Heritage Condominiums, the By-Laws and Administrative Rules adopted by the Board of Directors and to discuss any questions the purchaser may have. The new purchaser shall not be able to cast their vote until such meeting has occurred.



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The By-Laws of Heritage-Condominiums dated the 21st, day of May, 1987, and filed for record on May 26th, 1987, in Film 97, Page 1863 are amended as follows:

Article VI, Section 6, Subsection (m) of the By-Laws of Heritage-Condominiums shall be amended to read as follows:

(m) No rabbits, livestock, fowl, poultry or other animals of any kind shall be raised, bred, or kept in any unit, except dogs, cats or other household pets may be kept to the extent provided herein. Effective January 1, 1994, no dog or cat may be raised, bred, boarded, possessed, kept, in any unit or on the common elements, except as provided in this section.

Any unit owner who possesses or keeps a dog or cat at the owner's unit before January 1, 1994 may continue such possession, provided the unit owner (1) registers the animal with the board of directors before January 1, 1994; and (2) complies with all Rules of Conduct contained in these By-Laws pertaining to pets. If a unit owner's dog or cat dies or is lost, the unit owner may replace the animal, but must do so within thirty (30) days of the death or loss of the pet. No dog replaced after January 1, 1994 may exceed 35 pounds or be more than eighteen (18) inches in height at the shoulder when fully grown.

Any unit renter or non-owner occupant who possesses or keeps a dog and/or cat at the renter's unit before January 1, 1994 may continue such possession of the particular pet, provided the unit owner (1) registers the animal with the board of directors before January 1, 1994; and (2) complies with all Rules of Conduct contained in these By-Laws pertaining to pets. However,

if a unit renter's dog or cat dies or is lost, the unit renter cannot replace the animal.

The board of directors may, in its discretion, assess fines up to five hundred dollars (\$500.00) per offense, plus all reasonable costs incurred in enforcement. If the board of directors deems it necessary to commence legal action to enforce this section, the prevailing party will be entitled to recover its reasonable attorney fees and costs of suit.

Owners of rental units are responsible for their tenants' compliance with this section.

There shall be added to the By-Laws of Heritage-Condominiums as Article XII:

ARTICLE XII.

Effective January 1, 1994, no unit owner may rent his or her unit to any party, except as provided in this section.

Any unit owner who has used his or her unit exclusively for rental purposes at all times before January 1, 1994, shall retain his or her right to rent until the termination of the current unit owner's ownership. This limited right to rent is personal to those owners owning units for rental purposes before January 1, 1994, is not transferable or assignable, and terminates upon the first of the following events: (1) any transfer of any portion of ownership interest in the subject unit; (2) when the unit ceases to be used as a rental, including but not limited to the owner's commencement of personal residence in the unit; or (3) the death of the owner.

In addition to the provisions of the above paragraph, a unit owner who would otherwise suffer substantial and undue hardship may submit a written request to the board of directors for

authorization to rent his or her unit. The board of directors may, in its sole discretion, determine a grant of authorization to be necessary to avoid substantial and undue hardship, and the board may grant authorization subject to such terms and conditions that the board of directors determines to be appropriate under the circumstances. Except as provided below, no more than four (4) units may be rented at one time. If the number of Heritage Condominium units increases, the board of directors has the discretion to grant one additional hardship exemption for every eight new units added.

We, the President and Secretary of Heritage Condominium Homeowners' Association, certify that these By-Laws are By-Laws which were amended and approved by a vote of the membership of the Association on December 17th, 1993.

12-21-93

Karen A. Bouse
KAREN BOUSE, President

12-21-93

Sheila Bruce
SHEILA BRUCE, Secretary

STATE OF MONTANA)
: ss.
County of Gallatin)

On this 21 day of December, 1993, before me, a Notary Public for the State of Montana, personally appeared Karen Bouse and Sheila Bruce, known to me to be the President and Secretary, respectively, of Heritage Condominium Homeowner's Association, and acknowledged to me that they executed the foregoing instrument on behalf of said Heritage Condominium Homeowner's Association.

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



Ernest J. Kuntz
Notary Public for the State of MT
Residing at Bozeman, Montana
My Commission Expires July 2, 1994



277617

State of Mont., County of Gallatin. ss Filed for record December 22, 19 93
at 10:45 A.M., and recorded in Book 139 of Miscellaneous page 1187
Shelley M. Cheney Recorder. By Ann L. Brannon Deputy

Fee: \$18.00 pd
Rtn: S. Crow Realty
609 W. Mendenhall
BOZEMAN, MT 59715

RESCISSION OF AMENDMENT TO BYLAWS
OF HERITAGE-CONDOMINIUM

We, the undersigned President and Secretary of Heritage-Condominium Homeowners' Association hereby rescind in its entirety the Amendment to By-Laws of Heritage-Condominiums filed for record at the Office of the Clerk and Recorder of Gallatin County, Montana, December 22, 1993, and recorded in Book 139 of Miscellaneous, Page 1187. The reason for this rescission is that an error was made in the tabulation of votes of the membership of the Homeowners' Association, and that the above-referenced amendment was not, in fact, approved.

WHEREFORE, the Amendment to By-Laws of Heritage Condominiums filed for record December 22, 1993, and recorded in Book 139 of Miscellaneous, Page 1187, is rescinded, null and void, and is of no force or effect.

DATED this 31st day of May, 1994.

Heritage-Condominium
Homeowners' Association

By: Karen A. Bouse
KAREN BOUSE, President

By: Shelia Bruce
SHELIA BRUCE, Secretary

STATE OF MONTANA)
 : SS.
County of Gallatin)

On this 31 day of May, 1994, before me, the undersigned, personally appeared Karen Bouse and Shelia Bruce, President and Secretary respectively of Heritage-Condominium Homeowners' Association, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes therein contained.

[Signature]
Notary Public for the State of Montana
Residing at Bozeman
My commission expires: July 2, 1994



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287622

State of Mont., County of Gallatin. ss Filed for record June 2, 19 94
at 3:21 P. M., and recorded in Book 144 of MISCELLANEOUS page 3520
Shelley M. Cheney Recorder. By Barbara Jensen Deputy

Fee: \$6.00 pd
Rt: S. Crow Realty
609 W. Mendenhall
Bozeman MT 59715

AMENDED
BY-LAWS
OF
HERITAGE - CONDOMINIUMS

ARTICLE I.

Section 1. The provisions of these by-laws are applicable to a condominium located at South Fifteenth Street, Bozeman, Montana, known as "Heritage - Condominiums" pursuant to the Amended Declaration of Condominium Ownership dated October 6, 1976, filed as Document #30845 on Film 34, page 1835, in the office of the County Clerk and Recorder of Gallatin County, Montana, and in accordance with the provisions of the Montana Unit Ownership Act, Chapter 120, Laws of Montana 1965 (Title 67, Chapter 23, R.C.M. 1947).

Section 2. All present or future owners, tenants, future tenants or employees, or any other person who might use the facilities of "Heritage - Condominiums" in any manner, are subject to the regulations set forth in these by-laws. The mere acquisition or rental of any of the family units (hereinafter referred to as "units") of the project or the mere act of occupancy of any of said units will signify that these by-laws are accepted, ratified and will be complied with.

ARTICLE II.

Section 1. The owner of each unit in the building shall by virtue of such ownership be a member of the Heritage - Condominiums Association, hereinafter called the "Association." However, if ownership of any unit is vested in more than one person, while each such owner shall be a member, the several co-owners shall be entitled to vote only in accordance with the provisions of these by-laws on voting.

Section 2. Each owner shall be entitled to a vote which shall be based upon the percentile interest which each owner shall have in the common elements according to the unit which he owns.

Section 3. As used in these by-laws, the term "majority of owners" shall mean the owners holding more than half of the votes assigned as herein provided.

Section 4. Except as otherwise provided in these by-laws, the presence in person or by proxy of a "majority of owners" shall constitute a quorum. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. At all meetings of owners, each owner may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance of the owner of his unit.

ARTICLE III.

Section 1. The Association will have the responsibility of administering the operation of Heritage - Condominiums, approving the annual budget, establishing and collecting assessments and arranging for the management of the project pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners.

Section 2. The annual meeting of the Association shall be held at a place to be designated by the Board of Directors in Bozeman, Montana.

Section 3. Special meetings may be called at any time by

order of the Board of Directors or by any six (6) members.

Section 4. Written notice of any annual or special meeting of the Association shall be mailed to each owner at his last known address as reflected by the Association's records not less than ten (10) days prior to the date of the meeting. Such notice shall specify the time, place and purpose of the meeting. At annual meetings, there shall be elected by ballot of the owners a Board of Directors, and such other business of the Association may be transacted as may properly come before them. No business shall be transacted at a special meeting except as stated in the notice unless by consent of a majority of owners present, either in person, or by proxy.

Section 5. The order of business at all meetings of the Association shall be as follows:

- (a) Proof of notice of meeting or waiver of notice
- (b) Determination of Quorum
- (c) Reading of minutes of preceding meeting
- (d) Reports of officers
- (e) Reports of Committees
- (f) Election of Directors
- (g) Unfinished business
- (h) New business

ARTICLE IV.

Section 1. Board of Directors. The affairs of the Association shall be governed by a Board of Directors composed of five (5) persons, all of whom must be owners of units in the project, who shall be elected by the owners.

Section 2. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not by law or by these by-laws directed to be exercised and done by the owners. The directors shall serve without compensation.

Section 3. In addition to duties imposed by these by-laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the project and the common areas and facilities.
- (b) Collection of assessments from the owners.
- (c) Designation and dismissal of the manager and personnel necessary for the maintenance and operation of the project, the common area and facilities.
- (d) Approving vouchers for payment of all legal claims against the Association.

Section 4. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize, including but not limited to, the duties listed in Section 3, above.

Section 5. Election and Term of Office. The term of all Directors elected after January 1, 1987, shall be for two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 6. Any director may be removed by a vote of a majority of votes entitled to be cast at any regular or special meeting of the Association called for that purpose. In the event of such removal, a successor may then and there be elected to fill the vacancy thus created for the unexpired term.

Section 7. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so selected shall serve until the next annual meeting of the Association, at which time the members shall elect a successor to fill out the balance of the unexpired term.

Section 8. The first meeting of a newly elected Board of Directors shall be held immediately following the annual meeting of the Association, and no notice shall be necessary to the newly elected directors in order to legally constitute such meeting, provided a majority of the whole Board shall be present.

Section 9. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 10. Special meetings of the Board of Directors may be called by the Chairman on three (3) days notice to each director. Said notice shall be given either personally, by mail, telephone, or telegraph, and which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the Chairman or Secretary in a like manner. Notice, as set out above, on the written request of at least three (3) directors, or by proxy, shall also constitute the call of a meeting. All Directors' meetings shall be held within Gallatin County, Montana.

Section 11. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. A quorum of the Board for the transaction of business at any meeting shall be a majority of the directors.

If, however, a quorum shall not be present or represented at any meeting, the directors present shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum as aforesaid shall be present or be represented. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. The Board of Directors may require that officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds, premiums on such bonds to be paid by the Association.

ARTICLE V.

Section 1. Officers. The Board of Directors at its annual meeting shall elect a Chairman, Vice-Chairman, Secretary, Treasurer and such assistants as the Board deems necessary. Any two (2) or more offices may be held by the same person, except the offices of Chairman and Secretary.

Section 2. The officers of the Association shall hold office at the pleasure of the Board, and in the event of a vacancy for any reason, the Board shall elect a successor at any regular meeting or at any special meeting called for such a purpose.

Section 3. The Chairman shall preside at all meetings of the Association and the Board of Directors. He shall have general supervision over the affairs of the Association and its officers and all of the powers and duties usually vested in the office of President or Chairman of an Association, including, but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 4. The Vice-Chairman shall act for the Chairman in

the event of the absence or disability of the latter, and shall also perform such other duties as from time to time may be imposed upon him by the Board of Directors.

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

Section 6. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VI.

Section 1. Obligations of Owners. Assessment against the unit owners shall be made or approved by the Directors of the Association and paid by the unit owners to the Association in accordance with the following provisions:

- (a) Each unit owner shall be liable for his share of the common expenses, and any common surplus shall be owned by each unit owner in a like share.
- (b) Any assessment, the authority to levy which is granted to the Association or its Board of Directors by the Condominium declaration shall be paid by the unit owners to the Association in the proportions set forth in the provision of the declaration authorizing the assessment.
- (c) All sums collected by the Association from assessments may be co-mingled in a single fund but they shall be held for the unit owners in their respective shares in which they are paid and shall be credited to accounts from which shall be paid the expenses for which the respective assessments are made. Such accounts shall be as follows:
 - (i) Common expense accounts - to which shall be credited collections for assessments for all common expenses including liability and hazard insurance premiums as

well as payments received for defraying costs of the use of common elements;

- (ii) Alteration and improvement account - to which shall be credited all sums collected for alterations and improvement assessments;
 - (iii) Maintenance and repair account - to which shall be credited all sums collected for maintenance and repair assessments; and
 - (iv) Emergency account - to which shall be credited all sums collected for emergencies;
 - (v) A capital account for reconstruction, replacement or remodeling, to which shall be credited collections for capital construction.
- (d) All owners shall be obligated to pay assessments as imposed by the Association to meet all common expenses, including income taxes, liability and hazard insurance premiums. Assessments for common expenses shall be made for the calendar year annually in advance on or before October 20th of the year preceding for which the assessments are made and on such other and additional times as in the judgment of the Board of Directors additional common expense assessments are required for the proper management, maintenance and operation of the common elements. Such annual assessment shall be due and payable commencing January 1st of the year for which the assessments are made. The total of the assessment shall be in the amount of the estimated common expenses for the year including a reasonable allowance for contingencies and reserves less the amounts of unneeded common expense account balances. If an annual assessment is not made as required, a payment in the amount required by the last prior assessment shall be due upon each assessment payment date until changed by a new assessment.
- (e) Other assessments shall be made in accordance with the provisions of the Condominium declaration, to be paid at the time determined by the Board of Directors. Assessments for common expenses or emergencies which cannot be paid from the common expense account shall be made only by the Board of Directors.
- (f) The Secretary and Treasurer shall maintain records showing assessments made against unit owners which shall be available for inspection at all reasonable times by unit owners or their representatives. Such records shall show the amounts of all assessments paid and unpaid. The Treasurer may issue certificates as to the status of a unit owners assessment account to such persons as the unit owner may request in writing, and such certificates shall limit the

liability of any person to whom it is addressed other than the unit owner.

- (g) Unit owners and their grantees shall be jointly and severally liable for all unpaid assessments due and payable for a specific family unit at the time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefore. Unpaid portions of assessments which are due shall be secured by a lien upon the family unit as provided in the declaration upon the filing of a claim in accordance with the provisions of Section 67-2326, R.C.M. 1947, as amended.
- (h) Assessments and installments thereof paid more than ten (10) days after the date when due, shall bear interest at the rate of 10% per annum from the date when due until paid. All payments upon assessments shall be applied first to interest and then to the earliest assessment due. Interest collected shall be credited to the common expense account.

Section 2.

- (a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.
- (b) All the repairs of internal installation of the unit such as water, light, gas, power, sewerage, telephones, air conditioners, sanitary installations, doors, windows, lamps and all other accessories and appliances belonging to the unit area shall be at the owner's expense.
- (c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.

Section 3. An owner shall not make any structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the management agent, if any, or through the Chairman of the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within ten (10) days thereafter, and failure to do so within the stipulated time shall mean there is no objection to the proposed modification or

alteration.

Section 4. An owner will grant the right of entry to the management agent or to any other person authorized by the Board of Directors of the Association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

Section 5. An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the plumbing, mechanical or electrical services, provided request for entry is made in advance and that such entry is at a time convenient to the owner. In the case of an emergency, such right of entry shall be immediate.

Section 6. Rules of Conduct.

- * (a) No resident of the building shall post any advertisements or posters of any kind in or on the project except as authorized by the Board of Directors.
- (b) Residents shall not create noises by the use of musical instruments, radios, televisions, amplifiers or any other objects or by any action done by a person(s) that disturbs other residents.
- (c) Hanging garments, rugs, etc. from the windows, porches, facades or any other common area is prohibited.
- (d) Dusting rugs, etc. from the windows or cleaning rugs by beating on the exterior part of the project is prohibited.
- (e) Disposal of garbage or trash outside the disposal installations provided for such purposes in the service areas is prohibited.
- * (f) No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennas, machines or air conditioning units, signs, awnings, canopies or other objects on the outside of windows or placed on the outside walls of a building or the roof without the prior consent of the Board of Directors.
- (g) No baby carriages, tricycles, bicycles, toys or other objects shall be allowed to stand in the halls, passageways or common areas of the project.

- (h) No objects shall be stored or kept on the decks of any unit for more than 72 hours, except deck furniture, barbecues, flower planters and firewood.
- (i) Owners shall immediately pick-up and remove all excrement dropped by their pets. Dogs shall be kept on a leash or under voice control of the owner when the dog is outside. Dogs shall not be tied to any portion of a building and left unsupervised.
- (j) No part of the property shall be used for other than residential purposes. Each family unit shall be used as a residence for a single family, as described below, and for no other purpose, except that an owner may use a portion of his unit for an office or studio provided that the activities therein shall not interfere with the quiet enjoyment or comfort of any other owner or occupant and provided further that in no event shall any part of the property be used as a school or music studio.

A single family shall be defined as including only the following relationships:

- A) Husband and Wife
- B) Husband and Wife and Child(ren)
- C) Single person
- D) Single parent and child(ren)
- E) Brothers of the same family
- F) Sisters of the same family
- G) Brother and Sister
- H) Grandparent(s) - Child(ren) - Grandchild(ren)

There shall be allowed in addition to the single family, as defined above, to reside in a unit, one unrelated person to the owner. However, there shall not be allowed any more than two unrelated persons living in a unit, including the owner. If there is more than one owner of the unit, there still shall be only two unrelated persons living in said unit.

- (k) There shall be no obstruction of the common elements nor shall anything be stored in or on the common elements without prior consent of the Board of Directors. Each owner shall be obligated to maintain and keep in good order and repair his own family unit. No campers, boats, snowmobiles or other kinds of recreational equipment may be stored within the common elements unless kept within the garage or carport designated for use of a family unit, and only then if the owner of that family unit requires the use of only one additional parking space.

- (l) Nothing shall be done or kept in any unit or in the common elements which will increase the rate of insurance of the building or contents thereof applicable for residential use without the prior written consent of the Board of Directors. No 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 in the common elements.
- (m) No rabbits, livestock, fowl, poultry or other animals of any kind shall be raised, bred or kept in any unit, except dogs, cats or other household pets, subject to the rules and regulations adopted by the Board of Directors, provided that they are not kept, bred, or maintained for any commercial purpose.
- (n) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which interferes with the peaceful possession and proper use of the property by its residents. No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.
- (o) Nothing shall be done in any family unit or in, on, or to the common elements which will impair the structural integrity of the building or which would structurally change the building except as is otherwise provided herein.
- (p) No industry, business, trade, occupation, or profession of any kind, commercial, religious, educational or otherwise shall be conducted, maintained or permitted on any part of the property, nor shall any "for sale" or "for rent" signs or other window displays or advertising be maintained or permitted on any part of the property or in any unit therein, except that grantors and their agents reserve the right to place "for sale" or "for rent" signs on any unsold or unoccupied units, and the right is hereby given to any mortgagee or trust indenture beneficiary who may become the owner of any unit, to place such sign on any family unit owned by such mortgagee or beneficiary.
- (q) Nothing shall be planted, altered or constructed in or removed from the common elements, except upon the written consent of the Board of Directors.

Section 7. Additional Administrative Rules and Regulations relating to the details of the administration and operation of

Heritage - Condominiums and the use of the common elements may be adopted or amended by the Board of Directors at any regular meeting or at any special meeting called for that purpose.

ARTICLE VII.

Section 1. Amendments. These by-laws may be amended by the Association at a duly constituted meeting or by written ballot for such purposes and no amendment shall take effect unless approved by at least three-fourths (3/4) of the interests of the owners, and until a copy of the by-laws, as amended, certified by the presiding officer and Secretary of the Association is recorded in the office of the Clerk and Recorder of Gallatin County, Montana.

ARTICLE VIII

Section 1. Any owner who mortgages his unit shall notify the Association through the management agent, if any, or the Chairman of the Association in the event there is no manager, the name and address of his mortgagee; and the Association shall maintain such information in a book entitled Journal. The Homeowners' Association shall give the mortgagee notice in writing of any loss to the common elements which exceeds the sum of \$10,000.00, or damages to any condominium unit which exceeds the sum of \$1,000.00.

ARTICLE IX.

Section 1. Due process by Homeowners' Association: In the event that an action is taken by the Homeowners' Association or Board of Directors against any individual unit owner to enforce an assessment, or any part of the By-Laws or Declaration, or any rule or regulation properly adopted by the Homeowners' Association, said homeowner shall be afforded the protection of due process which includes but is not limited to the following:

- (a) Adequate notice in writing of any default with a contingent right to cure the default.

- (b) An opportunity to defend him or herself against any allegations of default.
- (c) An opportunity to cross-examine witnesses.
- (d) An opportunity to receive a formal hearing before an impartial form or tribunal.
- (e) To findings of fact by the formal tribunal in accordance with the evidence presented.
- (f) To a penalty proportionate to the offense such as suspension of voting rights and recreational use rights or a reasonable fine imposed by the Board of Directors.

ARTICLE X.

The Board of Directors shall have the right to buy errors and omissions insurance to protect themselves against malpractice. The premiums for such malpractice insurance shall be borne by the Association.

ARTICLE XI.

Any first lien holder or mortgagee shall have the right to have a representative attend any regular or special meeting of the Association.

We, the President and Secretary of Heritage Condominium Homeowners' Association, certify that these By-Laws are By-Laws which were amended and approved at a meeting of the Association on May 7, 1987.

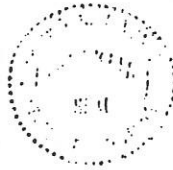

JOHN McLEAN Chairman


SHEILA BRUCE, Secretary

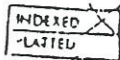
STATE OF MONTANA)
County of Gallatin) ss.

On this 21st day of May, 1987, before me, a Notary Public
for the State of Montana, personally appeared JOHN MELEAR and
SHEILA BRUCE, known to me to be the President and Secretary,
respectively, of Heritage Condominium Homeowner's Association,
and acknowledged to me that they executed the foregoing
instrument on behalf of said Heritage Condominium Homeowner's
Association.

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



Harold L. Anderson, Jr.
Notary Public for the State of MT
Residing at Bozeman, Montana
My Commission Expires: 4-24-89



172383

State of Mont., County of Gallatin, ss Filed for record May 26
at 10:16 A M., and recorded in Book 97 of MISCELLANEOUS Page 1863
Gerald R. W'ne Recorder. By Anthony A. Weitz Deputy
Rt: Harry A. Beck
206 Pioneer Drive #45
Bozeman, MT 59715
\$75.00pd.