

~~After recording, return to:
Stephen E. Woodruff, Esq.
P.O. Box 523
Livingston, MT 59047~~

Montana Land Investments LLC.
1106 W. Park St.
Livingston, MT 59047

BYLAWS OF THE ASSOCIATION OF UNIT OWNERS

OF

**THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS
OWNERS ASSOCIATION, INC.**

ARTICLE 1. PURPOSE AND APPLICATION

These Articles are the Bylaws of the Association of Unit owners of THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS OWNERS ASSOCIATION, INC., of 1106 West Park, Box 422, Livingston, MT 59047 (the "Condominium"), and shall govern and control the administration of the Condominium. These Bylaws are a part of the Declaration for the THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS, which Declaration is recorded of even date herewith and is made a part hereof by reference (herein, the "Declaration"). All Unit Owners, present and future, shall have the rights and responsibilities described in these Bylaws and shall be subject to the provisions of the Declaration.

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

ARTICLE 2. MEMBERSHIP

Persons owning a Unit in the Condominium or owning a unit in any real estate tenancy relationship recognized by the State of Montana shall be a member of the Association of Unit Owners ("Association"). Membership begins concurrently with the acquisition of an ownership interest and terminates at the time such ownership interest is terminated; provided, however, that such termination shall not relieve any owner of liability for obligations incurred

while a Member of the Association or impair any owner's legal remedies, arising from unit ownership.

ARTICLE 3. OBLIGATIONS OF MEMBERS

Each Unit Owner shall be obligated to comply with the Bylaws, the Declaration, all Covenants affecting the Condominium, and all local, State and Federal laws. Such obligations shall include, but not be limited to, the paying of assessments by the Association. Failure of any owner to abide by these Bylaws, all rules made pursuant thereto, the Declaration, the Covenants, or local/State/Federal laws, shall be grounds for appropriate legal action by the Association of Unit Owners or by an aggrieved Unit Owner against such non-complying owner.

ARTICLE 4. MEETINGS OF ASSOCIATION AND VOTING

Regular and Special meetings of the Association shall be held in accordance with the following provisions:

Section 1. Regular Meetings. There shall be a regular meeting of the Association annually on the first Saturday in May of each year, commencing in the year the Condominium regime is established, or on such other date properly announced by the Association. Any first lienholder shall have the right to have a representative attend any regular meeting. The first meeting of the Association shall take place not more than one year following the date of recording these Bylaws.

Section 2. Special Meetings. The Association may at any time hold special meetings, which may be called on the initiative of the Chair of the Association, a signed request of the Manager, or a petition signed by Owners of twenty-five percent (25%) of the aggregate interest of the Condominium. Notice of any special meeting must specify the reason for such meeting and the matters to be raised. Only matters set forth in the petition or request may be brought before such meeting unless Owners of seventy-five percent (75%) of the aggregate interest of the Condominium agree otherwise.

Section 3. Notice. Notice of all meetings, regular or special, shall be mailed by the Association's Secretary to every Unit Owner and to such first lienholders of record who have requested that notice of meetings be provided to them at their address of record at least ten (10) days prior to the time for holding such meeting. Such notices shall specify the date, time and place of the meeting and shall make provision to allow for the voting of each Unit Owner's interest by proxy at the discretion of the owner. The mailing of a notice in the manner provided in this paragraph or the personal delivery of such notice by the Secretary of the Association shall be considered as notice served. In addition, if any Unit Owner notifies the Association of the Owner's consent to notice by electronic mail, then electronic mail notice so given by the Association to such Unit Owner shall be considered as notice served.

Section 4. Quorum. No meeting, regular or special, shall be convened to conduct business unless a quorum is present in person or by proxy. A quorum shall consist of more than fifty percent (50%) of the total aggregate interest of the Condominium at any time. During any meeting that a quorum is not present, such meeting shall be adjourned forthwith.

ARTICLE 5. VOTING INTEREST

Each Unit Owner at an Association meeting shall have a voting interest equal to his percentage of interest in the general common elements as set forth in the Condominium Declaration.

Such percentage factor shall be the voting interest of each Unit Owner on all matters affecting the general business of the Condominium, on all matters affecting the common elements, assessments for the common elements, and on all matters upon which the Association agreed to have voting. Voting may be performed either in person or by proxy at the discretion of the Unit Owner.

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

ARTICLE 6. BOARD OF DIRECTORS

Section 1. Number and qualification. The affairs of the Condominium shall be governed by a Board of Directors. Until such time as Units representing eight percent (80%) in common interest have been sold by the Developer, the Board of Directors shall consist of such persons as shall have been designated by the Developer. The “Developer” is MONTANA LAND INVESTMENTS, LLC. Thereafter, the Board of Directors shall be composed of three (3) persons, all of whom shall be one of the following: Owners or spouses of Owners of Units in the Condominium; Officers or Directors of Corporate Owners of Units; Trustees of Trust Owners of Units; Members or Managers of LLC Owners of Units; or Partners of Partnership Owners of Units.

Section 2. Powers and duties. The Board of Directors shall have the powers and duties necessary or appropriate for the administration of the affairs of the Condominium, except such powers and duties as by law or by the Declaration or by these Bylaws may not be delegated to the Board of Directors by the Unit Owners. The powers and duties to be exercised by the Board of Directors shall include, but shall not be limited to, the following:

(a) To make provisions for the operation, care, upkeep and maintenance of the common elements;

- (b) To determine the amounts required for operation, maintenance and other affairs of the Condominium;
- (c) To levy and collect assessments; to provide for the collection of unpaid assessments; to file written notice of assessment liens; to file actions for the collection of unpaid assessments and for the foreclosure of assessment liens;
- (d) To employ and dismiss personnel, as necessary for the efficient maintenance and operation of the Condominium;
- (e) To adopt and amend rules and regulations governing the details of the operation and use of the Condominium property;
- (f) To open bank accounts on behalf of the Condominium and designate the signatories required therefor;
- (g) To purchase, lease, or otherwise acquire in the name of the Association or its designee, on behalf of all Unit Owners, apartment units offered for sale or lease or surrendered by their owners to the Association;
- (h) To purchase apartment units at foreclosure or other judicial sales in the name of the Association or its designee, on behalf of all Unit Owners;
- (i) To sell, lease, mortgage, vote the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise deal with apartment units acquired by the Association, on behalf of all Unit Owners;
- (j) To organize corporations to act as designees of the Board of Directors in acquiring title to or leasing of apartment units on behalf of all Unit Owners;
- (k) To lease professional offices, garages, maids' rooms, and laundry rooms, and grant licenses for vending machines;
- (l) To obtain insurance for the Condominium property; to pay the premiums on said insurance; and to adjust all claims under said insurance pursuant to the provisions hereof or the Declaration;
- (m) To make repairs, additions, and improvements to, or alterations of, the Condominium property, and repairs to and restoration of the property in accordance with the other provisions of these Bylaws or the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings; and
- (n) To grant easements, licenses, rights of entry, and rights of way over, under, and across the Condominium premises.

The above powers and duties are exercisable at the sole option of the Board of Directors, unless performance of such duties is required by the Declaration, these Bylaws, by law, or is otherwise required in conjunction with the ongoing operation of the Condominium in accordance with said Declaration, Bylaws, or law.

Section 3. Manager. The Board of Directors may employ for the Condominium a Manager at a compensation established by the Board of Directors, to perform such services and duties as the Board of Directors shall authorize, including, but not limited to, the duties listed in subdivisions (a), (c), (d), (k), (l), (m) and (n) of Section 2 of this Article 6. The Board of Directors may delegate to the Manager all of the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), and (j) of Section 2 of this Article 6.

The initial Condominium Manager is ALPINE SPRINGS CONSTRUCTION, LLC. The Association has entered into a two (2) year Management Contract with ALPINE SPRINGS CONSTRUCTION, LLC, the term of which commences upon the filing of these Bylaws and the Declaration for the Condominium in the Park County Clerk and Recorder's Office, and shall terminate as therein provided. All Unit Owners and prospective Unit Owners shall be entitled to review the Management Contract, copies of which may be obtained by request to the Association.

Section 4. Election and term of office. The Board of Directors shall be elected annually at the annual meeting of the Unit Owners and shall hold office for one (1) year, or until their respective successors shall have been elected by the Unit Owners.

Section 5. Removal of members of Board of Directors. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Directors may be removed with or without cause by the Owners of a majority of the aggregate interests of the Condominium, and a successor may then be elected to fill the vacancy thus created.

Section 6. Organization meeting. The first meeting of the members of the Board of Directors shall be immediately following the annual meeting of the Unit Owners, or within ten (10) days thereafter, at such time and place as the members of the Board of Directors shall agree. No notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

Section 7. Regular meetings. 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 members of the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors by mail, fax, or electronic mail, at least three (3) business days prior to the day named for such meeting.

Section 8. Special meetings. Special meetings for the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors,

given by mail, fax, or electronic mail, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary, in like manner, and on like notice, on the written request of at least two (2) members of the Board of Directors.

Section 9. Attendance at meeting by electronic means. The Board may permit any or all Directors to participate in a Regular or Special Meeting by, or to conduct the Meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the Meeting. A Director participating in a Meeting by this means is considered to be present in person at the Meeting.

Section 10. Waiver of notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Action without meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents describing the action taken, be signed by each Director, and be included in the Minutes filed with the corporate records reflecting the action taken.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If there shall be less than a quorum present at any meeting of the Board of Directors, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation. No member of the Board of Directors shall receive any compensation from the Condominium for acting as such.

Section 14. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these Bylaws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any Unit Owners arising

out of any contract made by the Board of Directors or out of the indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interests of all the Unit Owners in the common elements. Every agreement made by the Board of Directors or by the Manager on behalf of the Condominium shall provide that the members of the Board of Directors, or the Manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interests of all Unit Owners in the common elements.

ARTICLE 7. OFFICERS

Section 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, Secretary, and Treasurer, all of whom shall be elected by the Board of Directors. The President and Vice President must be members of the Board of Directors. The offices of Secretary and Treasurer may be held by the same person.

Section 2. Election of officers. Officers shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors, and shall hold office at the pleasure of the Board of Directors.

Section 3. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Unit Owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a corporation organized under the Business Corporation Law of the State of Montana, and shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 4. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or the President.

Section 5. Secretary. The Secretary shall keep the Minutes of all meetings of the Association and of the Board of Directors. He shall have charge of such books and papers as the Board of Directors may direct, and he shall, in general, perform all the duties incident to the office of Secretary of a corporation organized under the Business Corporation Law of the State of Montana.

Section 6. Treasurer. The Treasurer shall have the responsibility for Condominium funds and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial

statements and, in general, shall perform all of the duties incident to the office of Treasurer of a corporation organized under the Business Corporation Law of the State of Montana.

Section 7. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

ARTICLE 8. REGULATIONS CONCERNING USE OF CONDOMINIUM PROPERTY

The Association may make and amend, from time to time, reasonable regulations concerning the operation and use of the Condominium property. The proposed regulation or amendment to regulation may be proposed by the Board of Directors or any Unit Owner, and may be considered at any regular or special meeting of the Association, providing that a copy of the proposed regulation or amendment is included in the notice of such meeting. Upon a vote of in excess of fifty percent (50%) of the aggregate interest in the Condominium, the regulation or amendment shall be declared adopted. The Association shall furnish copies of such regulations and amendments thereto to all Unit Owners and residents of the Condominium, upon their request.

ARTICLE 9. ASSESSMENTS

The Association of Unit Owners shall levy assessments upon the Unit Owners for common expenses, as set forth herein and in the Declaration. The assessments shall be fixed by resolution of the Board of Directors at any regular or special meeting thereof. The Board of Directors shall provide notice to all Owners affected thereby by delivering a copy of the same to the Owners personally, or by mailing a copy of the notice to said Owners at their addresses of record. The notice of assessment shall state the date or dates when the assessment is due. The Board of Directors shall prepare an annual budget for expenditures and operation and for regular annual assessments, which shall be served on all Unit Owners affected.

Assessments shall be made for the repair, replacement, insurance, general maintenance, management and administration of Common Elements, fees, costs, and expenses of the Manager, taxes for common areas, if any, utilities, reserves for contingent liabilities, and other related items and assessments for the Unit Owner's percentage share of any improvement districts which may exist or be created, or for any other purpose contemplated by these Bylaws, the Declaration, or any other purpose set out in the Montana Unit Ownership Act. The assessments shall be based upon and computed by using the percentage of interest that each Owner has in relation to the Common Elements, as set forth in the Declaration.

Annual assessments are hereby set at \$_____ per unit per annum, payable in equal monthly installments to the Association. For any units that are owned by the Developer, Montana Land Investments, LLC, in kind work on the maintenance of the common areas may be furnished by Developer or Developer's agent, in lieu of paid assessments, until such time as at

least fifty percent (50%) of the units have been sold by the Developer, at which time Developer shall commence paying assessments in cash. The amount of assessments charged to each unit may be amended in accordance with the procedures set forth herein.

The Board of Directors shall have the authority and obligation to collect unpaid assessments; to file liens for common expenses; and to bring action to recover a judgment for unpaid common expenses; and to foreclose liens, all as provided herein and in the Declaration and Montana Unit Ownership Act.

The Association shall collect an assessment fee upon the sale and any subsequent transfer of any condominium unit to a third party (herein, the "transfer fee"), which amount shall be payable to the Association upon the closing of such sale. The transfer fee is hereby set at \$500. This fee shall be payable by the condominium purchaser upon the initial sale of condominium units from the Developer. Payment of the fee upon subsequent transfers of condominium units may be made by the seller, purchaser, or be split in such percentages as the parties may agree, provided that in each case the Association shall be paid its transfer fee upon closing of the sale. Transfers to such entities as a family trust, partnership, corporation, or limited liability company which is wholly owned and for the benefit of the transferor, shall be exempt from the transfer fee. The transfer fees collected hereunder are intended to be used for long-term capital improvements to the Condominium, but may be otherwise designated and used in the sole discretion of the Board of Directors.

ARTICLE 10. AMENDMENT OF BYLAWS

Except as specifically prohibited in these Bylaws, by law or public regulation, these Bylaws may be amended during the first ten (10) years after these Bylaws are recorded with the Clerk and Recorder of Park County, Montana, as follows: (a) by the Developer until 80% of the Lots are sold, or (b) by at least seventy-five percent (75%) of the votes of the Lot and Unit Owners; and after ten (10) years by the vote of not less than sixty percent (60%) of the votes of all the Lot and Unit Owners. Any amendment by the Developer, or amendment by the required percentage of the Lot and Unit Owners, shall be recorded, along with an executed Certificate by the Developer or by the Chair/President and the Secretary of the Association certifying that the amendment was adopted in accordance with these Bylaws, in the Office of the Clerk and Recorder of Park County, Montana. Any bylaw which is included herein as a condition of the preliminary plat approval and required by the City of Livingston shall not be amended or revoked without the mutual consent of the Owners, in accordance with the amendment procedures in the Bylaws, and the approval of the Livingston City Commission.

ARTICLE 11. THE COVENANTS

The Developer has filed, along with these Bylaws, a Declaration of Covenants, Conditions and Restrictions upon the Condominium. The Covenants govern the acts, powers, duties, and responsibilities of the Association of Unit Owners in certain respects, and in the event these

Bylaws, or any subsequent amendment thereto, and the Covenants are in conflict, the Covenants shall prevail. The definition of terms set forth in the Covenants shall be applicable throughout these Bylaws and the interpretation thereof.

ARTICLE 12. THE DECLARATION OF UNIT OWNERSHIP

The Developer has filed, along with these Bylaws, a Declaration of Unit Ownership whereby the properties known as the Condominium are submitted and subject to §70-23-101, *et seq.*, MCA 2007. The Declaration shall govern the acts, powers, duties, and responsibilities of the Association of Unit Owners, and in the event these Bylaws, or any subsequent amendment thereto, and the Declaration are in conflict, the Declaration shall prevail. The definition of terms set forth in the Declaration shall be applicable throughout these Bylaws and the interpretation thereof.

IN WITNESS WHEREOF, the undersigned, constituting the initial Board of Director of the Association of Unit Owners of THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS OWNERS ASSOCIATION, INC., hereby declare and affirms the adoption of the foregoing Bylaws, on the 21 day of July, 2008.

By: W. Paul Curtis

By: Robert M. Curtis

By: Robert M. Curtis

Board Members, Association of Unit Owners of THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS OWNERS ASSOCIATION, INC.

ATTESTATION

The undersigned President and Secretary of the Association of Unit Owners of THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS OWNERS ASSOCIATION, INC., attest that the foregoing Bylaws were duly adopted as the **BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS OWNERS ASSOCIATION, INC.**, by the Director of the Association on the 21 day of July, 2008.

W. Paul Curtis
Secretary

Robert M. Curtis
President

STATE OF MONTANA)

County of Park) : ss.

This instrument was acknowledged before me on this 21 day of July, 2008, by Robert A. Currie and W. Russell Currie, as President and Secretary, respectively, of the Association of Unit Owners of THE POINT AT DEL MAR PROFESSIONAL CONDOMINIUMS OWNERS ASSOCIATION, INC.

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

Brandie K. Roberts
Brandie K. Roberts

[Printed Name]
NOTARY PUBLIC for the State of MT
Residing at Clyde Park, MT
(SEAL)

My Commission expires: July 12, 2011

