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BYLAWS

OF

PINTAIL RIDGE **HOME OWNERS ASSOCIATION**

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ARTICLE I PURPOSE AND APPLICATION

The provisions of these Bylaws shall apply to and govern Pintail Ridge Home Owners Association ("Association"), a Montana non-profit corporation, established for the purpose of performing the rights, obligations, and duties of the Association as set forth in these Bylaws, the Articles, and Covenants covering the properties.

ARTICLE II DEFINITIONS

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

- 1. "Association" shall mean and refer to Pintail Ridge Home Owners Association, its successors, and assigns.
- 2. "Common Elements" shall mean and refer to both general common elements and limited common elements:
 - a. "General Common Elements" shall mean and refer to all those elements which are for the use of all residents and guests of residents of Pintail Ridge.
 - b. "Limited Common Elements" shall mean and refer to those common elements which are reserved for the use of fewer than all of the residents and guests of residents of Pintail Ridge.
- 3. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision map of the properties with the exception of the streets or other dedicated property.
- 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the properties, including contract seller, but excluding those having such interest merely as security for the performance of an obligation.
- 5. "Property" or "properties" shall mean and refer to that certain real property hereinbefore described and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE III OFFICES

The principal office of the Association in the State of Montana shall be located at Ennis, Madison County, Montana. The Association may have such other offices, either within or

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without the state of incorporation, as the Board of Directors may designate or as the business of the Association may from time-to-time require.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

1. MEMBERSHIP.

- a. <u>Qualifications</u>. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Such ownership shall be the sole qualification for membership in the Association.
- b. <u>Member's Rights and Duties</u>. Each member shall have the rights, duties, and obligations set forth in the Declaration of Covenants, and Restrictions, the Articles, these Bylaws, and any rules adopted by the Board in accordance with the Covenants and these Bylaws, as the same may from time-to-time be amended.
- c. <u>Transfer of Membership</u>. The Association membership of each Owner shall be appurtenant to such hypothecated, conveyed, or alienated in any way except upon the transfer of title, and then only to the transferee. Any attempt to make a prohibited transfer shall be void. Any transfer of title shall operate automatically to transfer the membership in the Association appurtenant to the new Owner thereof.

2. VOTING.

- a. <u>Classes of Membership</u>. The Association shall have one (1) class of voting membership:
- b. <u>Number of Votes</u>. Membership shall be all tract owners. Members shall be entitled to one vote for each tract owned. When more than one person holds an interest in any tract, all such persons shall be members. The vote for such a tract shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any tract.
- c. Levying Assessments (see Article X). The Home Owners Association shall have the authority to levy assessments on each tract and the Owner thereof for the purposes of improvement, repair and maintenance of roads, snow removal, administrative, accounting and legal fees. The Home Owners Association may also levy assessments for such other purposes as may be approved by two-thirds (2/3) of the total votes of the tract owners. The grantor for each tract owned within the property herein described, hereby Covenants, and each Owner of any tract, by the acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to Covenant and agree to these Covenants and to pay to the Home Owners Association, such assessments as shall be levied by the Home

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Owners Association on an annual basis. The annual assessment shall be a charge upon the land and shall be a continuing lien upon the property and tract upon which the assessments are made. Each assessment shall also be a personal obligation of the person who is the Owner of the property at the time the assessment falls due, and in the event of any action to enforce the collection of any assessment, the property Home Owners Association shall be entitled to its costs and interest at the rate of ten percent (10%) per annum from the date due and reasonable attorney's fees incurred by the Association. No Owner shall be entitled to a reduced assessment because such Owner does not reside upon the property or does not use the roads or other amenities, unless a separate rate or assessment is approved by two-thirds (2/3) of the vote of the tract owners.

ARTICLE V OWNER MEETINGS

- 1. <u>Annual Meeting</u>. The annual meeting of the Owners shall be held on a date in July of each year, beginning with the year 2004, for the purpose of electing directors and for the transaction of such other business as may come before the meeting.
- 2. <u>Special Meetings</u>. The directors may, by majority vote, call a special meeting for the purpose of conducting any business it deems appropriate.
- 3. Notice of Meeting. Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered personally or by mail. Said notice shall be mailed or delivered to each Owner of record entitled to vote at such meeting not less than 10 days nor more than 45 days in advance of the meeting. If mailed, such notice shall be deemed to be delivered in the United States mail, addressed to the Owner at his or her address as it appears on the books of the Association, with postage thereon prepaid.
- 4. <u>Membership List</u>. The secretary shall make, at least ten (10) days before each meeting of Owners, a complete list of the Owners entitled to vote at such meeting, or any adjournment thereof, which list, for a period of ten (10) days prior to such meeting, shall be kept at the principal office of the Association and shall be subject to inspection by any Owner at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Owner during the whole time of the meeting. The original list shall be prima facie evidence as to the Owners entitled to examine such list or to vote at the meeting of Owners.
- 5. Quorum. At any meeting of Owners, a majority of the Owners entitled to vote represented in person or by proxy, shall constitute a quorum at a meeting of Owners. If less than said number of the Owners are represented at a meeting, a majority of the Owners so represented may adjourn the meeting from time-to-time without further notice. The Owners present at a duly

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organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Owners to leave less than a quorum.

A general description of the items to be considered at such a meeting shall be contained in the notice. At such meeting called, the presence of members or of proxies entitled to cast fifty-percent (50%) of all the votes of members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

- a. Roll Call.
- b. Proof of notice of meeting or waiver of notice.
- 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.
- 6. <u>Proxies:</u> At all meetings of Owners, an Owner may vote by proxy executed in writing by the Owner or by his duly authorized attorney-in-fact, who must be another Pintail property owner. Such proxy shall be filed with the secretary of the PRHOA before or at the time of the meeting.

ARTICLE VI BOARD OF DIRECTORS

1. Powers and Duties.

- a. <u>General</u>. The business and affairs of the Association shall be managed by its Board of Directors. The directors shall in all cases act as a board, and they may adopt such rules and regulations for the conduct of their meetings and the management of the Association, as they may deem proper, not inconsistent with these Bylaws and the laws of this State.
- b. Annual Budget. The Board of Directors, by a majority vote, shall prepare an annual budget for the Association in order to determine the amount of assessments payable by the Owners to meet the common and limited common expenses and to allocate and assess such charges among the Owners according to their respective interests in the common and limited common elements and to submit such budget for approval to the Owners on or before the annual meeting.
- c. <u>Expenditures</u>. The Board of Directors is limited in its spending authority to the amount approved in the Annual Budget, but retains discretionary authority to adjust line item amounts to meet unanticipated needs. Emergency funding authority above and beyond that which has been approved in the Annual

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Budget may be authorized by the Board of Directors, but shall not exceed \$1,000. Emergency expenditures beyond this amount must be approved by the Homeowners at a Special Meeting.

2. <u>Number, Term and Qualifications</u>. The number of directors of the Association shall be three (3), which number may be increased by amendment to these Bylaws or to the Articles, but shall not be decreased to fewer than three (3). The term of a director shall be for three (3) years. The terms of the directors shall be staggered such that at least one-third (1/3) of the directors shall expire annually.

For the purposes of initiating such staggered terms, each position of director shall be an enumerated "Seat." Seat 1 shall be elected for an initial term of one (1) year, and thereafter for the full term of three (3) years. Seat 2 shall be elected for an initial term of two (2) years, and thereafter for the full term of three years. Seat 3 shall be elected for a term of three (3) years. Nothing in these Bylaws shall be construed to prohibit the re-election or reappointment of the same individual(s) to the Board of Directors for successive terms.

A Director must be a Member of the Association.

- 3. <u>Regular Meetings</u>. A regular meeting of the directors shall be held, without other notice than these Bylaws, immediately after and at the same place as the annual meeting of Owners. The directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.
- 4. <u>Special Meetings</u>. Special meetings of the directors may be called by or at the request of any director. The person or persons authorized to call special meetings of the directors may fix the place for holding any special meeting of the directors called by them.
- 5. Notice. Notice of any special meeting shall be given at least fifteen (15) days previous thereto by written notice delivered personally or mailed to each director at his home address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
- 6. Quorum. At any meeting of the directors, a majority of the directors shall constitute a quorum for the transaction of business, but if less than a majority of the directors are present at a meeting, a majority of the directors present may adjourn the meeting from time-to-time without further notice.
- 7. <u>Manner of Acting</u>. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the directors.
- 8. Newly Created Directorships and Vacancies. Newly created directorships resulting from vacancies occurring in the Board for any reason except the removal of directors

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without cause may be filled by a vote of a majority of the directors then in office, although less than a quorum exists. Vacancies occurring by reason of the removal of directors without cause shall be filled by appointment in a manner consistent with Article VI, Paragraph 2 above. A director elected to fill a vacancy caused by resignation, death, or removal shall be elected to hold office for the unexpired term of his predecessors.

- 9. <u>Removal of Directors</u>. Any or all of the directors may be removed for cause by a majority vote of the Owners.
- 10. <u>Resignation</u>. A director may resign at any time by giving written notice to the board, the chairman, or the secretary of the Association. Unless otherwise specified in the notice, the resignation shall take effect upon the receipt thereof by the Board or such officer, and the acceptance of the resignation shall not be necessary to make it effective.
- 11. <u>Compensation</u>. No compensation shall be paid to directors, as such, for their services. Directors shall be entitled to reimbursement of all reasonable expenses incurred in the performance of their duties. Nothing herein contained shall be construed to preclude any directors from serving the Association in any other capacity and receiving the compensation therefor.
- 12. Presumption of Assent. A director of the Association who is present at a meeting of the directors at which action on any Association matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the Association immediately after the adjournment of the meeting. Such right of dissent shall not apply to a director who voted in favor of such action.
- 13. <u>Manager</u>. The Board of Directors, by majority vote, may engage a manager or managing agent. The Board of Directors, by majority vote, shall fix the compensation for said manager.

ARTICLE VII OFFICERS

- 1. <u>Number</u>. The officers of the Association shall be a president, vice president, secretary and treasurer, each of whom shall be elected by the directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the directors.
- 2. <u>Election and Term of Office</u>. The officers of the Association to be elected by the directors shall be elected annually at the first meeting of the directors held after each annual meeting of the Owners. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

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- 3. <u>Removal</u>. Any officer or agent elected or appointed by the directors may be removed by the directors whenever, in their judgment, the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.
- 4. <u>Vacancies</u>. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the directors for the unexpired portion of the term.
- 5. President. The President shall be the principal executive officer of the Association and, subject to the control of the directors, shall in general supervise and control all of the business and affairs of the Association. He/she shall, when present, preside at all meetings of the Owners and of the directors. He/she may sign, with the secretary or any other proper officer of the Association thereunto authorized by the directors, any deeds, mortgages, bonds, contracts, or other instruments which the directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the directors from time-to-time.
- 6. <u>Vice President</u>. The vice president shall exercise all rights and responsibilities of the president in the president's absence.
- 7. Secretary. The secretary shall keep the minutes of the Owners' and of the directors' meetings in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or, as required, be custodian of the Association records and of the seal of the Association and keep a register of the post office address of each Owner which shall be furnished to the secretary by such Owner, have general charge of the books of the Association and in general perform all duties incident to the office of secretary and such other duties as from time-to-time may be assigned to him by the president or by the directors.
- 8. Treasurer. The treasurer shall have custody of the Association funds and securities and shall keep full and accurate account of the receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and directors at any meeting of the Board whenever they may require if an account of all his transactions as treasurer and of the financial condition of the Association.

All checks or demands for money and notices of the Association shall be signed by the treasurer and countersigned by the president or may be signed by either the treasurer of the Association or the president or such other person, providing the Board of Directors shall so designate. He shall give the Association a bond, required by the Board of Directors, in a sum with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and for the restoration to the Association in case of his death, resignation, retirement,

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or removal from office, or all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association; and in general perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the directors.

9. <u>Salaries</u>. No salaries shall be paid to officers, as such, for their services. Officers shall be entitled to reimbursement of all reasonable expenses incurred in the performance of their duties.

ARTICLE VIII ASSOCIATION RESPONSIBILITIES

The Association shall have the following responsibilities:

- 1. <u>Maintenance</u>. The Association shall be responsible for the maintenance, upkeep, and repair of the common elements of the property, including, but not limited to, the maintenance of all roads within the subdivision and the snowplowing of such roads. The Association shall be responsible for the payment of all expenses associated therewith. Payment vouchers shall be approved by a majority vote of the board of Directors.
- 2. <u>Reserve Accounts</u>. The Board of Directors shall be responsible for establishing reserve accounts for the Association for purposes of accumulating the funds needed to meet the maintenance needs of the common elements of the property. Separate reserve accounts shall be established according to their various purpose (e.g., repair to roof or a parking area), and separate bank accounts shall be maintained for each reserve account. Any general assessment amounts allocated to reserve accounts within the general budget shall be specifically detailed in such budget.
- 3. <u>Personnel</u>. The Board of Directors shall be entitled to employ such personnel as it deems necessary for the purpose of maintenance, upkeep, and repair of the common elements.

ARTICLE IX ASSOCIATION POWERS

- 1. <u>General</u>. The Association shall have the following powers and rights:
- a. The power and right to provide for the management of the Association's affairs through its Board of Directors, officers, and agents thereof.
- b. The power and right to levy assessments in accordance with the terms of these Bylaws.
- c. The power and right to adopt and amend rules and regulations to govern the conduct of Owners, their guests, invitees, and lessees.

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d. The power and right to enter into contracts, incur indebtedness, and to transfer and receive title to both real and personal property.

2. Architectural Review Committee.

- a. <u>Composition</u>. The Architectural Review Committee (ARC) shall be composed of not more than five (5) members appointed by the Board of Directors. The members will be appointed on a staggered schedule.
- b. <u>Operations</u>. Each member of the committee shall have one vote. After the Board of Directors appoints the committee no member shall vote on issues before the ARC involving property owned by persons whom the member represents. Action approved by the vote of a simple majority of the members shall be the act of the ARC.
- c. <u>Approval Procedure</u>. No action of the ARC shall seek to restrict the individual preference of owners, but shall act to avoid harsh contrasts in landscape and improvements and to encourage and foster careful design to enhance harmony with natural surroundings and among the improvements selected by owners. All changes in the property or improvements upon property in Pintail Ridge must abide by the Covenants of Pintail Ridge. It is the duty of the ARC to insure the integrity of said Covenants.
- d. <u>Preliminary Plans</u>. Preliminary Plans are required in the early stages of planning so that the owner can avoid extensive and expensive projects which are certain to be prohibited by the ARC. Before commencing any work, an owner shall submit the following preliminary plans for proposed work:
 - 1) Site Plan at ¼" = 1'0" showing existing and proposed site topography, building, garage, driveway, retaining and garden walls, site utilities, landscaped areas, pools and other site improvements.
 - 2) House Plan at $\frac{1}{4}$ " = 1'0" showing floor plans for each floor.
 - 3) Elevations at 1/4" = 1'0" showing each exposed side of the proposed structure indicating proposed materials and colors for roofs, house walls, garden walls and fences.
 - 4) Sections at $\frac{1}{4}$ " = 1'0" through the structure and property commencing at one boundary and extending to the opposite end of the property, and at least one other section running in a transverse direction.
 - 5) Sections at $\frac{1}{4}$ " 1'0' or at appropriate scales showing outdoor planting areas, garden walls, and fences, and any exterior appurtenant structures.

The ARC shall have thirty days (30) days after submission of preliminary drawings to approve, disapprove or conditionally approve the preliminary plans. In the event the ARC does not act within thirty (30) days, the plans shall be deemed as approved as

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submitted.

There shall be no appeal from the decision of the ARC. An owner may submit modified plans or completely new plans to obtain approval. Owners shall not prepare working plans until preliminary plans are approved.

- e. <u>Final Plans</u>. After obtaining preliminary plan approval, final plans shall be submitted to the ARC before any work is commenced. Such plans shall be prepared by or under the direct supervision of an architect or person or proven construction experience.
 - In addition to the particulars required by the preliminary drawings, the final
 working drawings shall include, but shall not be limited to, a plot plan of the
 entire Tract showing easements, set backs, contour lines, the location of all
 existing and proposed improvements, proposed drainage plan, and the location
 of all proposed utilities.
 - 2) As a portion of final working plans, owners shall submit a complete landscape plan of all improvements exterior to the residence showing their location and showing all plant materials as a portion of the final plot plan.
 - 3) The owner shall provide a construction schedule and the specifications for all exterior materials, finishes and colors.
 - 4) The ARC shall have thirty (30) days in which to approve, disapprove, or conditionally approve the final drawings. If the Committee fails to act within thirty (30) days, the plans shall be deemed approved. Upon approval, the committee shall sign the final working drawings demonstrating its consent.
 - 5) Approval by the ARC does not represent and the ARC shall not offer any opinion whether plans and specifications conform to building codes or State and Local regulatory requirements. Approval does not include examination for errors or omissions.
 - 6) Approval granted by the ARC for any plans shall be effective for a period of one year. Approval shall lapse if the owner has not submitted final plans or commenced work within one year from the date of approval.
- f. Additions, Changes, Refinishing. No additions, changes, (including remodeling) or changes of any portion of a Tract except interior structures shall be commenced without approval of the ARC. The approval shall be sought by submission of final working plans and drawings. No preliminary plans need to be submitted.

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- g. <u>Communications</u>. Communications with the ARC shall be initiated by directing inquiries and submissions to the Board of Directors who shall then send any communications to the current ARC.
- h. <u>Variances</u>. The Architectural Review Committee, "ARC" has the responsibility to enforce the Covenants and Bylaws of the Association. Members seeking an administrative oversight review of any decision made by the ARC may seek relief by requesting the Association Board of Directors to consider a possible variance from an ARC decision. Homeowners may request a review by contacting the Association President and have the request included in the agenda of the next scheduled BOD meeting. At such time, the member will have an opportunity to explain their request and the ARC will have an opportunity to explain their decision. The type of variance requests to be considered by the Board will be only minor variances and must meet the general spirit of the Covenants and Bylaws.

ARTICLE X ASSESSMENTS

- 1. Right to Assess. The Home Owners Association shall have the power and right to levy assessments against the Lot Owners in accordance with these Bylaws and the Declaration of Covenants and Restrictions. The Association may not levy assessments for the purpose of financing the construction of the development. All Owners shall be obligated to the Association for the payment of said assessments. The total assessment shall be divided and paid equally by the Owners of each tract regardless of the size of the tract. After the initial assessment is set, the assessment against any tract shall not increase more than twenty percent (20%) per year without the approval of two-thirds (2/3) of the vote of the Owners of the tracts.
- 2. <u>Definitions</u>. Assessments shall be of three kinds: (i) annual assessments, (ii) special assessments, and (iii) limited expense assessments. These assessments are defined as follows:
 - a. <u>Annual Assessments</u>. Annual assessments shall be those assessments established by the Association for the purpose of paying common expenses as defined by these Bylaws.
 - b. <u>Special Assessments</u>. Special assessments shall be those assessments levied by the Association for the purpose of paying extraordinary expenses incurred by the Association in the administration of its affairs as defined by these Bylaws and the Declaration of Covenants and Restrictions.
 - c. <u>Limited Expense Assessments</u>. Limited expense assessments shall be for the payment of those limited expenses defined by these Bylaws and the Declaration of Covenants and Restrictions.
- 3. <u>Manner of Assessment</u>. Annual assessments, special assessments, limited expense assessments shall be determined and established by the Home Owners Association.

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- a. Annual Assessments. Determination and establishment of its annual assessments shall occur following the Board of Directors' preparation and approval of a budget for the coming year by the Homeowners Association at its annual meeting, setting forth the Association's projected income and expenses. The annual assessments provided for herein shall commence as to all tracts on the date determined by the Board of Directors. The Board of Directors shall fix the amount of the annual assessment against each Lot based upon a budget of the estimated expenses of the Association for each year. At least thirty (30) days in advance of the due date of each annual assessment, written notice of the annual assessment and the due date shall be mailed to every tract owner at their last known address. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by a Director of the Association, setting forth whether the assessment of a specified tract has been paid.
- b. <u>Special Assessments</u>. The Board of Directors shall propose any special assessments at the Annual Homeowners Meeting or at a special meeting called for that purpose.
- c. <u>Limited Expense Assessments</u>. The Board of Directors shall propose any limited expense assessments at its regular annual meeting.
- 4. <u>Liability for Assessments</u>. Owners shall be responsible for all annual and special assessments levied against their Lot based upon a pro rata calculation. For example, the Owner(s) of one of a total of forty Lots shall be responsible for two-and-a-half percent (2.5%) of the total assessment. Each Lot shall share common expenses equally and based upon said percentage. Each individual holding an ownership interest in a Lot shall be jointly and severally liable for said assessments with any other person owning an interest in said Lot.

An Owner shall be responsible for any limited expense assessment for which his Lot is benefited, based upon and computed by using the percentile interest that each Owner has in the limited common elements. A person owning an interest in a Lot benefited by the limited expense assessments shall be jointly and severally liable to all other persons owning an interest in said Lot.

- 5. Payment. All assessments shall be due thirty (30) days from the date of mailing of such assessment and may be payable in one annual payment. No Owner may exempt himself from liability for his contribution toward the common expenses and the limited expenses by waiver of the use or enjoyment of any of the general common elements or limited common elements or by abandonment of his Lot.
- 6. <u>Unpaid Assessments</u>. An assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owners personally obligated to pay the same or foreclose the lien against the property. No Owner may waive or otherwise escape liability for

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the assessments provided for herein by non-use or abandonment of his Lot or because he believes that these Covenants are not being properly enforced. Upon delivery of the Notice of Assessment to the Owner, the assessment shall be a lien upon the Owner's tract until paid. The Association may record a notice of the lien with the Clerk and Recorder of Madison County, Montana. In the event of non-payment within thirty (30) days after recording the notice of the lien, the Association may foreclose the lien in a manner set forth under Montana law for the foreclosure of liens against real property. The recording of the notice of lien shall be notice to all third parties of the assessment outstanding against the tract. In the event of action to collect a past due assessment, the Association shall be entitled to recover its costs of filing the lien, interest, and the cost of action, reasonable attorneys fees in preparation and filing the lien and preparing and prosecuting the action in addition to the amount of the past due assessment.

The sale, transfer or encumbrance of any tract shall not affect the assessment lien or the personal liability of the Owner except to the extent extinguished by Montana law pertaining to liens. No sale, transfer or encumbrance shall relieve such tract from liability for any assessments thereafter becoming due or from the lien thereof, provided that if the assessment lien has not been recorded with the Clerk and Recorder of Madison County, a good faith purchaser or encumbrancer without actual notice of the outstanding assessment shall take the property free of the lien.

7. Assessments, Other.

- a. <u>Capital Improvements and Maintenance</u>. The Association may levy assessments for construction or reconstruction or unexpected repair or replacement of a capital improvement or equipment for use consistent with the purposes of the Association. The Home Owners Association will be responsible for control of noxious weeds in all areas of Pintail Ridge. Noxious weeds must be contained and eliminated in compliance with all county and state regulations. The Home Owners Association must keep small fuels from building up to create hazardous conditions in Pintail Ridge.
- b. <u>Emergencies</u>. Emergency assessments shall be levied only to meet the costs and expenses precipitated by a condition which must be remedied promptly to ensure the safe and adequate discharge of the responsibilities of the Association.
- c. <u>Compliance Assessments</u>. The Association may levy an assessment for purposes of defraying costs, including legal fees to enforce any protective covenant or authority or responsibility granted to the Association.
- d. <u>Fines.</u> If, after the first notice to a property owner of a violation of a covenant, the lot owner does not fully rectify the violation within thirty (30) days, the lot owner will receive a second notice and a fine of \$250.00. The second notice of violation will allow the lot owner fifteen (15) days to comply and pay the fine. If a third notice is required, the fine will be \$500.00 and the time limit to comply will be reduced to seven (7) days. The PRHOA Board of Directors has the right to fine property owners for violations of covenants until compliance is

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completed. If these fines are not paid, the Architectural Review Committee has the right to lien fined property. The ARC also has the right to reduce fines after compliance of violation is rectified

- 8. <u>Foreclosure and Execution</u>. As further security for payment of assessments levied by the Association, the Association may, in addition to foreclosing upon the lien as described above, execute upon a judgment through all remedies provided at law and equity, including sale of the liened parcel in accord with the laws of the State of Montana. At such a sale, the Association may bid upon and acquire such parcel.
- 9. <u>Cumulation of Remedies</u>. All remedies provided under the covenants and this instrument and all of the rules and regulations of the Association and remedies and authority granted to individual Owners to enforce covenants shall be cumulative and shall be in addition to, and not in substitution of, all other rights and remedies which the Association may have under law.

In addition, any Owner or the Association may bring an action for damages for injunctive relief to abate a nuisance, to restrain any threatened or prospective violation or continuing violation of any portion of the covenants affecting the Pintail Ridge subdivision. In any such action for the enforcement of covenants, the prevailing party shall be entitled to recover all costs, court costs, costs of discovery and reasonable attorney fees.

- 10. <u>Notices</u>. Each Owner shall register with the Association a current mailing address and shall promptly notify the Association of any change. All notices, demands, and other communication to any Owner shall be sufficient for all purposes if personally served or if delivered by postage pre-paid United States Mail, Certified, return receipt requested, addressed to the Owner at the last mailing address registered with the Association.
- 11. <u>Severability</u>. Invalidity or un-enforceability of any provision instrument determined by a court shall not affect the validity or enforceability of any other provision.
- 12. <u>No Waiver</u>. Failure to enforce any provision, restriction, or covenant shall not create a waiver of any such provision, restriction, or covenant, or of any other provisions, restriction, or covenant.

ARTICLE XI

MISCELLANEOUS OWNER RESPONSIBILITIES

1. Maintenance.

a. <u>Weeds.</u> All lot owners will be responsible for the control of all noxious weeds in accordance with Montana State Law.

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- 1) The PRHOA has the right to subcontract the weed maintenance to an independent contractor for roadways and common areas.
- 2) After notifying the lot owners of a noxious weed infestation, 30 days will be allowed to handle the problem. After the 30 day notice if the problem is not correted, the Madison County Weed Board, as required by law, will handle the problem.
- b. <u>Perimeter Fire Protection</u>. Each Homeowner is encouraged to develop a 30 100 feet fire safe zone (defensible zone) around their house, with the most critical area being five (5) feet from the house. This is necessary to protect the neighborhood and existing structures from grass fires.

ARTICLE XII AMENDMENT

These Bylaws may be altered by the vote of a majority of Lot Owners duly taken in accordance with the provisions of these Bylaws. The Home Owners Association may adopt such additional rules and regulations as shall be reasonable and necessary to carry out its authority and duties under the terms of these Covenants provided that such additional rules and regulations are submitted to a meeting of the Home Owners Association for a vote by delivering notice of the meeting together with a copy of the additional rules and regulations to the last known address of each tract owner at least thirty (30) days before the meeting. Additional rules and regulations shall be adopted provided they receive a fifty-one percent (51%) vote of the tract owners present or by proxy based on one (1) vote per tract. Additional rules and regulations shall be effective thirty (30) days after the same are executed and recorded by the Board of Directors of the Home Owners Association with the Clerk and Recorder or Madison County, Montana, and mailed to each tract owner at their last known address.

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KNOW ALL BY THESE PRESENTS:

That the undersigned do h	ereby certify that the above and foregoing Bylaws were duly adopt ctors as the Bylaws of the Association on the day of
	, and that the same now constitutes the Bylaws of this Association
	John J. Stanger
	President John T. STRUBERT
	129
	1st Director Zasert J Welny
	Jun Josephan
	2 Director Lynn Foressan

County of Madism

Subscribed and sworn affirmed to before me this 9 day of Oct

211 13 113 Dohn Stewart, Robert Welan Lynn Foremen

Sotury Public

My Commission Fapires: 10-15-2016



MARGIT E SAMMONS NOTARY PUBLIC for the State of Montana Residing at Micalister, MT My Commission Expires October 15; 2016