



**FIRST
MONTANA
TITLE**



PROPERTY PROFILE

4139 Julaura Lane, Billings MT 59106

Amber Uhren

Realty Billings

PHONE #406-670-1942

EMAIL: amber@realtybillings.com

PROPERTY PROFILE PREPARED FOR YOU BY:

TRINA MAURER

TRINA@FIRSTMONTANATITLE.COM

406.869.9676



This information is furnished without charge, liability, or obligation by First Montana Title Company of Billings in conformance with the rules established by Montana Insurance Commissioner.

DATE: June 6, 2024

PROPERTY PROFILE

RECORD OWNER: Michael R. Beatty and Kim D. Beatty

ADDRESS: 4139 Julaura Lane, Billings, MT 59106

TRUST INDENTURES/MORTGAGES/CONTRACTS: See Attached.

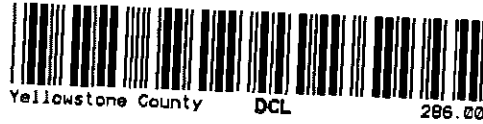
TAX INFORMATION: A31786B. See Attached.

RESTRICTIONS: See Attached.

LEGAL DESCRIPTION:

Unit 4139, of Silverleaf Townhomes II, located on Lots 13, 15, 16, 17, 18 and 19, Block 4; Lots 11, 12, 13 and 14, Block 5, of Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat thereof on file and of record in the office of the Clerk and Recorder of said County.

Together with an interest in the general common elements and limited common elements as the said unit, general common elements, and limited common elements are established, defined and identified in the Declaration of Unit Ownership for Silverleaf Townhomes II Owners Association, recorded May 30, 2006, under Document No. 3379250; First Amendment to Declaration of Unit Ownership for Silverleaf Townhomes II Owners Association, recorded October 17, 2014, under Document No. 3721208; Second Amendment to Declaration of Unit Ownership for Silverleaf Townhomes II recorded October 13, 2015 under Document No. 3757325.



RETURN TO:
James P. Murphy
MURPHY, KIRKPATRICK, & FAIN, P.L.L.P.
208 North Broadway, Suite 208
Billings, Montana 59101

**DECLARATION OF UNIT OWNERSHIP
FOR SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION**

SRKM, INC., a Montana corporation, owner of all of the lots described below, does hereby make and submit for filing the following Declaration under the Unit Ownership Act of the State of Montana, Section 70-23-101, et. seq. Montana Code Annotated.

1. DEFINITIONS.

In the interpretation of this Declaration and Bylaws of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION, the following definition shall apply:

- a. "Association" means SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION, being all the unit owners acting as a group in accordance with this Declaration and duly adopted Bylaws.
- b. "Building" means a two unit building comprising a part of SILVERLEAF TOWNHOMES II property.
- c. "Capital expenses" means the expense of capital improvements to common areas; "capital improvements" are improvements to the common areas not constructed by Developer.
- d. "Common elements" means the general common elements and the limited common elements.
- e. "Declaration" means this Declaration of Unit Ownership for SILVERLEAF TOWNHOMES II.
- f. "Developer" is SRKM, INC., a Montana corporation, or any person or entity to whom it transfers or assigns its development rights hereunder. A grant of a deed to a single completed unit by Developer shall be deemed a transfer of development rights.



- g. "Eligible mortgage holder" means the holder of a first mortgage or trust indenture on any unit who has requested that the Association notify it of any proposed action requiring the consent of a specified percentage of eligible mortgage holders.
- h. "General common elements" are defined in Section 6(a) of this Declaration, and include expansion land if that land has been subjected to the provisions of this Declaration. Any portion of the project not identified as part of a unit or as a limited common element shall be a general common element.
- i. "Limited common elements" means those common elements designated in this Declaration or by agreement of the unit owners as reserved for the use of fewer than all of the unit owners.
- j. "Unit" is defined in Section 4 of this Declaration.
- k. "Unit owners or owner" means the person, partnership or corporation owning a unit on which construction has been completed, and for which plans have been recorded, including a contract purchaser if a Notice of Purchaser's Interest is recorded with the Yellowstone County Clerk and Recorder, and including co-owners. Unit owner shall also include Developer, until completion of all units, including expansion units. A lessee of a unit shall not be considered a unit owner.

2. SUBMISSION TO UNIT OWNERSHIP.

The purpose of the Declaration is to submit Lots 13 and 15 through 19, Block 4, Goodman Subdivision, Fourth Filing, and Lots 11 through 14, Block 5, Goodman Subdivision, Fourth Filing, described accurately below and the improvements constructed thereon to the form of ownership and use proved by Chapter 23 Title 70, Montana Code Annotated, hereinafter referred to as the "Montana Unit Ownership Act." The definition of terms in this Declaration and the Bylaws of the Association shall be those definitions used in the Montana Unit Ownership Act, except as otherwise provided above. The real property included within the project, which shall be named "SILVERLEAF TOWNHOMES II," is located in Yellowstone County, Montana, is owned in fee simple by SRKM, INC., and is more particularly described as follows:

Lot 13 and 15 through 19, Block 4, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County,



Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

Lots 11 through 14, Block 5, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

The provisions of this Declaration and the Bylaws of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION shall be covenants running with the land and shall be binding on all owners, their tenants and guests, for so long as the real property described herein is subject to the provisions of the Montana Unit Ownership Act.

Pursuant to Section 70-23-301, MCA, and in an effort to provide additional information for title companies and other working with the legal descriptions of SILVERLEAF TOWNHOMES II, the following chart showing the unit designation, legal description, street address, and identity to exhibit is set forth herein:

SILVERLEAF TOWNHOMES II UNIT DESIGNATION:	LOCATED ON	STREET ADDRESS	FLOOR PLAN ATTACHED
Unit 4115	Lot 13, Block 4	4115 Julaura Lane	A
Unit 4117	Lot 13, Block 4	4117 Julaura Lane	A
Unit 4127	Lot 15, Block 4	4127 Julaura Lane	C
Unit 4129	Lot 15, Block 4	4129 Julaura Lane	C
Unit 4131 ✓	Lot 16, Block 4	4131 Julaura Lane	C
Unit 4133 ✓	Lot 16, Block 4	4133 Julaura Lane	C
Unit 4137	Lot 17, Block 4	4137 Julaura Lane	C
Unit 4139	Lot 17, Block 4	4139 Julaura Lane	C
Unit 4143	Lot 18, Block 4	4143 Julaura Lane	A
Unit 4145	Lot 18, Block 4	4145 Julaura Lane	A
Unit 4149	Lot 19, Block 4	4149 Julaura Lane	B
Unit 4151	Lot 19, Block 4	4151 Julaura Lane	B
Unit 4114	Lot 14, Block 5	4114 Julaura Lane	B
Unit 4116	Lot 14, Block 5	4116 Julaura Lane	B
Unit 4120	Lot 13, Block 5	4120 Julaura Lane	A



SILVERLEAF TOWNHOMES II UNIT DESIGNATION:	LOCATED ON	STREET ADDRESS	FLOOR PLAN ATTACHED
Unit 4122	Lot 13, Block 5	4120 Julaura Lane	A
Unit 4126	Lot 12, Block 5	4126 Julaura Lane	B
Unit 4128	Lot 12, Block 5	4128 Julaura Lane	B
Unit 4132 ✓	Lot 11, Block 5	4132 Julaura Lane	A
Unit 4134 ✓	Lot 11, Block 5	4134 Julaura Lane	A

3. DESCRIPTION OF PROJECT.

The project will consist of a maximum of ten (10) buildings, with two (2) townhomes in each building. The planned locations of the buildings for SILVERLEAF TOWNHOMES II are shown on the site plans, attached hereto as Exhibits "D-1" through "D-10." The plat with "X" showing the location of the buildings is attached as Exhibit "D-11." The buildings shall be of wood frame construction with cement fiber siding, concrete foundation, and asphalt shingle roof. Interior walls are of sheetrock. There will be three primary floor plans used, plans A, B, and C. The floor plans for each A, B, and C with the architectural elevations are attached in the following order:

- A1 Front and Rear Elevations
- A2 Right and Left Side Elevations
- A3 Main Floor Plan
- A4 Basement and Foundation Plan
- B1 Front and Rear Elevations
- B2 Right and Left Side Elevations
- B3 Main Floor Plan
- B4 Basement and Foundation Plan
- C1 Front and Rear Elevations
- C2 Right and Left Side Elevations
- C3 Main Floor Plan
- C4 Basement and Foundation Plan

The dimensions of each unit and the approximate square footage of each unit are indicated on Exhibits "A3" and "A4," "B3" and "B4," "C3" and "C4." Developer reserves the right to modify or change the plans shown on the exhibits identified in the chart above and to change the location of individual buildings upon the real property described above, without consent of any other owner or any lender.



4. DESCRIPTION OF UNIT.

Each townhome unit consists of the area bounded by the exterior surfaces of the walls of the building, the siding, the soil under the concrete floor, the exterior of the roof, and the common wall between the two townhomes in the building, to the center of the common walls separating the two townhomes. The "common wall" between two townhomes is actually two walls, one for each townhome with a small space of approximately 1/2 inch between the walls. The "centerline of the common wall," therefore, is the middle of that space separating the two walls. The driveway, front porch, deck or patio, underground sprinkler system, the air conditioning compressor, and the sidewalk serving a single townhome are also part of the unit. Separate and individual water and sewer lines serve each townhome. Likewise, gas, electricity, and other utilities are separately connected for each townhome and individually metered in a manner consistent with a single family dwelling.

5. GENERAL COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

- a. The general common elements are the sidewalks not part of the unit description, perimeter fencing, and patio private fencing, and a community mailbox. General common elements in this Declaration may also be referred to as common elements with the same meaning intended.
- b. Each unit's landscaping in front and in back is a limited common elements reserved for the use of the single unit served.

6. MEMBERSHIP IN THE SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION.

Each unit owner shall be a member of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION. Membership shall be appurtenant to and may not be separated from ownership of a unit. Owners shall be entitled to one vote for each unit owned. When more than one person owns an interest in any unit, all such persons shall be members. The vote for such Unit shall be exercised as the owners determine, but in no event shall more than one vote be cast with respect to a single unit.

7. OWNERSHIP.

Each unit, an appurtenant undivided interest in the common elements, the use of limited common elements reserved for that



unit and the assessment account for that unit shall be inseparable, and may be conveyed, devised or encumbered only as a whole. Any conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of an individual unit owner's interest in the common elements shall be void unless the unit to which that interest is attached is also included in the transfer.

Each unit owner shall be a fee simple owner of such unit and of an undivided interest in the common elements, subject to the provisions of this Declaration and the Bylaws of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION.

The undivided interest in the common elements appurtenant to the twenty (20) units shall be 5.0% each. For purposes of assessment and collection of assessments as set forth herein and in the Bylaws, a unit shall not be liable for an assessment until closing of first sale from developer. For purposes of assessment and collection of assessments as set forth herein and in the Bylaws, a unit shall not be liable for an assessment until closing of the first sale from the developer. If the project is expanded, the percentage of undivided interest of each townhome in the common elements shall be equal to one divided by the number of townhomes in the expanded project.

8. USE.

The primary use for which each unit is intended is that of a residential dwelling. Additional restrictions on use are set forth in the Bylaws of the Association.

9. COMMON EXPENSES.

All the following Association expenses shall be charged to the unit owners as a common expense, according to each unit owner's percentage of undivided ownership interest in the common elements:

- a. Administrative expenses of the Association;
- b. The cost of maintenance, repair and replacement of the exterior of units and the common elements for which the Association is responsible, including the cost of maintenance and repair of the exterior of the buildings, except glass, the cost of maintenance and repair of the fences installed by Developer, the cost of snow removal from the driveways and front sidewalks, and the cost of mowing and fertilizing all lawns;



- c. Insurance premiums for all insurance purchased by the Association, as required or authorized by Section 7 of the Bylaws of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION;
- d. Capital expenses for capital improvements approved by 75% unit owners, and the cost of maintenance and repairs to these improvements.
- e. Assessments of Goodman Subdivision, in which SILVERLEAF TOWNHOMES II is located.
- f. Any other common expense described in this Declaration or the Bylaws of the Association.

Expenses for maintenance or repairs due to the misuse or neglect of a unit owner shall be charged to such unit owner.

10. PAYMENT OF WATER AND SEWER CHARGES.

All water and sewer use for each townhome is individually metered and the bills for use are paid by the unit owner. Each unit owner shall be responsible for and shall pay for water to irrigate landscaping from the individually metered city connection. Except for city water and sewer, no common water lines nor common sewer lines exist in the development.

11. COVENANT TO PAY MAINTENANCE ASSESSMENTS.

Assessments shall be made by the Association for all common expenses set forth in Sections 9 and 10 above, or elsewhere in this Declaration, or the Bylaws of the Association. Assessments will begin at the time Developer closes the sale of the first unit in the project. Thereafter, the obligation to pay assessments for a unit shall start upon completion of that unit. The Developer, for each completed unit owned by it, and each unit owner, by acceptance of a deed, whether or not it shall be expressed in said deed, is deemed to covenant and agree to pay to SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION all regular and special assessments made by the Association for common expenses and to waive any right said owner may have, under the laws of the United States or the State of Montana, to claim a homestead exemption for said assessments. Assessments shall not include costs attributable to units under construction, and units not yet actually occupied.



12. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS.

All sums assessed by the Association but unpaid for the share of common expenses chargeable to any unit, together with interest, late payment fees, collection costs, costs of suit and reasonable attorneys' fees, shall constitute a lien on such unit, and if filed of record, may be foreclosed in the same manner as a construction lien. Such liens shall not take priority over any sums unpaid on a first mortgage or trust indenture of record prior to the recording of the lien for assessments. Each assessment, together with interest, late payment fees, collection costs, costs of suit, and reasonable attorneys' fees, shall also be the personal obligation of the owner of the unit against which the assessment was made at the time the assessment fell due and a suit to recover a money judgment for unpaid assessments shall be maintainable by the Association against said owner without foreclosing or waiving the lien securing the same. All costs of collection of delinquent assessments, including but not limited to, court costs, costs of filing liens, and attorneys' fees, shall be the obligation of the non-paying unit owner, and may be added to the next regular assessment for that unit. If a mortgagee, beneficiary of a trust indenture, or other purchaser of a unit obtains title to the unit by purchasing at a foreclosure sale of a first mortgage or trust indenture, such acquirer of title, its successors and assigns shall not be liable for common expenses or assessments chargeable to such unit which became due prior to the acquisition of title to such unit by such acquirer unless expressly assumed by them. However, no sale or transfer of a unit shall relieve the acquirer from liability for assessments thereafter becoming due or from the lien thereof.

13. PROCESS.

Service of process in the cases provided for in Section 70-23-901, Montana Code Annotated, shall be made upon STAN D. HELGESON, of 224 Westlake Circle, Billings, Montana 59105. This provision may be amended in the manner provided in Section 70-23-902, MCA.

14. RIGHTS AND OBLIGATIONS OF DEVELOPER.

For each completed unsold unit owned by it, Developer shall have all of the rights and duties afforded to any owner under the terms of this Declaration, the Bylaws of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION, and Montana law.



15. PAYMENTS BY DEVELOPER.

Until all units are built and sold, Developer shall pay the proportionate share of real property taxes attributable to units not yet built, or built but not yet sold by it. Developer shall insure, to the extent it deems necessary, all units under construction, and pay the cost of such insurance.

16. EASEMENTS.

There shall exist for the benefit of each unit and as a burden on the other units the following easements:

- a. Easement to the general common elements for ingress and egress for all persons making repairs and maintenance of such common elements in accordance with the terms of this Declaration. Each unit owner shall have an unrestricted right of ingress and egress across the common elements to his or her unit.
- b. Every portion of a unit which contributes to the structural support of a building shall be burdened with an easement of structural support for the benefit of the other unit in that building.
- c. Easements for fence encroachments or landscaping encroachments (and maintenance thereof) upon a unit or limited common elements.

Such encroachments and easements shall not be considered or determined to be encumbrances either on the general common elements, the limited common elements, or on the units for purposes of marketability of title.

17. GRANT OF EASEMENTS FOR SERVICES.

The undersigned hereby grants an easement over and across the common elements for mail service, solid waste services, fire service, police protection, other emergency vehicles and other publicly-owned vehicles being used for official federal, state, or local governmental purposes.

18. GRANT OF UTILITY EASEMENTS.

The Undersigned hereby grants unto Montana-Dakota Utilities, Co., to Northwestern Energy, to Qwest, to Bresnan Cable Co., and to all other providers of utilities, cable television and internet access, an easement across the above-described real



property for the purpose of providing underground utilities, cable television and internet service to each unit, together with the right of ingress and egress for the purpose of installing, maintaining, repairing and replacing all necessary underground pipes, lines and cables. To the extent that they can conveniently do so, all grantees shall use the same trench for placement of pipes, lines and cables serving each of the units. This easement may not be used for providing utilities, cable television and internet service to any real property not described in Sections 2 and 3 above.

19. UNITS SUBJECT TO DECLARATION, BYLAWS, RULES AND REGULATIONS, AND RESTRICTIVE COVENANTS.

All present and future owners of units shall be subject to, and shall comply with the provisions of this Declaration, the Bylaws, restrictive covenants, and rules and regulations adopted by the Association, as these instruments may be amended from time to time. The execution of a purchase contract by a unit owner or the acceptance of a deed thereto shall constitute acceptance of the provisions of such instruments by such owner. All owners shall be responsible for ensuring compliance by their tenants, family members, other occupants of their unit and their guests. The provisions of this Declaration and the Bylaws, restrictive covenants and rules and regulations adopted by the Association shall be covenants running with the land and shall bind any person having an interest in such unit as though the provisions were recited and fully stipulated in each deed or conveyance thereto. The invalidity of any provision of this Declaration shall not affect in any manner the validity or enforceability of the remainder of the Declaration. No provision in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

20. RIGHTS OF ACTION.

The Association and any aggrieved unit owner shall have the right to maintain an action for specific performance, for damages and/or for injunction, against any unit owner or the Association for failure to comply with the provisions of this Declaration or the Bylaws of the Association, or any rules and regulations adopted by the Association. The prevailing party in any such action, or in arbitration, if the parties have agreed to arbitration, or if arbitration is mandatory, shall be entitled to recover its costs and attorneys' fees incurred from the losing party.



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21. EMINENT DOMAIN.

- a. If the entire project or a portion of the common elements only is acquired by eminent domain and if a separate award is not made to each unit owner, the award shall be allocated to each unit owner in proportion to each unit owner's percentage of undivided interest in the common elements.
- b. If a part of the project which includes one or more individual units is acquired by eminent domain, the award shall be allocated to unit owners as follows:
 - i. The owner of each individual unit taken shall receive the fair market value of his unit, including his interest in the common elements, whether or not any common elements are actually taken. Thereafter, the unit owner shall be divested of his entire property interest in the project attributable to the unit taken and shall have no further property interest in the property, including the common elements. Said common elements shall be reallocated to the remaining unit owners in proportion to each remaining owner's percentage of undivided interest in the common elements. In addition, the owner of each individual unit taken, following compensation, shall have no further voting rights in the project as owner of the unit taken.
 - ii. The remainder of the award, if any shall be divided among the remaining unit owners in proportion to each owner's percentage of undivided interest in the common elements.
- c. The Directors of the Association shall represent the unit owners in any eminent domain negotiations, legal proceedings, settlements or agreements; each unit owner, by acceptance of a deed, irrevocably appoints the Association as that owner's attorney-in-fact for this purpose.



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22. NOTICE TO HOLDERS, GUARANTORS AND INSURERS OF MORTGAGES ON UNITS.

Upon written request from a holder, insurer or guarantor of a first mortgage on any unit, the Directors of the Association shall provide said holder, insurer or guarantor with timely written notice of:

- a. Any proposed action that requires the consent of a specified percentage of eligible mortgage holders;
- b. Any condemnation loss or any casualty loss which affects a material portion of the project or which affects any unit on which there is a first mortgage held, insured or guaranteed by such holder, insurer or guarantor;
- c. Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;
- d. Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

23. AMENDMENT.

Prior to completion of construction of all units by Developer, Developer reserves the right to amend this Declaration, and any subsequently recorded Declaration, as provided in Sections 3 and 4 above, or to comply with any FHA, VA, Freddy Mac, or FNMA requirements for guaranteeing or purchasing loans on the units. All unit owners and all mortgagees of a unit, by acceptance of a deed, mortgage or trust indenture to any unit, shall be deemed to consent to any such amendment by Developer and to grant unto STAN D. HELGESON, as representative of Developer, an irrevocable power of attorney, to execute, acknowledge and record such amendments. No amendment shall be effective prior to completion of construction of all units unless approved by Developer.

After completion of construction of all units by Developer, the provisions of this Declaration, except Section 14, shall be amended only by affirmative vote of the owners of 75% of the units; if a unit has more than one owner, only one owner of that unit need consent. All amendments to the Declaration shall be



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recorded in the office of the Yellowstone County Clerk and Recorder, Billings, Montana.

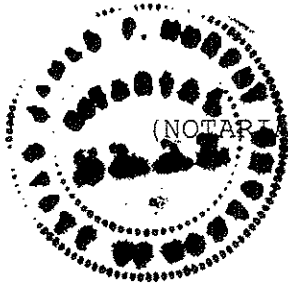
DATED this 22ND day of May, 2006.

SRKM, INC.
a Montana corporation

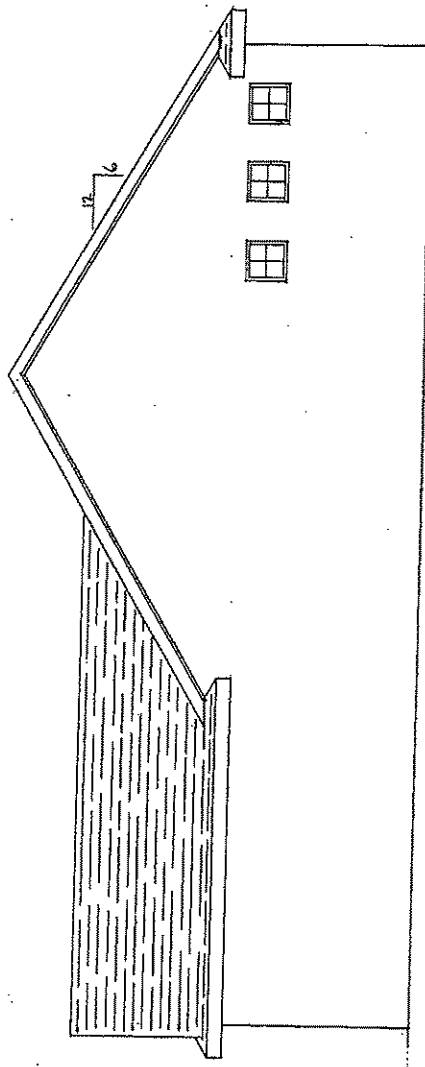
By: Stan D. Helgeson
STAN D. Helgeson
Its: President

STATE OF MONTANA)
: ss.
County of Yellowstone)

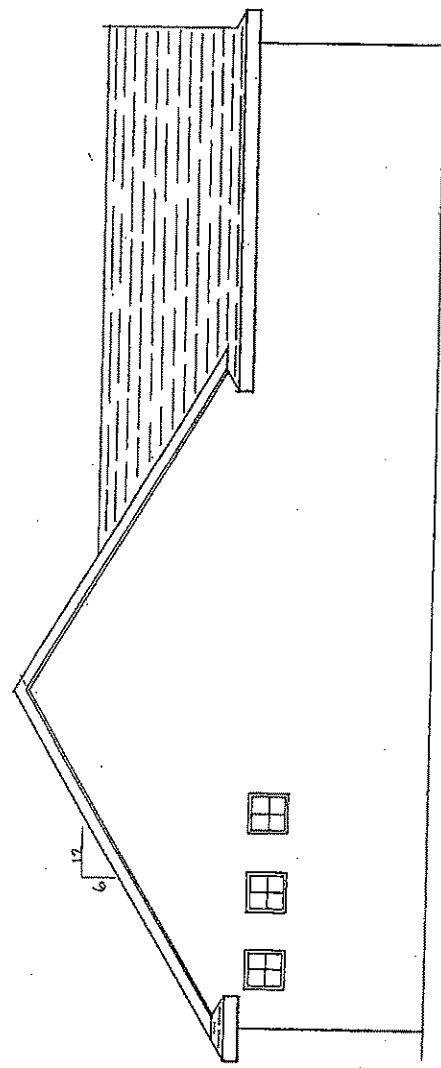
This instrument was acknowledged before me on the 22ND day of May, 2006, by STAN D. Helgeson as President of SRKM, INC., a Montana corporation.



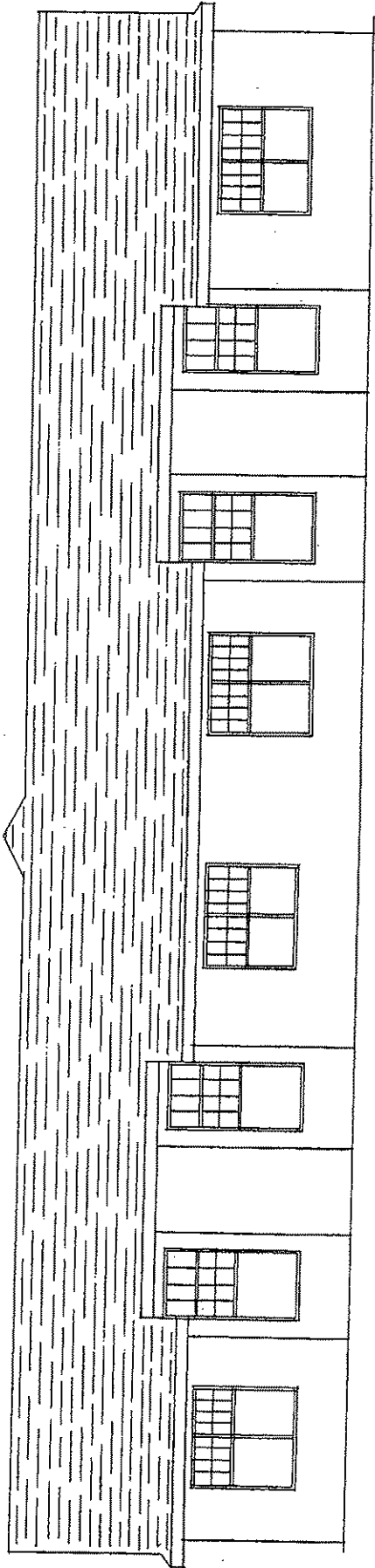
James P. Murphy
Printed Name: James P. Murphy
Notary Public for the State of Montana
Residing at Billings, Montana
My Commission Expires: July 13, 2007
(month, day, and four-digit year)



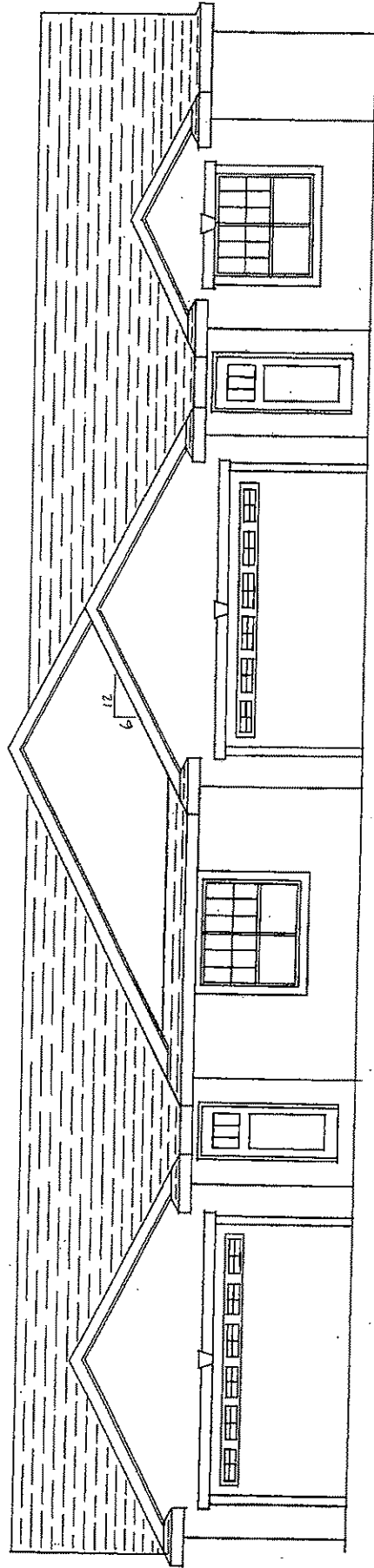
RIGHT SIDE ELEVATION



LEFT SIDE ELEVATION

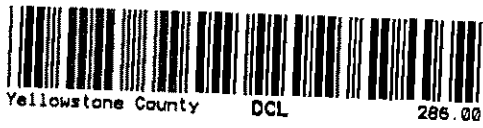


REAR ELEVATION



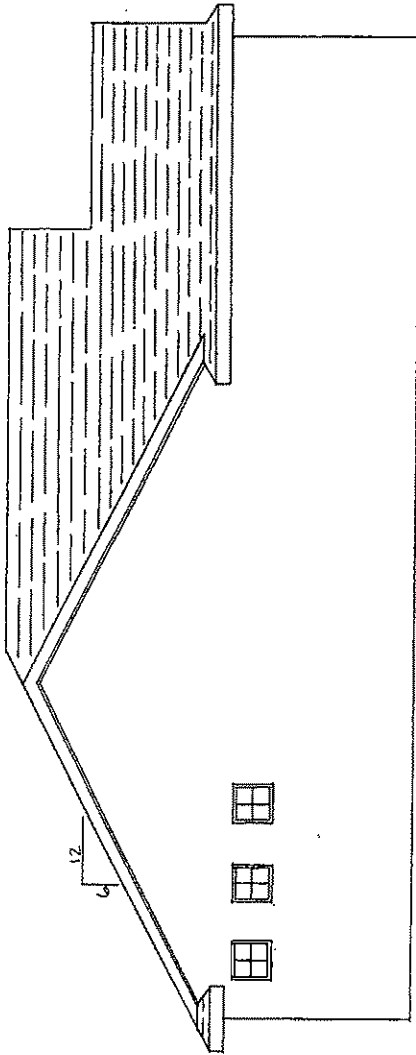
FRONT ELEVATION

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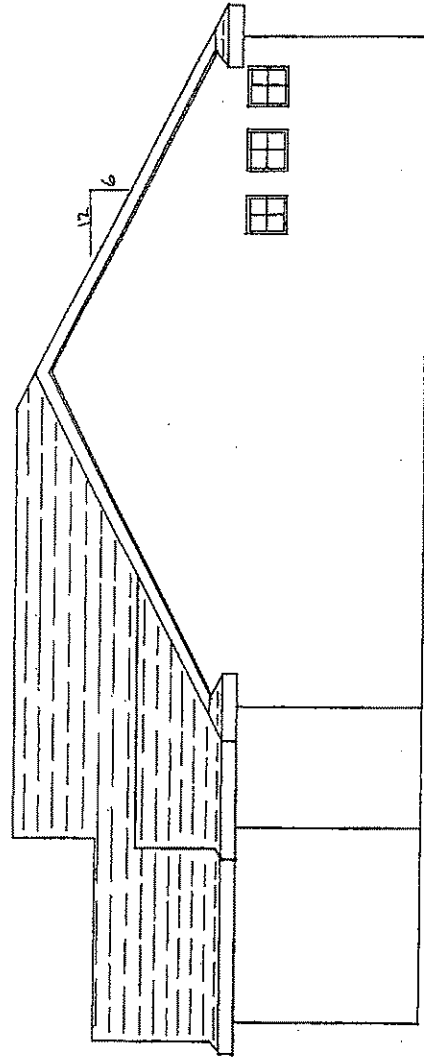


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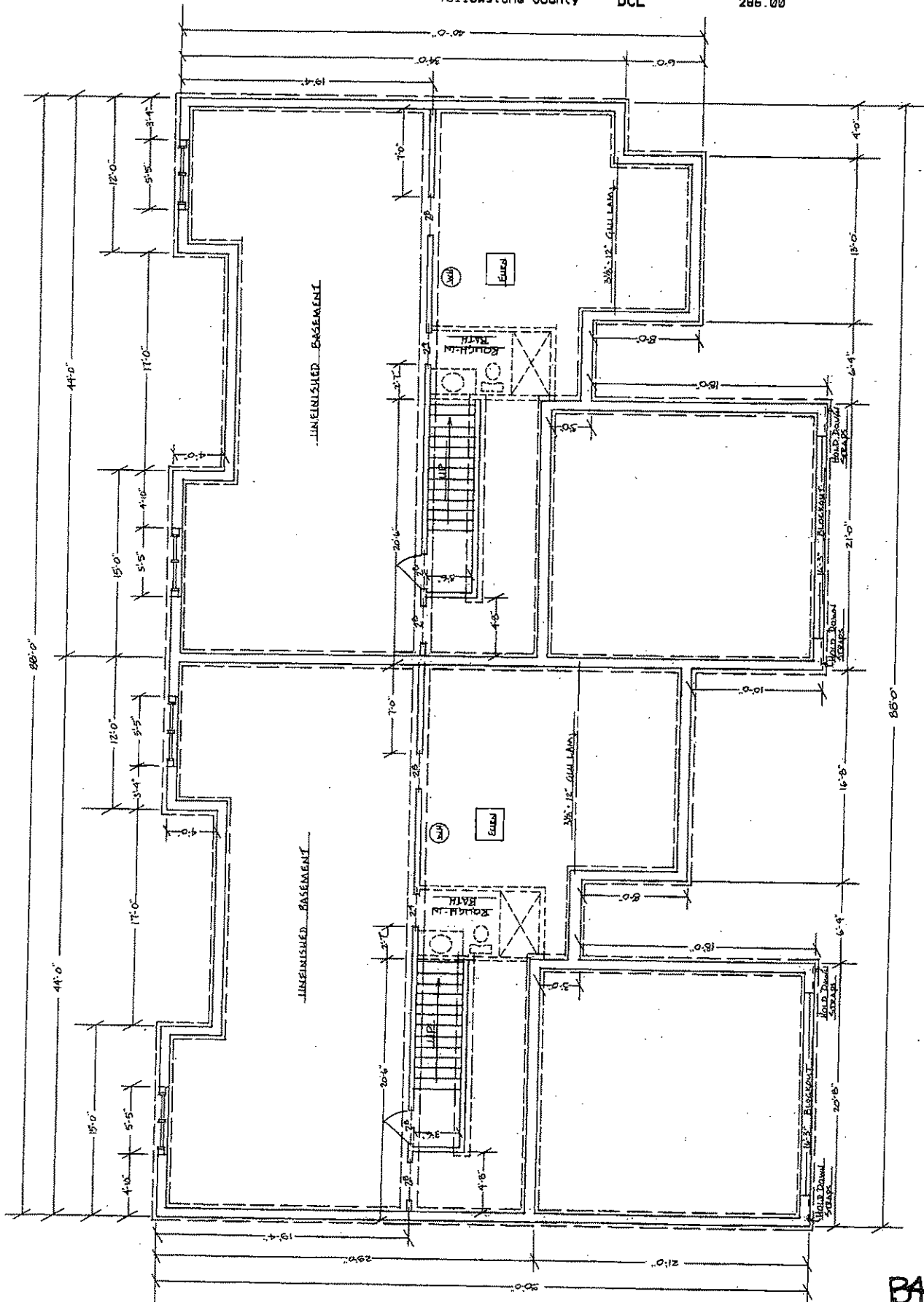
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LEFT SIDE ELEVATION

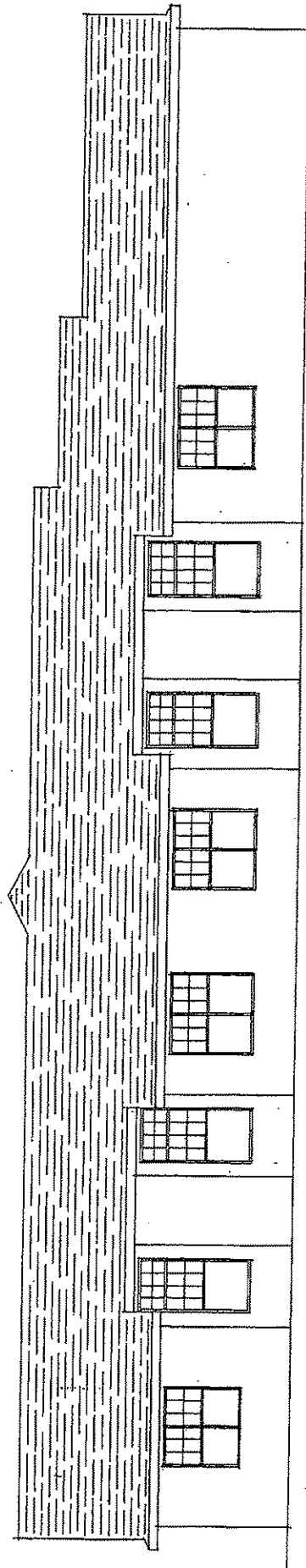


RIGHT SIDE ELEVATION

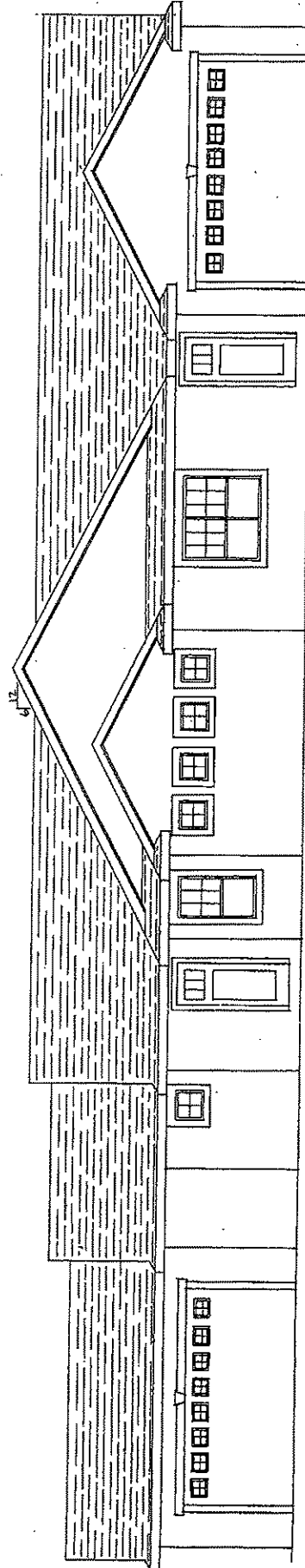


BASEMENT & FOUNDATION

BA



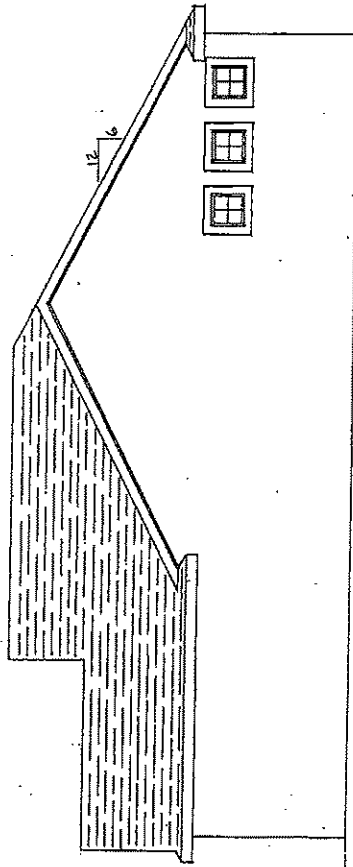
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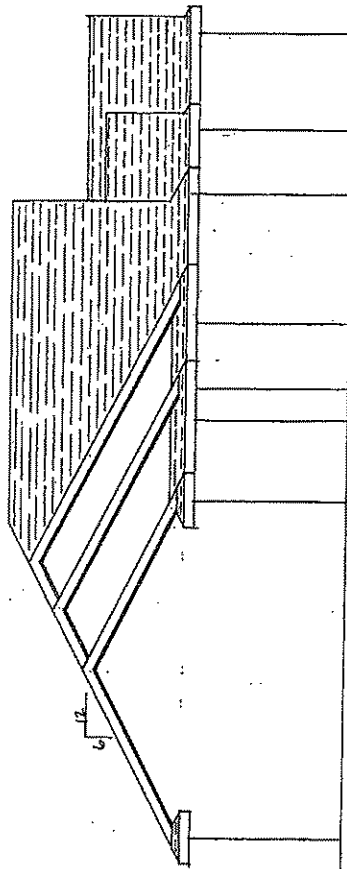
FRONT ELEVATION

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Yellowstone County DCL 286.00

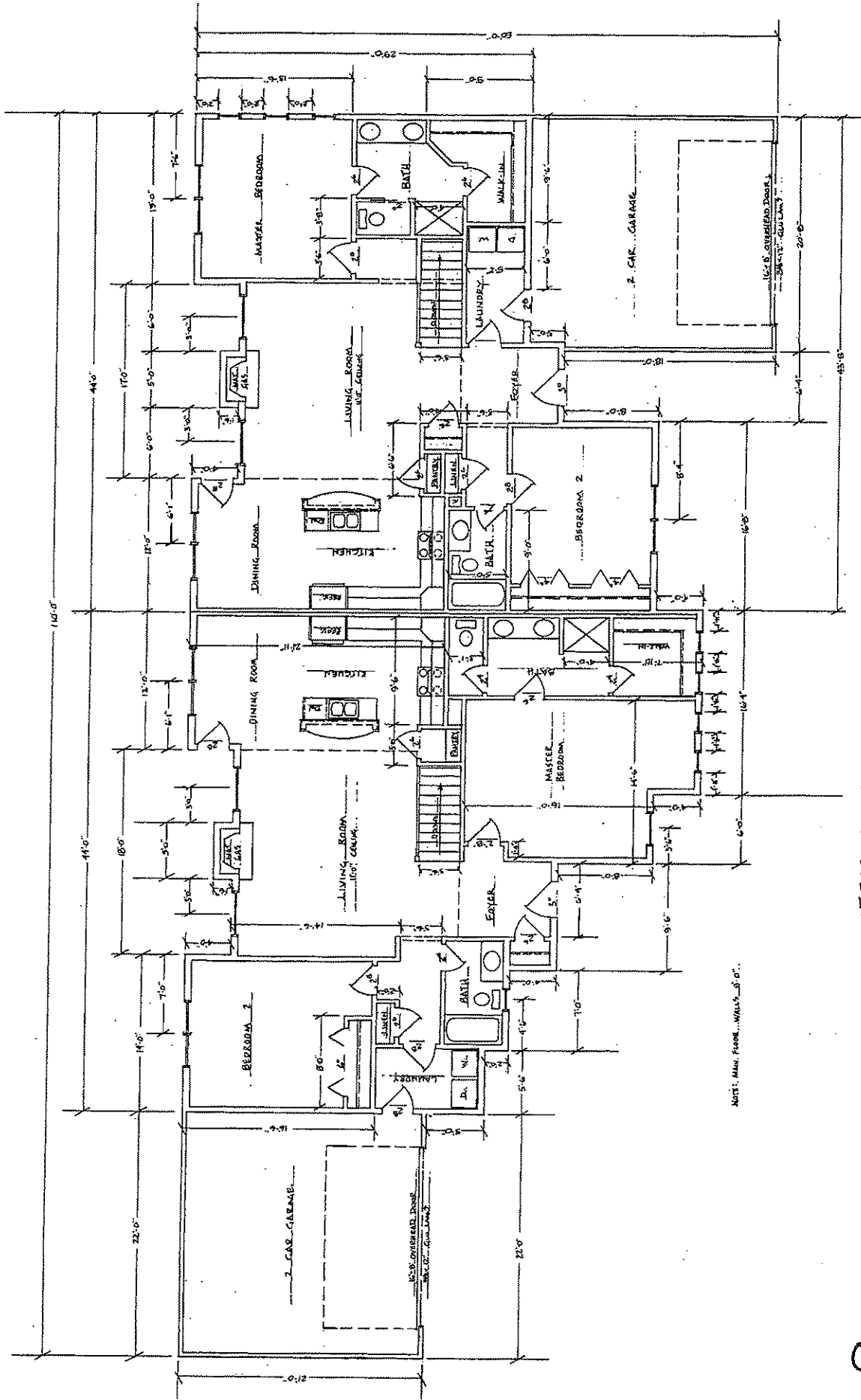


RIGHT ELEVATION



LEFT ELEVATION

C2



1425 SQ. FT.

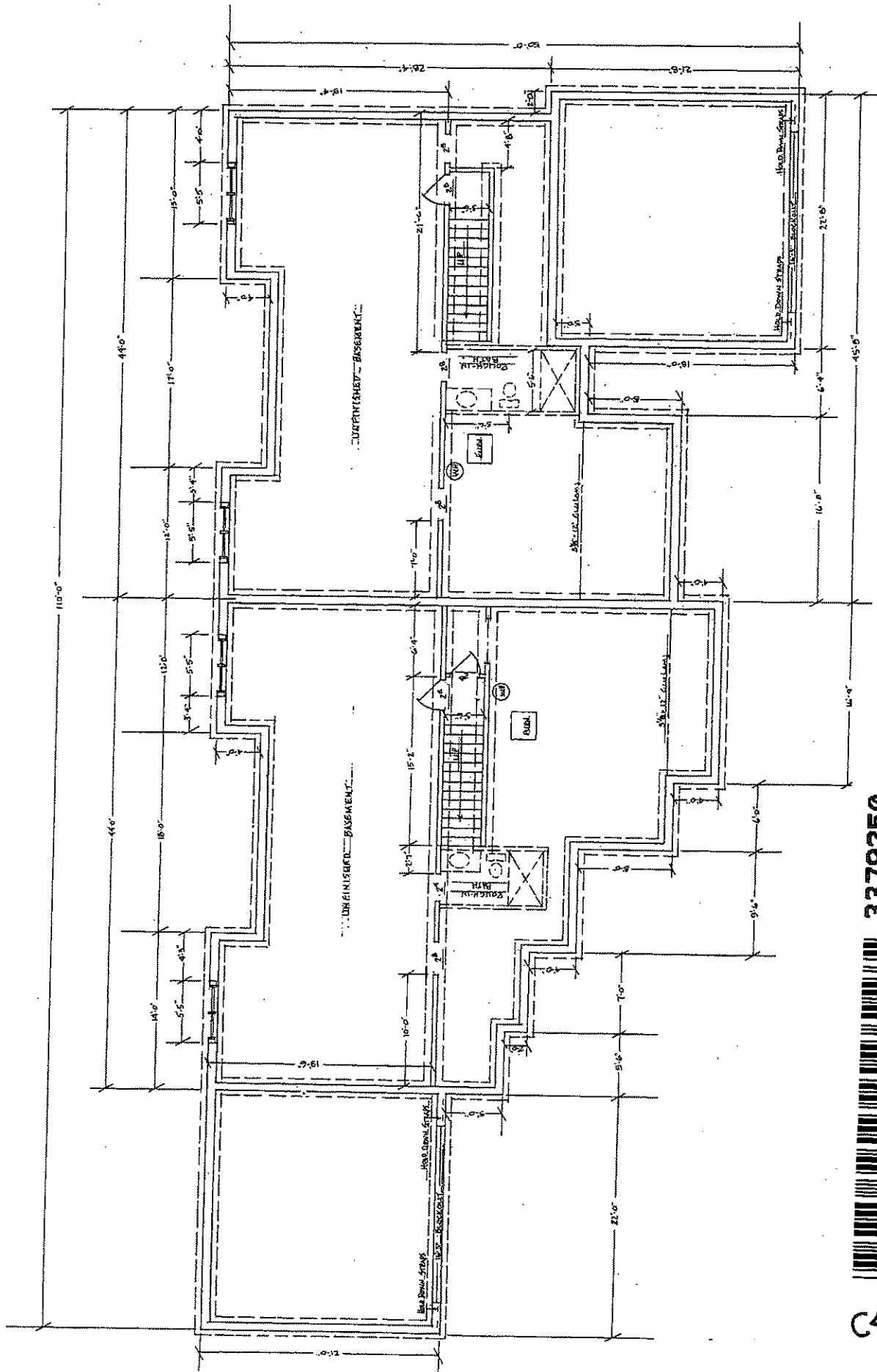
1525 SQ. FT.

MAIN FLOOR PLAN

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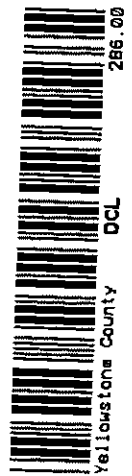


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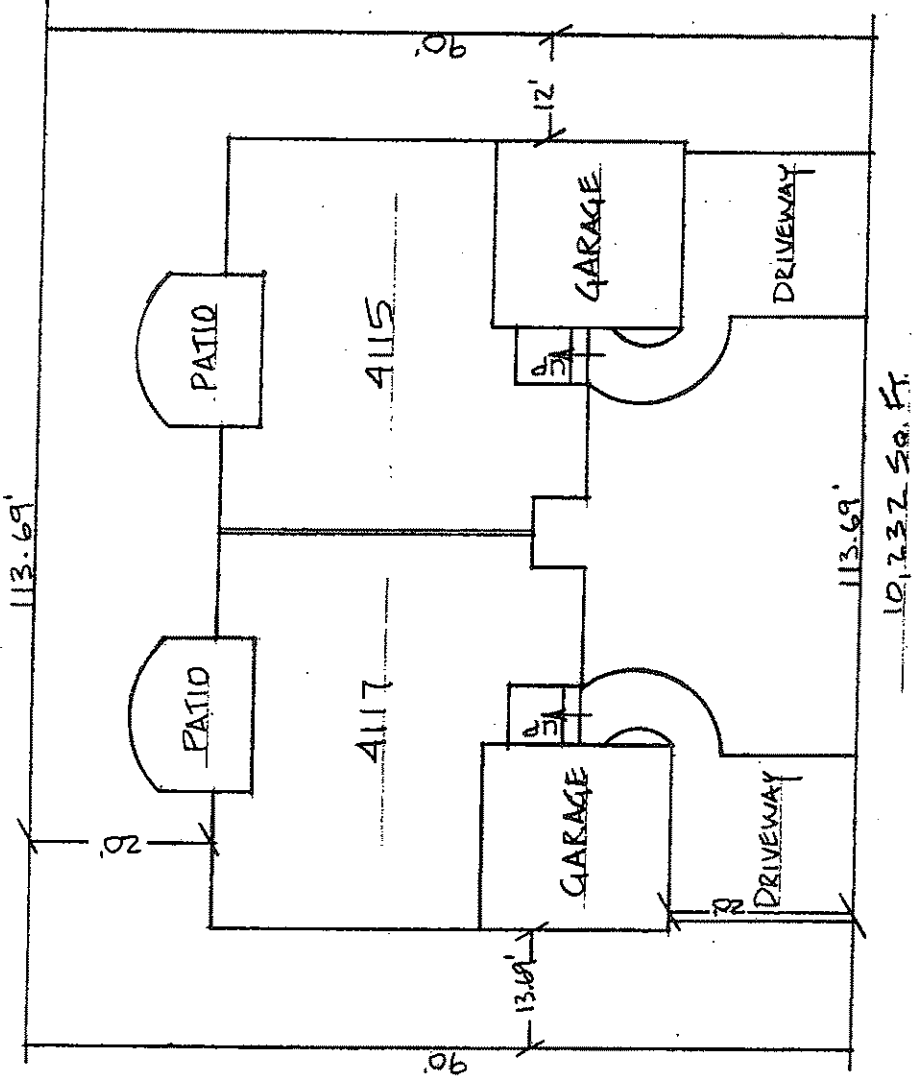
BASEMENT FOUNDATION PLAN

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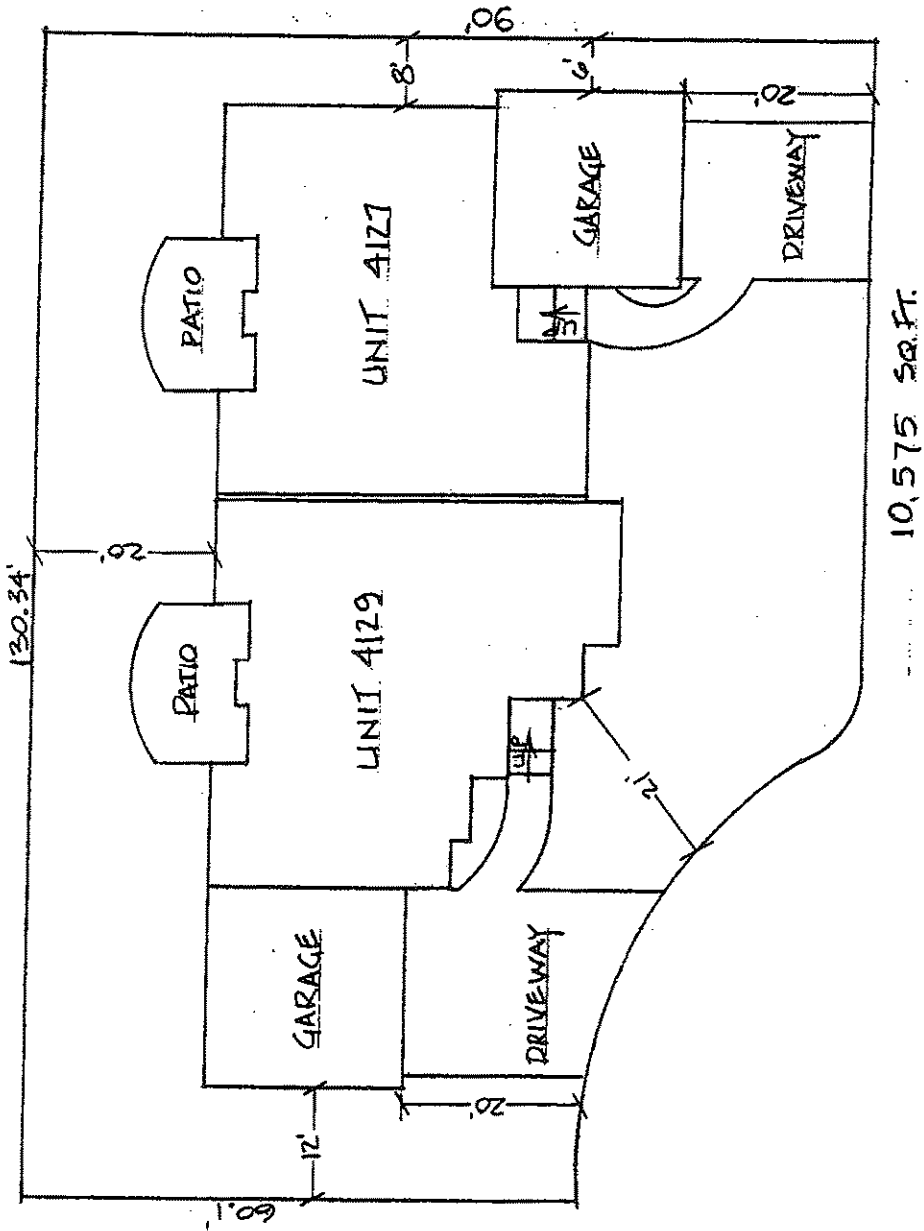


Yellowstone County DCL

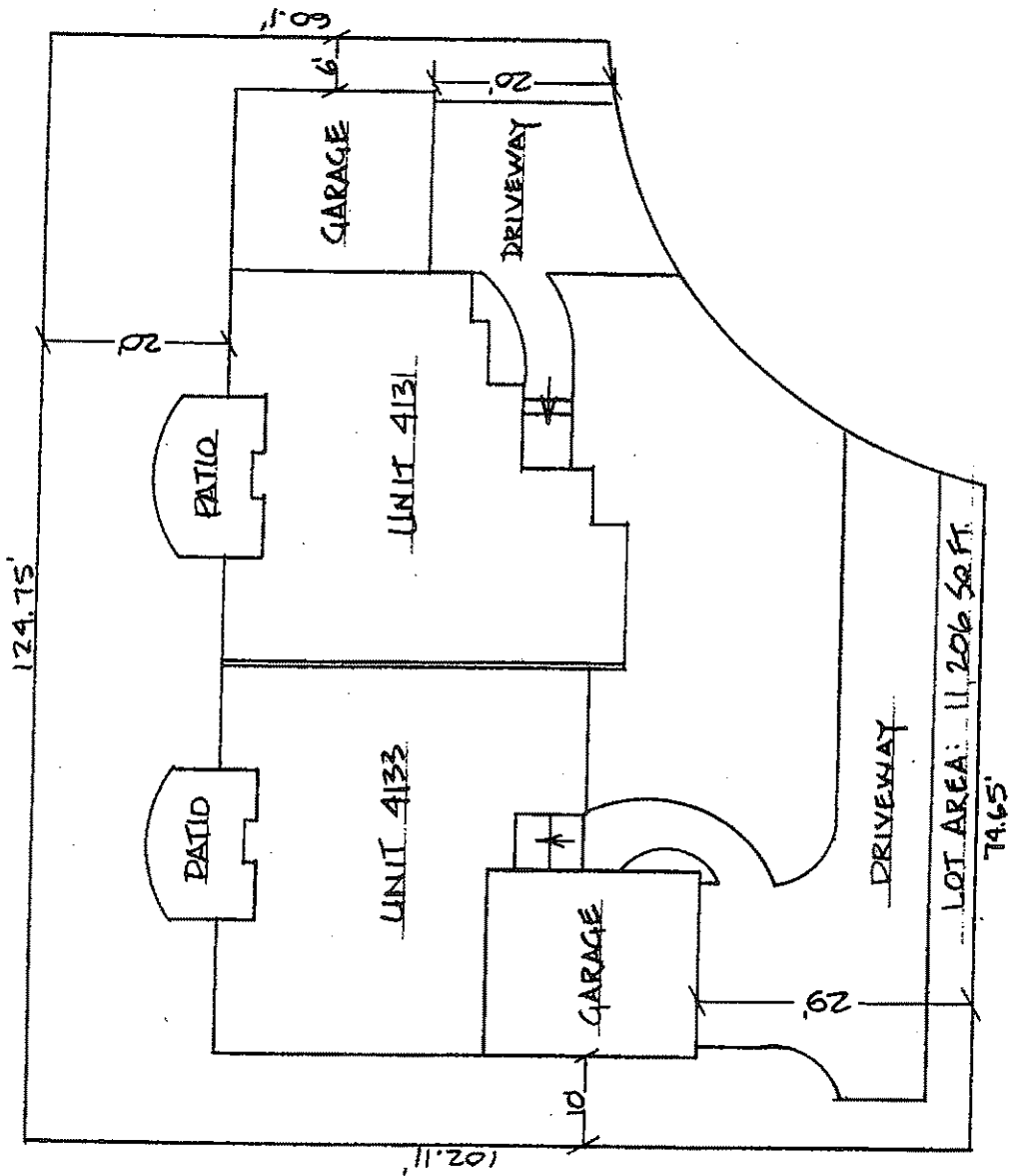
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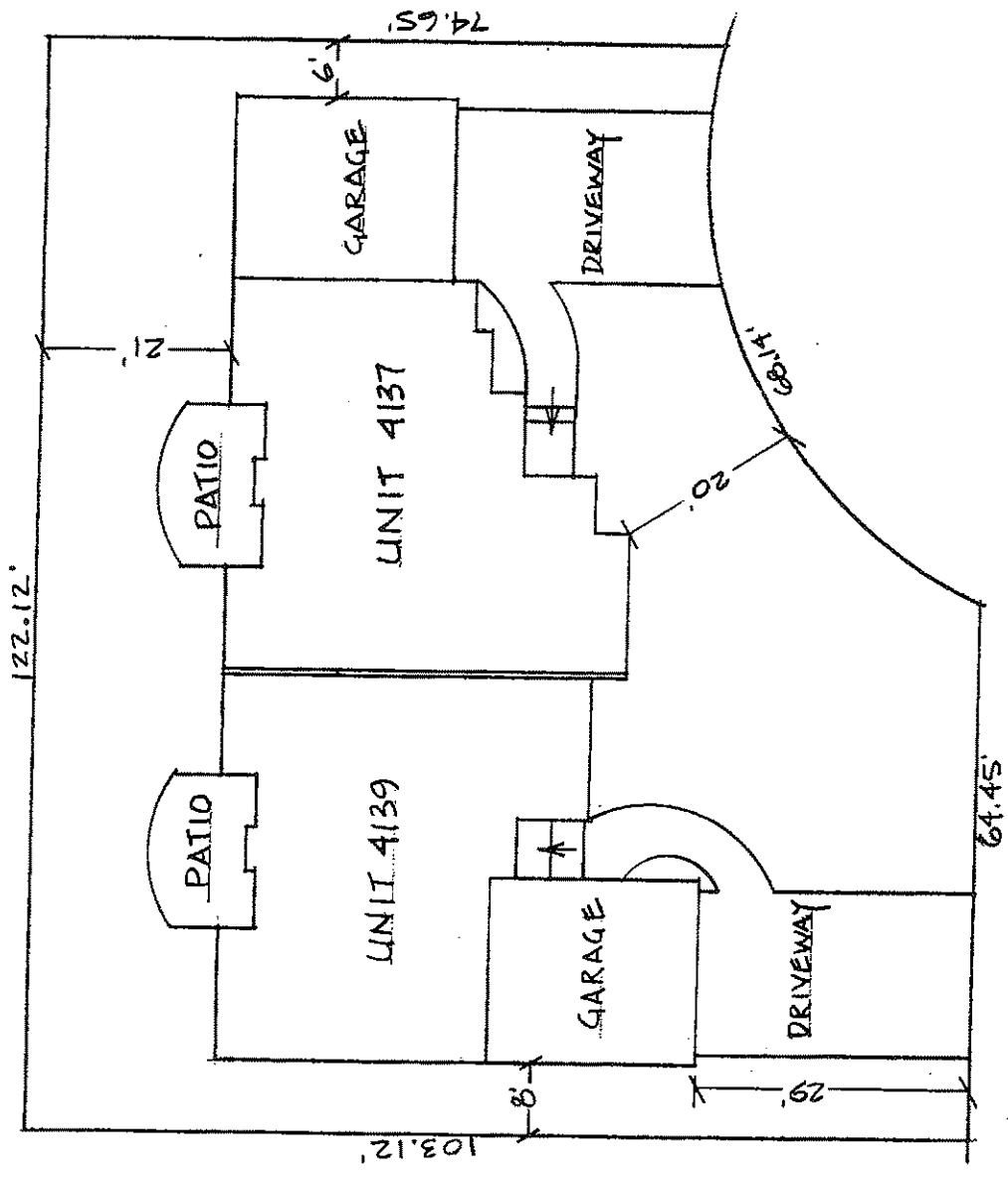
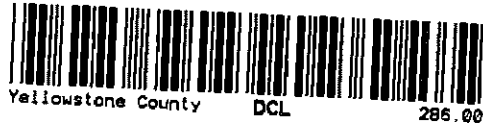
4115 & 4117 JULAURA LANE
 LOT 13, BLOCK 4
 GOODMAN SUBDIVISION
 FOURTH FILING



4127 & 4129 JULAURA LANE
 LOT 15, BLOCK 4
 GOODMAN SUBDIVISION
 FOURTH FILING

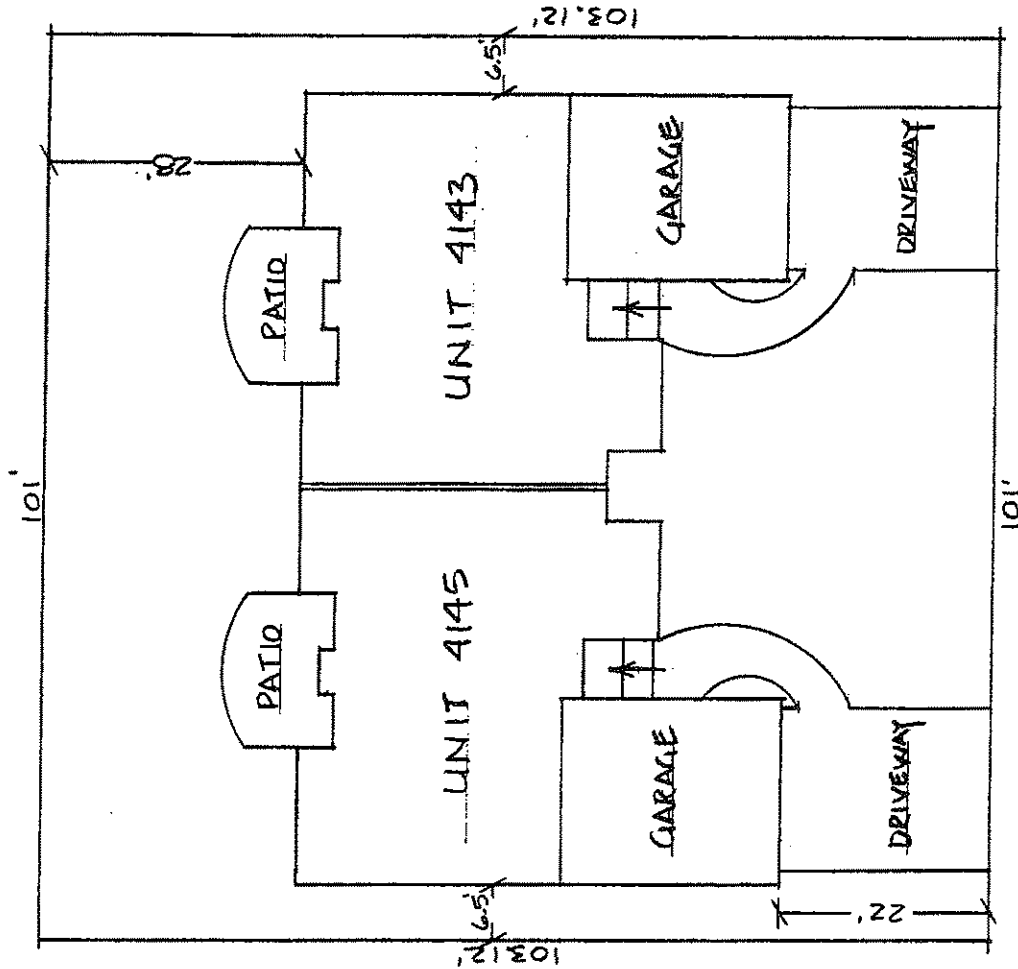


4131 & 4133 JULAURA LANE
 LOT 16, BLOCK 4
 GOODMAN SUBDIVISION
 FOURTH FILING



4137 & 4139 JULAURA LANE
 LOT 17, BLOCK 4
 GOODMAN SUBDIVISION
 FOURTH FILING

EXHIBIT D4

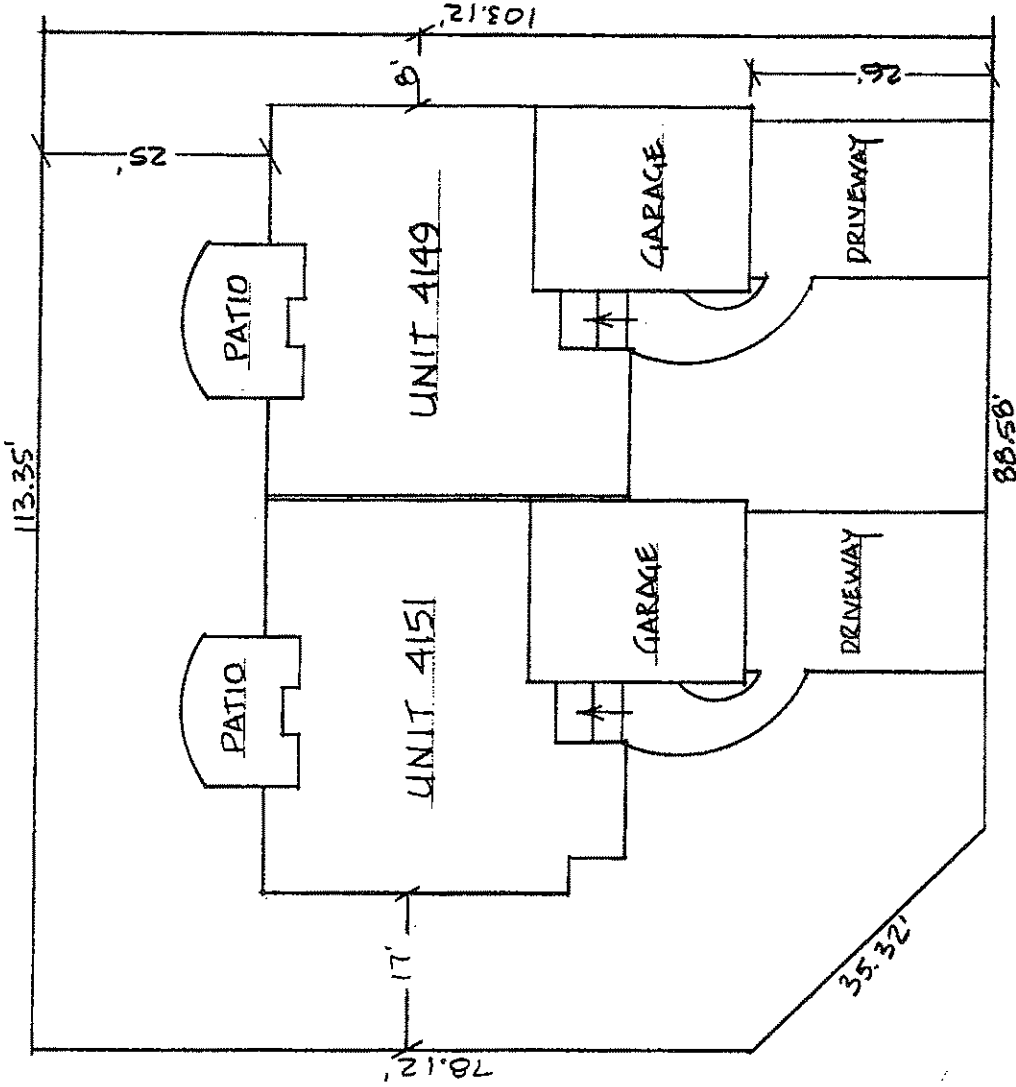


- 4143 & 4145 JULAURA LANE
 LOT 18, BLOCK 4
 GOODMAN SUBDIVISION
 FOURTH FILING



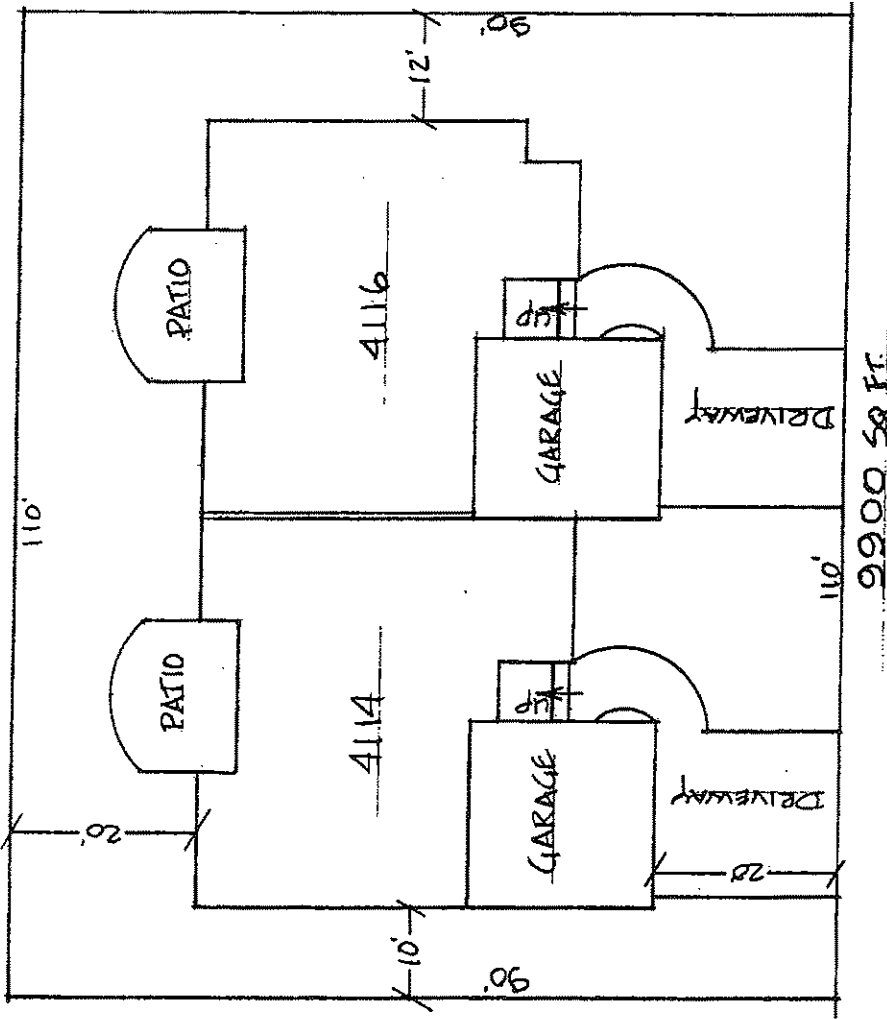
3379250

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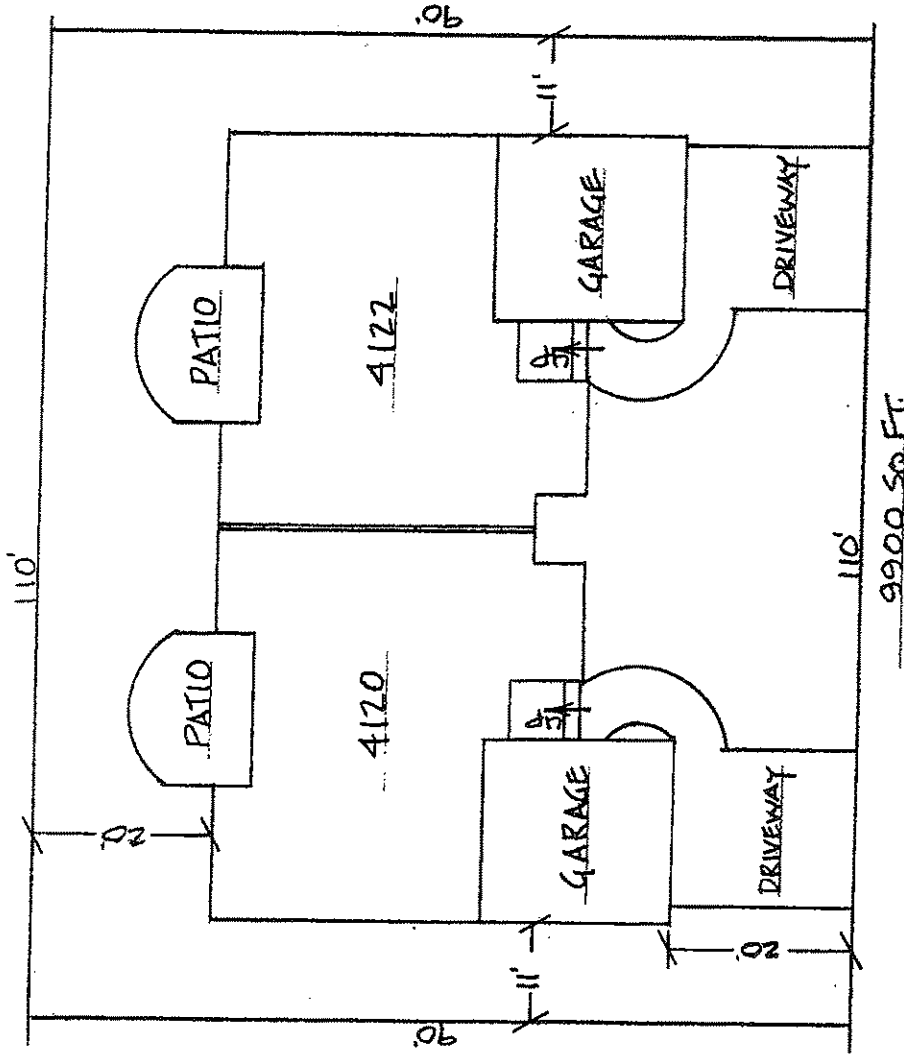
4149 & 4151 JULAURA LANE
 LOT 19, BLOCK 4
 GOODMAN SUBDIVISION
 FOURTH FILING

EXHIBIT D-6



4114 & 4116 JULAURA LANE
 LOT 14, BLOCK 5
 GOODMAN SUBDIVISION
 FOURTH FILING

EXHIBIT D-7



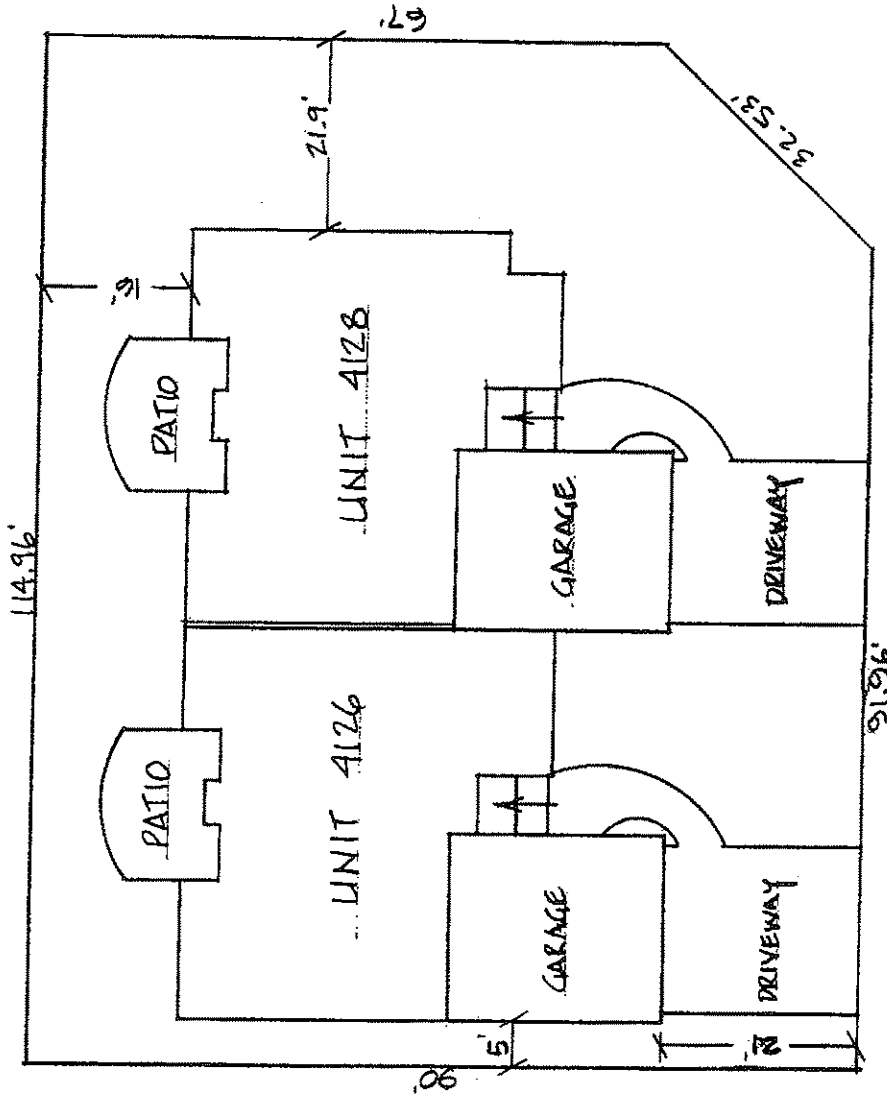
4120 & 4122 JULAURA LANE
 LOT 13, BLOCK 5
 GOODMAN SUBDIVISION
 FOURTH FILING

EXHIBIT D-8



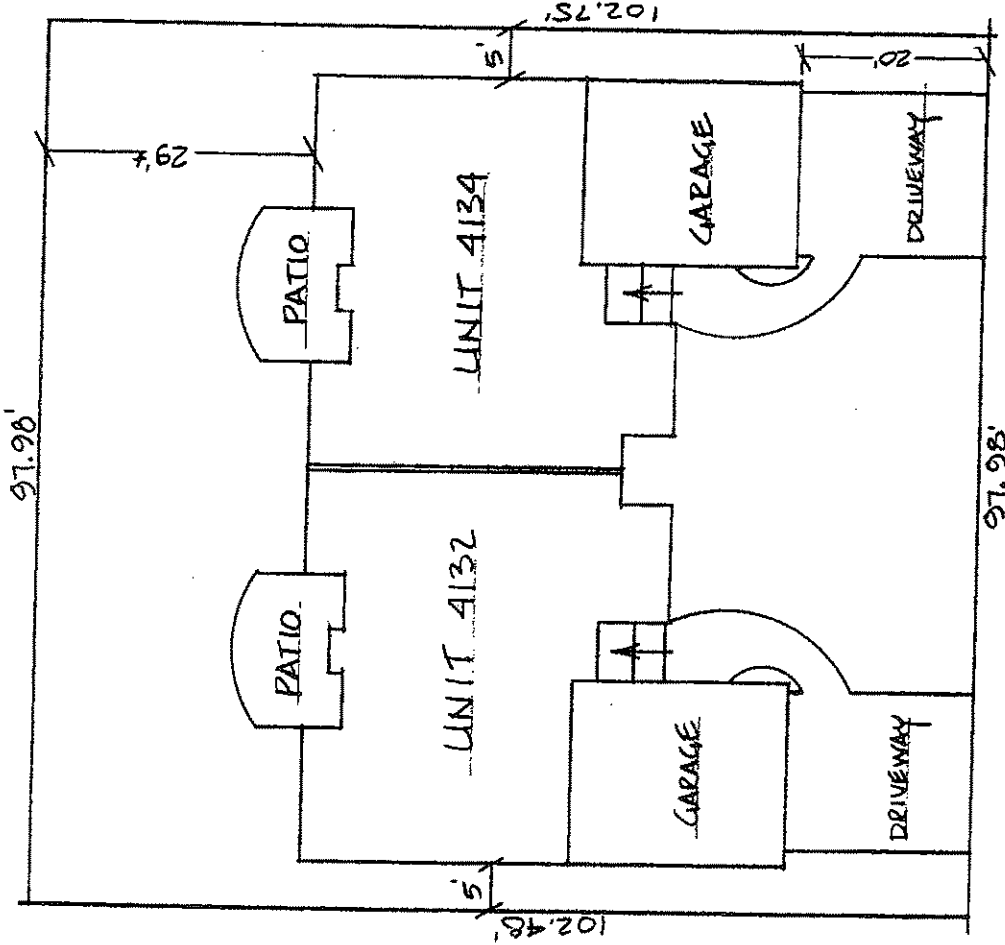
3379250

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4126 & 4128 JULAURA LANE
 LOT 12, BLOCK 5
 GOODMAN SUBDIVISION
 FOURTH FILING

EXHIBIT D-9



4132 & 4134 JULAURA LANE
 LOT 11, BLOCK 5
 GOODMAN SUBDIVISION
 FOURTH FILING

GOODMAN SUBDIVISION, FOURTH FILING

BEING LOT 4 OF BLOCK 2, LOT 4 OF BLOCK 3, LOTS 1-4 OF BLOCK 4, LOTS 1-4 & 11-13 OF BLOCK 5, AND VACATED JULAURA LANE AND VACATED PORTION OF AVENUE "C" AND 41st STREET WEST WITHIN GOODMAN SUBDIVISION, THIRD AND TRACT 4B-2 OF AMENDED TRACT 4B, C.O.S. 1876 AMENDED SITUATED IN THE SW1/4 AND THE SE1/4 OF SECTION 33, T. 1 N., R. 25 E., P YELLOWSTONE COUNTY, MONTANA

PREPARED FOR: GOODMAN, INC.
PREPARED BY: ENGINEERING, INC.
SCALE: 1"=100'

SEPTEMBER, BILLINGS, MT
100 50 0 100

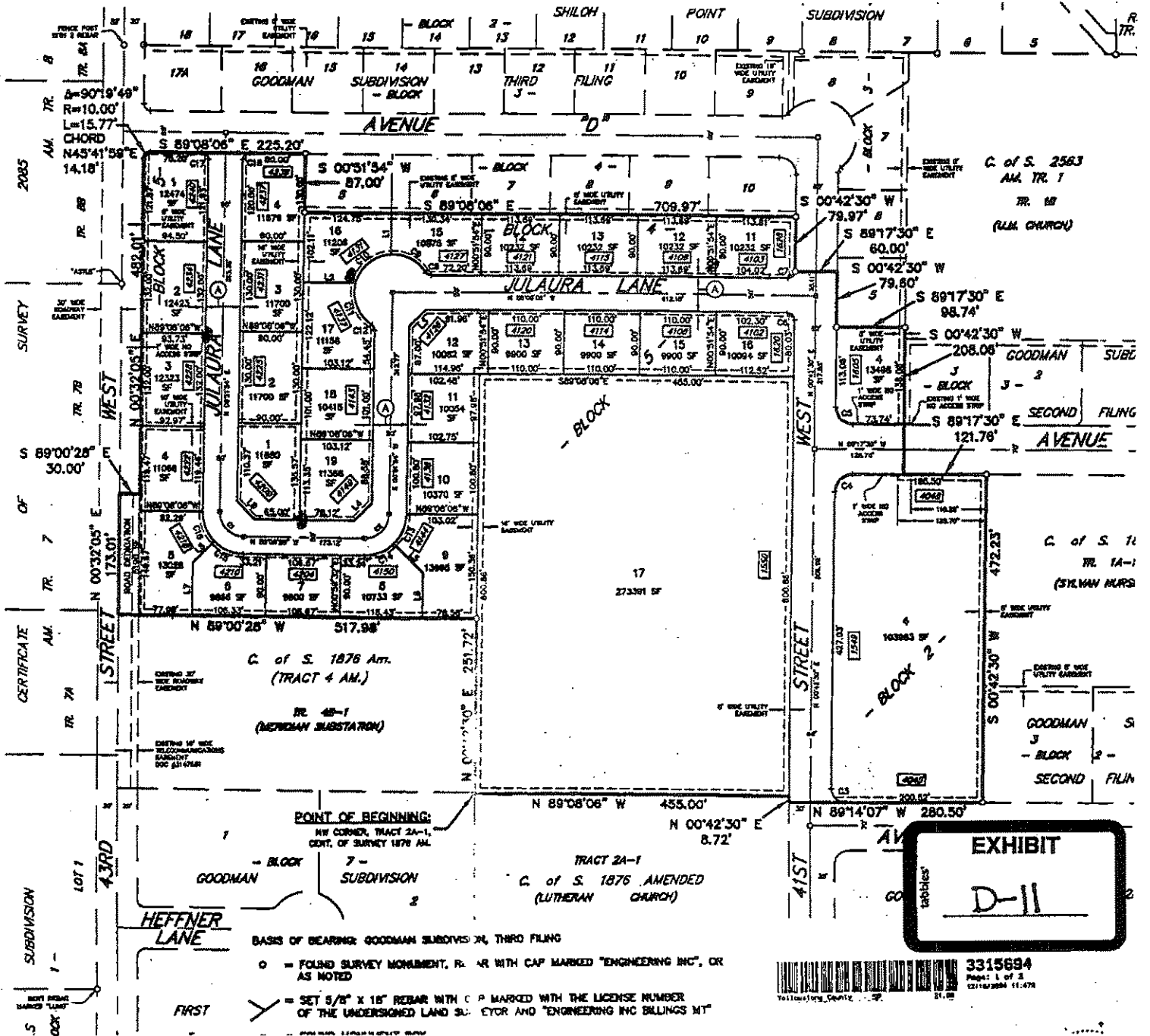


EXHIBIT
D-11



CERTIFICATE

The undersigned, being the duly authorized agent of the City-County Planning Department for the City of Billings - Yellowstone County, herewith executes the following certificate relating to SILVERLEAF TOWNHOMES II situated on the following real property:

Lot 13 and 15 through 19, Block 4, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

Lots 11 through 14, Block 5, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

The undersigned herewith certifies that:

SILVERLEAF TOWNHOMES II to be constructed on the real property described above are exempt from the provisions of MCA Sections 76-3-101 et. seq. pursuant to MCA Section 76-3-203(2).

Specifically:

SILVERLEAF TOWNHOMES II are in conformance with applicable local zoning regulations where local zoning regulations are in effect.

DATED this 26th day of May, 2006.

By: *Michelle M. Crowne*
City-County Planning Department for
the City of Billings-Yellowstone
County



CERTIFICATE

THE UNDERSIGNED, being the duly authorized agent of the Department of Revenue of the State of Montana, within the County of Yellowstone, herewith executes the following certificate relating to SILVERLEAF TOWNHOMES II, situated on the following described real property:

Lot 13 and 15 through 19, Block 4, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

Lots 11 through 14, Block 5, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

The undersigned herewith certifies that:

1. The name "SILVERLEAF TOWNHOMES II" is in compliance with § 70-23-303, MCA, and
2. All taxes and assessments due and payable for the said real property have been paid to date.

DATED this 30th day of May, 2006.

MONTANA DEPARTMENT OF REVENUE

By: Sheri Dede



RETURN TO:
James P. Murphy
MURPHY, KIRKPATRICK, & FAIN, P.L.L.P.
208 North Broadway, Suite 208
Billings, Montana 59101

BYLAWS OF SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION

1. APPLICABILITY OF BYLAWS.

The provisions of the Bylaws are applicable to SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION which have been submitted to the provisions of the Montana Unit Ownership Act pursuant to the Declaration of Unit Ownership for said townhomes. The townhomes are located upon the following described real property located in Billings, Yellowstone County, Montana:

Lot 13 and 15 through 19, Block 4, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

Lots 11 through 14, Block 5, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

All present or future owners, tenants, or any other person who might use the facilities of the above-described property in any manner, are subject to the provisions of these Bylaws. The acquisition, rental, or occupancy of any of the units will signify that these Bylaws are accepted, ratified, and will be complied with.

2. MEMBERSHIP, MEETINGS AND VOTING.

a. Membership. Each unit owner shall be a member of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION, a Montana non-profit corporation, hereinafter call the "Association." However, if the ownership of any unit is vested in more than one person, and while each such owner shall be a member, the co-owners or joint owners of the unit shall be deemed to be one member for the purpose of voting and the determination of any required quorum. Until completion or termination of the project, Developer shall be deemed the owner of each unit not yet sold, whether or not



construction of the unit has begun, and shall have one vote for each such unit.

b. Ownership. Ownership shall be determined according to the records of the Clerk and Recorder of Yellowstone County, Montana; except that a personal representative, conservator or trustee shall be deemed to be the owner of any unit owned or held by him in such capacity, whether or not the same shall have been transferred to his name by a duly recorded conveyance. Owners shall also include those purchasing units under purchase contracts who have an equitable interest in the unit as disclosed by the public record in the office of the Yellowstone County Clerk and Recorder, and in such an event the equitable owner shall be considered as the only owner of such unit.

c. Voting. The owners of each unit owner shall be entitled to one vote per unit and the vote for any unit owned by more than one person shall be exercised as such co-owners may among themselves determine. Whenever a unit is owned by two or more persons, any one of such owners may vote, in the absence of protest by the other or others. Votes may be cast in person or by proxy.

d. Proxies. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the Secretary on or before the appointed time of the meeting.

e. Annual Meeting. The annual meeting of the Association shall be held on the first Saturday of June of every year beginning in 2007. Additional regular and special meetings of the Association may be held at such times and places as shall be agreed upon by the unit owners. Notice of all meetings shall be given to each member personally or by mail, telephone or facsimile, at least 10 days prior to the day named for such meeting. The presence, in person or by proxy, of owners of a majority of the units at such meetings of the Association shall be required for the transaction of any business by the Association.

The agenda for the annual meeting shall include the following:

- (1) Determination of quorum;
- (2) Approval of minutes of last annual meeting;



(3) Presentation of financial report for past year and budget for coming year;

(4) Report Board opinion of adequacy of limits on insurance coverage;

(5) Election of Directors;

(6) Appointment of Arbitrator, as provided below;

(7) Old business, if any; and

(8) New business.

f. Arbitrator. Until there are more than four (4) units in the townhome project, at each annual meeting, the owners shall mutually agree upon and appoint one person who is not a member to serve as Arbitrator for the Board and members for the coming year. In the event of a dispute or disagreement between the directors or members which cannot otherwise be resolved without a lawsuit, or in the event of disagreement between directors if there are only two voting directors, the issue shall be presented to the Arbitrator and the decision of the Arbitrator shall be binding upon the Association and its Board of Directors. The Arbitrator shall be paid a reasonable amount for the arbitration services. If an Arbitrator is not selected by the members, one or more Arbitrators shall be appointed in the manner provided by the Montana Uniform Arbitration Act, or any successor to that Act.

g. Manner of Obtaining Approval of Unit Owners. Approval of all decisions and resolutions of the Association which require the approval of unit owners may be obtained by vote at an annual or special meeting, or by written ballot or petition, circulated among the owners.

3. BOARD OF DIRECTORS.

a. Number of Directors. The affairs of the Association shall be governed by a Board of Directors composed of three (3) owners, considering that the townhome project will include twenty (20) units. After sale of all units, the number of Directors may be increased upon affirmative vote of 75% of the members entitled to vote.

b. Election and Term of Office. Directors shall be elected at the first annual meeting of the Association with one director being elected for a three year term, one director being



elected for a two year term, and one director to be elected for a one year term. Thereafter the terms of office of each director shall be one year with one director to be elected each year. If a quorum cannot be obtained for an annual meeting, the existing directors shall continue to serve until the next annual or special meeting is held and new directors are elected.

c. Nomination. Candidates for Directors shall be nominated from the floor at each annual meeting. Each unit owner shall be entitled to one vote for each vacancy in the Board of Directors; cumulative voting shall be permitted. The candidates receiving the largest number of votes shall serve as directors for the following term. Directors must be members of the Association, or, in the case of partnerships, LLCs, LLPs and corporate members, a designated representative of the corporate member, partnership, LLP or LLC.

d. Compensation. No compensation shall be paid to directors for their services as directors. However, directors shall be reimbursed for actual expenses incurred in the performance of their duties.

e. Meetings. Regular and special meetings of the Board of Directors may be held at such times and places as shall be determined by the directors. Notice of such meetings shall be given by the Secretary to each director and to the Treasurer and President of the Association, personally or by mail, telephone or facsimile, at least three (3) days prior to the day named for such meeting. Two directors shall be needed for a quorum. Information concerning major actions by the Board shall be promptly disseminated to all members of the Association in a manner to be determined by the Board. Owners may attend Board meetings but their participation in the meetings may be limited to the extent determined by the Directors present at the meeting.

f. Powers and Duties. 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, the Declaration or these Bylaws directed to be exercised by the members. In addition, the Board of Directors shall have the following powers and duties:

(1) To enforce the provisions of the Declaration of Unit Ownership and these Bylaws by appropriate action.

(2) To determine the amount of any assessments payable by the unit owners for common expenses and to allocate and assess said expenses among unit owners in proportion to



their respective interests in the common elements. Assessments shall include reasonable reserve funds. The Board shall have the authority to invest reserve funds in any manner not inconsistent with the needs of the Association.

(3) In its discretion, to impose special assessments for approved capital expenses and for emergencies, as they are incurred.

(4) To send written notice of any change in the regular assessments and written notice of any special assessment to each owner at least thirty (30) days before its due date.

(5) To record and foreclose a lien against any unit for unpaid assessments or to bring an action at law against the owner personally obligated to pay the same.

(6) To maintain and repair all sprinkler systems in the townhome development including sprinkler systems associated with each unit. It must be made clear to unit owners, however, that the water to operate the sprinkler systems will be paid by the owner. The Board of Directors shall also contract for mowing, weeding, fertilizing, lawn care, and snow removal.

(7) To adopt a schedule of late payment fees, with consent of a majority of the members entitled to vote.

(8) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(9) To procure and maintain insurance required or authorized to be purchased by the Association.

(10) To pay all debts of the Association.

(11) To grant and accept easement, permits and licenses on behalf of all unit owners, as necessary for the proper operation of the project.



(12) To contract for repairs, maintenance, alterations, additions and improvements which are the obligation of the Association.

(13) Upon written request from any person, agency or corporation having an interest or prospective interest in a unit, to prepare and furnish within a reasonable time a financial statement of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION for the immediately preceding tax year, at the requesting party's expense. The financial statement shall be prepared by a Montana certified public accountant.

(14) To review and approve or disapprove all requests from unit owners for consent to modify, alter or add to the exterior of a unit, or any limited or general common element.

(15) To prepare income tax returns for the Association, if required by state or federal law, and to pay all taxes owed.

(16) To provide any notices required by these Bylaws or the Declaration of Unit Ownership for SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION.

(17) In its discretion, to delegate any of the above-mentioned powers and duties to one or more officers or employees of the Association, or to an independent contractor or agent. Specifically, it is the intention of the Board of Directors to engage independent contracts for mowing, all lawn care and landscaping care, and snow removal.

(18) To engage the services of a paid manager or managing agent. If the Board hires a professional management agent, the contract with that agent must permit termination of the contract by either party, without penalty, after a ninety (90) day advance notice of termination is given.

(19) To supervise all officers, agents and employees of the Association, to insure that they properly perform their duties.

g. Directors as Agent and Attorney-in-Fact for Unit Owners. The Board of Directors is hereby irrevocably appointed as agent and attorney-in-fact for the unit owners of all of the units and for each of them to manage, control and deal with the



interests of such unit owners in the common elements and the exterior of the townhomes as necessary to permit the Board of Directors to fulfill all of its powers, rights, functions and duties.

The Board of Directors is hereby irrevocably appointed as agent and attorney-in-fact for each unit owner, each mortgagee, other named insureds, and their beneficiaries and any other holder of a lien or other interest in the townhomes or the property to:

- (1) adjust and settle all claims arising under insurance policies purchased by the Board of Directors;
- (2) execute and deliver releases upon the payment of claims; and
- (3) act on their behalf in any condemnation proceeding or act of eminent domain.

Provided, however, that the consent of a mortgagee shall be required if such mortgagee notifies the Board of Directors within thirty (30) days after receipt of notice of the damage or notice of the taking in condemnation or by eminent domain.

h. Transfer of Control by Developer. Developer shall transfer control of the Association to the unit owners four (4) months after 75% of the units (the 15th unit), have been conveyed or five (5) years after the first unit is conveyed, whichever occurs first. In the event of a conflict between this provision and any other provision in these Bylaws, this provision shall control.

i. Resignation and Removal of Directors. Any director may be removed from office by the majority vote of the unit owners. In the event of resignation or removal of a director, the vacancy shall be filled at a special meeting of the unit owners, in the manner provided for the election of directors, with each person so elected serving the balance of the unexpired term.

4. OFFICERS.

a. Board Elects Officers. The Board of Directors shall annually elect a President, a Secretary, and a Treasurer. The Board in its discretion may also elect a Vice-President. No two offices may be held by the same person except the offices of Secretary and Treasurer. The officers of the Association shall hold office at the pleasure of the Board and may be removed by



the Board, with or without cause. In the event of a vacancy the Board shall elect a successor at any regular meeting or at any special meeting called for such purpose. STAN D. HELGESON and RYAN HELGESON shall serve as interim President and Secretary respectively, until the first annual meeting of the Association.

b. Duties. The President shall preside at all meetings of the Association and of the Board of Directors, shall supervise the affairs of the Association and its officers, shall have all of the powers and duties usually vested in the office of President and shall also perform such other duties as from time to time may be imposed by the Board of Directors. The Vice-President, if any, shall act in the place of the President and shall have such other duties as may be assigned by the Board of Directors. The Secretary shall keep all books and records of the Association and the Board of Directors and record all minutes of meetings of both, shall keep a record of all members of the Association, and shall serve all required notices. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate itemized accounts of all receipts and disbursements in books belonging to the Association, in chronological order. The Treasurer 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. All checks over \$500.00 shall be signed by two officers.

c. Compensation. Any officer may be compensated, in a reasonable amount, as determined by the Board of Directors.

5. INSPECTION OF RECORDS.

The books, records and papers of the Association and a copy of the current Declaration of Unit Ownership, Bylaws, Articles of Incorporation and Rules and Regulations, if any, for SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION shall be open for inspection by any unit owner and by holders, insurers and guarantors of first mortgages on units, at any reasonable time, after reasonable notice to the Secretary.

6. EMERGENCY ACCESS.

Directors shall have the right to enter any unit in case of an emergency originating in or threatening such unit whether or not the owner or occupant is present at the time.



7. INSURANCE.

a. The Board of Directors shall acquire fire or extended hazard insurance only in the event the Board deems it is necessary. Fire and extended hazard insurance shall be the responsibility of each unit owner for each individual unit. The Board of Directors shall determine whether to carry fire and extended hazard insurance on the perimeter fence and on patio separation fences, but it is the intention of the initial Board of Directors not to do so.

b. The Board of Directors shall cause public liability and property damage insurance to be carried, insuring the Association and the unit owners for liability for personal injuries to, or the death of, any person, or damage to property resulting from the ownership, use or occupancy of the common elements, with policy limits to be determined by the Board, but no less than \$1,000,000.

c. The Board of Directors shall purchase fidelity insurance coverage for all persons handling Association monies, naming the Association as insured, in an amount equal to the maximum funds held by the Association. If the Board employs a management agent, the agent must have its own fidelity insurance policy, providing the same coverage required above.

d. The Board shall purchase officers and directors liability insurance in an amount to be determined by the Board.

e. The Board is authorized to purchase such other insurance as it deems necessary or advisable.

f. The cost of all insurance purchased by the Board shall be a common expense.

g. All insurance policies purchased by the Board shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the Association or its members, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees and contract sellers of units. Duplicate originals of all new policies of physical damage insurance and liability insurance purchased by the Board and of all renewals thereof, together with proof and payment of premiums, shall be delivered to all mortgagees and contract sellers of units at least ten (10) days prior to expiration of the then current policies. Annually, the Board of Directors



shall obtain an appraisal from an insurance company or other knowledgeable person or business, of the full replacement value of the covered improvements, without deduction of depreciation, for the purpose of determining the amount of physical damage insurance to be effective pursuant to this section.

h. The Association's casualty, liability and fidelity insurance policies shall require the insurer to notify the Association and each first mortgage holder, in writing, of any cancellation or substantial change to the policy at least ten (10) days prior to the date on which such cancellation or change takes effect.

i. Each Association policy shall contain a standard mortgagee clause in favor of each mortgagee or trust indenture beneficiary, or contract of sale endorsements in favor of the contract sellers of any units.

j. In the event of a loss exceeding One Thousand Dollars (\$1,000.00), all Association insurance proceeds shall be paid to the designee of the Board of Directors as Trustee for disbursement.

k. The Board of Directors shall review the adequacy of limits of coverage of insurance policies and report annually its opinion regarding same to the membership of the Association at its annual meeting.

l. The Association's casualty insurance must be written by an insurance carrier meeting the rating requirements established by FNMA (Fannie Mae); all insurance policies purchased by the Association shall comply with FNMA requirements.

m. Unit owners shall be required to carry fire and extended hazard insurance on their own units. Units which are repaired or replaced after a fire or other hazard shall conform in style, quality and appearance, to the unit as it existed prior to the fire or other hazard.

n. Owners must insure their personal items and obtain liability insurance to cover injury or damage occurring on or within their unit, if they wish such insurance coverage.

8. ASSESSMENTS FOR COMMON EXPENSES.

a. When Assessments Begin. The owner of each completed unit shall be obligated to pay monthly and special assessments for common expenses, beginning upon closing of the sale of the



first unit. Regular monthly assessments for expansion units shall commence at the time of completion of a unit and addition of that unit to the project.

b. Amount. Prior to the annual meeting, the Board of Directors shall prepare an Association budget for the coming year. A copy of that budget, together with a statement of the amount of each monthly assessment for the coming year, shall be delivered to each unit owner at least one week before the annual meeting. Each monthly assessment shall be equal to the total estimated common expenses for the coming year, plus a reasonable reserve allowance for replacement of improvements, divided by twelve, divided by the total number of completed units. Assessments shall be due and payable on the first day of each month. If an annual budget is not prepared as required, the monthly assessment due shall be equal to the amount of the monthly assessment for the previous year until changed by the Board of Directors, after preparation of a new budget. The regular assessments may be changed by the Board at any time it determines that the change is necessary or advisable. Written notice of the amount of any changed monthly assessment shall be given, by mail or otherwise, to each unit owner at least thirty (30) days in advance of the first payment due date for the assessment. Except for changes in the amount of the monthly assessments, no bills or other notices that monthly assessments are due need be given by the Association. Assessments must be based upon and computed by using the percentile interest that each unit owner has in the common elements.

c. Recording Keeping. All assessments collected by the Association may be commingled in a single fund from which shall be paid the expenses for which the assessments are made. Separate records of payments received shall be kept for each unit.

d. Interest and Late Fees. Assessments paid more than 10 days after the date when due shall bear interest at the rate of ten percent (10.0%) per annum from the date when due until paid; in addition, late paying owners shall be obligated to pay a late fee if a schedule of late payment fees has been adopted by the Board of Directors. All payments upon assessments shall be applied first to late fees, then to interest and then to the earliest assessment due.

e. Special Assessments. Special assessments may be made by the Board of Directors for capital improvements only upon an affirmative vote of all of the members entitled to vote. The



Board may also impose special assessments for unanticipated emergency expenses without consent of the members.

f. No Exemption from Payment. No owner of a unit may exempt himself from liability for his or her contribution toward any common expense by waiver of the use of enjoyment of those items paid for or by abandonment of the unit.

g. Account Balance Transfers with Unit. No unit owner shall be entitled to receive the balance in that owner's assessment account upon sale of the owner's unit. The account balance shall pass with sale of the unit, to the credit of the new unit owner. This provision shall not be deemed to prohibit a selling owner from collecting the balance of that owner's assessment account from a purchaser.

h. Remedies for Failure to Pay. The remedies for failure to pay assessments are set forth in the Declaration of Unit Ownership for SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION.

9. MAINTENANCE OF UNITS AND COMMON ELEMENTS.

a. Unit Owner Responsibilities. Every unit owner shall be responsible for all maintenance of repairs to the interior of his unit and for replacement of glass in his unit. Each owner shall be responsible for all damages to the other units or to the common elements resulting from his failure to effect such maintenance and repair. Each unit owner shall be responsible for paying all taxes and assessments on his unit and for payment for all utilities provided to his unit, including water and sewer. All utility lines and pipes, fixtures and equipment serving only one unit shall be maintained, replaced and kept in repair by the unit owner.

All maintenance and repairs for which an owner is responsible shall be paid for by the owner. Each owner shall use a reasonably high standard of care in performing the maintenance set forth above, so that the entire SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION project will reflect a high pride of ownership. The Board of Directors of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION shall be the final authority in determining whether an owner is providing adequate maintenance and repair.

b. Association Responsibilities. Except as otherwise provided above, the Association shall be responsible for any maintenance, repair and replacement of common elements and for maintenance and repair of the exterior of the buildings, except replacement of glass. The Association shall pay for mowing



lawns, for fertilization of lawns, trees and shrubs, for pruning of trees and shrubs, and for snow removal from driveways and front sidewalks. The Association may employ personnel necessary for all required maintenance, upkeep and repair. The Association shall use a reasonably high standard of care in providing such maintenance, management and repair, so that SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION will reflect a high pride of ownership.

10. RESTRICTIONS ON USE.

The following restrictions apply to use of all units and common areas:

a. Types of uses allowed. The property shall be used only for residential purposes except that an owner may use a portion of his unit for an office so long as the activities therein shall not interfere with the quiet enjoyment or comfort of any other owner or occupant. In addition, Developer shall have the right to maintain a construction office and a sales office on the property for up to one year after all units in Silverleaf Townhomes I and Silverleaf Townhomes II are sold.

b. Pets. A maximum of two (2) dogs or cats per unit, (two pet maximum), shall be permitted in the units only if kept under the owner's control at all times. No pets shall be allowed to run loose on the general common areas. Owners shall be responsible for promptly cleaning up after their pets. Owners shall pay a fine, imposed by the Board, of \$50.00 for a second violation of the pet restrictions within any 12-month period and a fine of \$100.00 for each additional violation within any 12-month period. Such fines shall be a common expense, payable only by the offending unit owner. In addition, the Board may require an owner to either keep a pet inside or permanently remove it from the project, if the Board receives two bona fide complaints that the animal is a nuisance from one or more other owners within a six (6) month period. No kennels are allowed. Owners shall be responsible for the cost of repairing damage done by their pet.

c. No Livestock or Poultry. No domestic livestock or poultry may be kept or raised on any unit or the common areas.

d. Leasing. No unit owner shall lease a unit for an initial term of less than seven (7) days. Any lease or rental agreement shall be in writing and shall subject the tenant to the provisions of these Bylaws, the Declaration of Unit Ownership for SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION, and all rules and regulations adopted by the Association. Unit owners shall be



responsible for any violations of these Bylaws, the Declaration, and rules and regulations by their tenants.

e. Nuisances. No nuisances or unlawful activities shall be allowed on or within any unit or the common areas, nor shall any use or practice be allowed which is a source of annoyance to the unit owners or which interferes with the peaceful possession or proper use of the property.

f. Alterations to Buildings and Common Elements. Nothing shall be done in, on or to any unit or in, on or to the limited or general common elements which will impair the structural integrity of any building. Except as otherwise provided herein, no unit owner or occupant shall erect or place any building or structure, including fences, walls, patios and decks, in any common area, add or remove landscaping, nor make any other additions or alterations to any limited common elements, or to the exterior of the unit, including landscaping, except in accordance with plans and specifications approved by the Board of Directors. If plans and specifications have not been approved in writing by the Board within forty-five (45) days after submission, they shall be deemed disapproved. This restriction does not apply to Developer during construction of new units. Owners may, at their own expense, fence their yard or plant additional landscaping in their yard after the type and height of the fence or the type of landscaping is approved by the Board. Any area so fenced or landscaped shall be maintained by the owner in an attractive manner. No TV antennas, TV dishes exceeding one meter in diameter, air-conditioning units, wiring or any other device shall be installed on the exterior of any building, in a yard, or on common elements without prior written approval of the Board.

g. Satellite Dishes. Owners may install a small satellite dish, not exceeding one meter in diameter, in the yard at the back or side of their townhome, or on the back or side of the exterior surface of their townhome, without prior approval of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION Board of Directors. The location of the satellite dish must comply with the ordinances of the City of Billings.

h. Garbage. All garbage and trash must be placed in the proper receptacles designated for refuse collection and no garbage or trash shall be placed elsewhere on any common element; trash containers must be kept inside the garage except on collection days.



i. Hot Tubs. Exterior tubs shall only be permitted with prior written approval of the Board of Directors, in locations where they cannot be viewed from other units; they must be placed on a cement slab and constructed to minimize noise and vibration. Hot tubs must be screened or out of view of other units.

j. Noise. Residents and their guests shall exercise care about making noise which may disturb other residents. No unit owner shall make or permit noise or on common areas between the hours of 11:00 p.m. and the following 7:00 a.m. if such noise shall disturb or annoy other residents or unit owners. Noise made by construction workers between the hours of 7:00 a.m. and 11:00 p.m. shall not be a violation of this restriction.

k. Restrictions on Landscaping. No landscaping shall be planted within three feet of any foundation, sidewalk or driveway, except plants which do not require regular watering; regular watering may cause the nearby concrete to crack or deteriorate.

l. Parking. Unit owners shall not park vehicles in such a manner as to block sidewalks or driveways nor shall they permit any member of their family, guests or tenants to do so. Junked or non-operational vehicles, boats and trailers, shall not be parked on common areas or in driveways for a period exceeding five consecutive days or 30 total days in any one calendar year. Improperly parked vehicles may be removed at the owner's expense.

m. Fire Prevention. No unit owner shall perform any act or store anything within or immediately adjacent to his unit which might increase the rate of fire insurance for the building or increase the probability of fire as a result of such act or the storage of such items.

11. RULES AND REGULATIONS.

Administrative rules and regulations concerning the use of the common elements may be promulgated and amended by the Board of Directors with the approval of 75% of the members entitled to vote, provided however, that no restrictions on the use of the property in addition to those established in these Bylaws shall be effective until such time as all units, including expansion units, have been completed and sold or occupied, unless approved by Developer.

A copy of the current rules and regulations shall be provided to each unit owner by the Secretary of the Association, without cost, upon receipt of a request therefor.



12. WORKING CAPITAL.

The Developer, as agent of the Board of Directors, shall collect from the initial purchaser of each unit, at the time of closing, an initial capital payment of \$400.00. The funds so collected shall be delivered to the Board of Directors to provide the necessary working capital for the Association. Such funds may be used for certain prepaid items, including insurance, initial maintenance, equipment, supplies, organizational costs and other start up costs and for such other purposes as the Board of Directors may determine. These funds may not be used by Developer to defray any of its expenses, construction costs, or other financial obligations. This initial capital payment shall not be deemed a prepayment of regular monthly assessments.

13. LIABILITY OF THE ASSOCIATION AND UNIT OWNERS.

The Association shall not be liable to any unit owner or any family member, tenant, or invitee of any owner for any failure to provide services paid for as a common expense, or for any uninsured injury or damage to person or property caused by the elements, or resulting from water, snow or ice which may leak or flow from any portion of the common elements or from any pipe, drain, conduit, appliance or equipment onto a unit. The Association shall not be liable to any unit owner or any family member or tenant of any owner for uninsured loss or damage, by theft or otherwise, of articles which may be stored upon any of the common elements. This shall not be deemed to be a waiver of any liability between unit owners. No diminution or abatement of any assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common elements, or from any action taken by the Association to comply with any law, ordinance or with the order or directive of any government authority. The Association shall not be liable to any unit owner or any family member or tenant of any owner for uninsured injury or damage to person or property caused by another unit owner. Any such liability shall be attributed solely to the responsible unit owner. The Association shall not be liable to any unit owner or any family member or tenant of any owner for uninsured personal injuries or uninsured injuries to property occurring on common elements.

14. AMENDMENT.

a. Prior to completion of construction and sale of all twenty (20) units, including expansion units, these Bylaws may be amended by Developer. All unit owners, by acceptance of a deed to any unit, shall be deemed to consent to any such amendment by



Developer and to grant unto STAN D. HELGESON, as representative of Developer, an irrevocable power of attorney to execute, acknowledge and record such amendment on behalf of Developer.

b. These Bylaws may be amended by the Association in a duly constituted meeting called for such purpose or by written petition, circulated among the owners; provided, however, that no amendment shall take effect without the approval of the Developer, until such time as all units, including those on expansion lots, have been sold by the Developer. No amendment shall take effect unless approved by at least 75% of the unit owners entitled to vote and until a copy of the amendment, certified by the President and Secretary of the Association, is recorded in the office of the Clerk and Recorder of Yellowstone County, Montana; provided, however, that the Bylaws shall always include those particulars required to be included therein by the Montana Unit Ownership Act.

c. The consent of eligible mortgage holders who represent at least fifty-one percent (51%) of the votes of units subject to mortgages held by eligible holders shall be required for a change in any of the following:

- (1) Increases in annual assessments of more than 25% of the prior assessment;
- (2) Reductions in the Association's reserve account;
- (3) Changes in insurance requirements; and
- (4) Changes in any provisions which expressly benefit mortgage holders, insurers or guarantors.

15. BYLAWS ARE COVENANTS.

The provisions of these Bylaws shall be covenants running with the land and shall be binding on all owners, their tenants and guests, for so long as the real property described herein is subject to the provisions of the Montana Unit Ownership Act.

16. CONFLICTS.

In the event of any conflict between these Bylaws and the provisions of the Montana Unit Ownership Act, or the Declaration of Unit Ownership of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION, the latter two shall govern and apply.



17. ENFORCEMENT AND WAIVER.

These Bylaws may be enforced in the manner set forth in the Declaration of Unit Ownership for SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION. In the event the Board of Directors shall refuse to enforce the provisions of these Bylaws or the Declaration of Unit Ownership or duly adopted Rules and Regulations by appropriate action, any unit owner shall have the right to do so.

Failure of the Association, its Board of Directors or any of its members to enforce the provisions of these Bylaws or the Declaration of Unit Ownership of SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION or any Rules and Regulations adopted by the Association shall not be deemed a waiver of the right to do so in the future.

The losing party in any lawsuit or arbitration proceeding brought to enforce these Bylaws or the Declaration shall be obligated to pay the reasonable attorneys' fees incurred by the prevailing party, together with costs incurred in the lawsuit or arbitration proceeding. In the event the services of any attorney are used by the Association or its Board of Directors to enforce these Bylaws without filing a lawsuit or initiating arbitration, the party violating these Bylaws shall be obligated to pay the attorneys' fees incurred by the Association; the attorneys' fees shall be a lien on the unit of the violating owner.

18. DEFINITIONS.

The terms used herein shall have the definitions set forth in the Declaration of Unit Ownership for SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION.

IN WITNESS WHEREOF, the undersigned, being the owner of the property to which these Bylaws apply and being the interim President and Secretary of the Association, have executed this instrument as evidence of the adoption of the aforesaid Bylaws of the Association and hereby certify that the foregoing is a true and correct copy of the Bylaws of the Association.

DATED this 22nd day of May, 2006.

**After Recording Return To:**

Eric Edward Nord
Crist, Krogh & Nord, LLC
2708 First Avenue North, Suite 300
Billings, MT 59101

**FIRST AMENDMENT TO BYLAWS OF
SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION**

WHEREAS, the undersigned constitute at least seventy-five percent (75%) of the unit owners of the Silverleaf Townhomes II Owners Association (the "Association") as well as at least fifty-one percent (51%) of the eligible mortgage holders of said unit owners.

WHEREAS, certain Bylaws of Silverleaf Townhomes II Owners Association (the "Bylaws") were filed on May 30, 2006 as Document Number 3379251 with the Yellowstone County Clerk and Recorder. The Development is located upon the following described real property in Billings, Yellowstone County, Montana:

Lot 13 and 15 through 19, Block 4, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

Lots 11 through 14, Block 5, Goodman Subdivision, Fourth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County.

WHEREAS, the parties desire to amend the existing Bylaws of the Association of the Development in accordance herewith.

NOW, THEREFORE, from this day forward the Bylaws are revised and amended as follows:

Insurance of the Association. Section 7(n) of the Bylaws is deleted in its entirety and replaced with the following:

7. **INSURANCE.**

n. Any insurance acquired by the Board of Directors under this Section 7 need only be "studs out" coverage. Such insurance shall provide coverage solely for the Common elements. Each Unit shall be excluded from said coverage, and Unit owners must obtain their own coverage for the interior structure of their Unit (i.e. "studs in"). In addition, Owners must insure their own personal items and obtain any additional liability insurance necessary or prudent to cover injury or damage occurring either on or within their Unit, or relating to their personal items that may be temporarily located in the Common elements (e.g. bicycles parked or used in the common elements). Unit owners' policies shall contain waivers of subrogation and provide that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any Unit owner. If an Owner makes any improvements to the interior of his or her Unit, those improvements will be insured under the Owner's policy. It is imperative that plans, permits and costs be documented by Owner with the Association so any insurance loss can be determined properly for the benefit of the unit owner and Association.

Assessment Amount. Section 8(b) and 8(c) of the Bylaws are deleted in their entirety and replaced with the following:

b. Amount. Prior to the annual meeting, the Board of Directors shall use its best efforts to prepare an estimated Association budget for the coming year. A copy of that budget, together with a statement of the amount of each monthly assessment for the coming year, shall be delivered to each unit owner at least one week before the annual meeting. Each monthly assessment shall be equal to the total estimated common expenses for the coming year, plus a reasonable reserve allowance for replacement of improvements, divided by twelve, divided by the total number of completed units. Assessments shall be due and payable on the first day of each month. If an annual budget is not prepared prior to the annual meeting, the monthly assessment due shall be equal to the amount of the monthly assessment for the previous year until changed by the Board of Directors, after preparation of a new Association budget. In addition, the regular assessments may be changed by the Board at any time it determines that the change is necessary or advisable. Written notice of the amount of any changed monthly assessment shall be given, by mail or otherwise, to each unit owner at least thirty (30) days in advance of the first payment due date for the revised assessment. Except for changes in the amount of the monthly assessments, no bills or other notices that monthly assessments are due need be given by the Association. Assessments must be based upon and computed by using the percentile interest that each unit owner has in the common elements.

e. Special Assessments. Special assessments may be made by the Board of Directors for capital improvements only upon an affirmative vote of at least seventy-five percent (75%) of the members entitled to vote. The Board may also impose special assessments for unanticipated emergency expenses without consent of the members.

Maintenance. Section 9 of the Bylaws is deleted in its entirety and replaced with the following:

9. MAINTENANCE OF UNITS AND COMMON ELEMENTS.

a. Unit Owner Responsibilities. Every Unit owner shall be responsible for all maintenance or repairs to the interior of his or her Unit (i.e. "studs in") and for replacement of glass in his or her Unit. The Unit owner is also responsible for the driveway, front porch, deck or patio, and the air conditioning compressor for his or her Unit. The Unit owner is also responsible for the repair, replacement or maintenance of the sidewalk that leads from the driveway to the front door of his or her Unit. Furthermore, the Unit owner is responsible for the repair, replacement and maintenance of the separate and individual water and sewer lines serving each Unit as well as the gas, electricity, and other utilities separately running to each Unit and individually metered.

Each owner shall be responsible for all damages to the other Units or to the Common elements resulting from his or her act or omission as well as the failure to effectuate such maintenance and repair noted above. Each Unit owner shall be responsible for paying all taxes and assessments on his or her Unit and for payment for all utilities provided to his or her unit, including water and sewer.

All maintenance and repairs for which an owner is responsible shall be paid for by the owner and shall be coordinated with, and reviewed and approved by, the Architectural Control Committee. Each owner shall use a reasonably high standard of care in performing the maintenance set forth above, so that the entire SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION project will reflect a high pride of ownership. The Architectural Control Committee shall be the final authority in determining whether an owner is providing the foregoing standard of maintenance and repair.

b. Association Responsibilities. Except as otherwise provided above, the Association shall be responsible for any maintenance, repair and replacement of Common elements and for maintenance and repair of the exterior of the Units (i.e. "studs out"), except replacement of glass. The Association shall pay for mowing lawns, for fertilization of lawns, trees and shrubs; for pruning of trees and shrubs; and for snow removal from all driveways and sidewalks. The Association is not responsible for the repair, replacement, or maintenance relating to any driveway, front porch, deck or patio, or the air conditioning compressor for any Unit. Furthermore, the Association is not responsible for the repair, replacement, or maintenance relating to any water or sewer lines separately serving any Unit or the gas, electricity, or other utilities separately serving any Unit and individually metered.

The Association may employ personnel necessary for all required maintenance, upkeep and repair. The Association shall use a reasonably high standard of care in providing such maintenance, management and repair, so that SILVERLEAF TOWNHOMES II OWNERS ASSOCIATION will reflect a high pride of ownership.

Amendment. Section 14(c)(1) of the Bylaws is deleted in its entirety and replaced with the following:

- (1) Increases in annual assessments of more than fifty percent (50%) of the prior assessment;

Except as amended hereby, all other terms of the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned President and Secretary of said Association certify that at least seventy-five percent (75%) of the unit owners have approved the foregoing Amendment and, therefore, they have executed this First Amendment to Bylaws the day and year first above written.

SILVERLEAF TOWNHOMES
II OWNERS ASSOCIATION

By: Joanne Dodd
Printed Name: Joanne Dodd
Title: President
Address: 4117 Julaura Lane
Billings, Montana

SILVERLEAF TOWNHOMES
II OWNERS ASSOCIATION

By: Tom Emerling
Printed Name: TOM EMERLING
Title: Secretary
Address: 4133 Julaura Lane
Billings, Montana

