

KALISPELL NORTH TOWN CENTER COMMON AREA MANAGEMENT PLAN PROPERTY OWNER'S ASSOCIATION

Kalispell North Town Center Property Owner's Association

Section 1. An association is hereby established known as the "Kalispell North Town Center Property Owners' Association," herein after referred to as the POA. Said Association may be incorporated under a different name as may be approved by the Montana Secretary of State.

Legal Descriptions for Phases 1 & 2 of Kalispell North Town Center are included as Exhibit "A".

Section 2. Every owner or contract purchaser of a lot shall be a member of the Kalispell North Town Center Property Owners' Association. Membership shall be appurtenant to and may not be separate from the ownership of any lot. Each owner shall be responsible for advising the Association of their acquisition of ownership, of their mailing address, and of any changes of ownership or mailing address. The initial address of the Association shall be Stillwater Corporation, PO Box 7338, Kalispell, MT 59904. The address of the Association may be changed by the Board of Directors upon notice to the owners.

Section3. For the purpose of determining membership, any meeting of a person or entity shall be deemed to be a member upon the recording of a duly executed deed to that owner, or upon the recording of Notice of Purchaser's Interest or an Abstract of Contract for Deed showing a contract purchase by an owner. The legal title retained by the vendor selling under contract shall not qualify such vendor for membership.

Foreclosure of a mortgage, trust indenture or the termination of foreclosure of a contract for deed wherein title is vested in the mortgage, beneficiary or original sell on a contract, or repossession for any reason of a lot or unit sold under a contract shall terminate the vendee's membership, whereupon all rights to such membership shall vest in the legal owner.

Section 4. The annual meeting of the Association shall occur annually on the first Monday of March.

Any special meetings may be called by the President, or in the absence of the President, by the Vice-President. In addition, a special meeting shall be held upon call of 50% of the owners. Special meetings shall require seven (7) days' notice, in writing. Notice of annual and special meetings shall be mailed to owners at the address for each owner as provided pursuant to Section 2 of this Article. The presence of members, in person or by written proxy, representing 60% of the total votes of the membership shall constitute a quorum.

At the annual meeting, the members shall review and approve a budget for the next year, shall elect Directors to fill any expired term or vacant position, and shall conduct such other business as shall be reasonable or necessary to carry out the purpose of the Association. The members shall have the authority to set the number of Directors, which number shall not be less than three (3) nor more than seven (7).

Section 5. The annual meeting of the Board of Directors shall be held immediately after the annual meeting of the members. At the annual meeting, the Directors shall elect a President, Vice-President, and Secretary/Treasurer for the Association from among the Directors, except that the Secretary/Treasurer may be a member who is not a Director.





Section 6. The Board of Directors shall serve for a term to be set by a simple majority of the membership, which shall not be for less than one year. Each director shall serve until replaced by his or her successor. Any vacancy on the Board of Directors occurring before the next annual meeting of the members shall be filled by the remaining directors.

Section 7. The Board of Directors shall have the power and responsibility of acting on behalf of the Association and its members as shall be reasonably necessary to carry out the purposes of the Association, including but not limited to take such actions as shall be necessary or reasonable to care for, protect and maintain the easements, trails, boundary fences, drainage easements, open spaces; to collect assessments; to set annual and/or special meetings; and to act in any other matters set forth herein or which may serve the development, including the formation of special improvement districts, either public or private, for such improvements as the Association shall approve.

The Directors shall act by majority vote.

Section 8. The duties of each of the offices shall be as follows:

President – The President shall preside over all meetings of the POA. He or she shall call the membership together whenever necessary. The President shall be the general administrative and executive officer of the POA, and shall perform such duties as may be specified, and exercise such powers as may be delegated to the office of President by the Board of Directors.

Vice-President – The Vice-President shall exercise the powers of the President in the absence of the President.

Secretary – The Secretary shall give notice of all meetings of the POA, and shall keep a record of the proceedings of the meetings of the POA. The Secretary shall be authorized to sign on behalf of the POA, all records, documents and instruments when such are authorized to be signed by the POA.

Treasurer – The Treasurer shall keep and maintain adequate and correct accounts of the accounts, properties, and business of the POA, including accounts of its assets, liabilities, receipts, disbursements, gains and losses of the POA. The Treasurer shall prepare and report such periodic accountings as shall be required by the POA.

Commercial Representative – The Commercial Representative shall provide information and concerns related specifically to the Neighborhood Commercial zone, as indicated on Final Plat. The Commercial Representative shall carry out actions for all business Owners within Kalispell North Town Center.

Section 9. A vacancy in any office of the Association shall be filled by appointment by the Board of Directors at the next annual meeting or the successor duly appointed or elected.

Annual and Special Assessments

Section 1. Assessments

Each owner, whether or not it shall be so expressed in any deed or contract, is deemed to have agreed to these conditions, and to pay to the Association:

-Monthly or Annual assessments or charges; and





-Special assessments for capital improvements and reserve assessments, such assessments to be established and collected as hereinafter provided.

The monthly or annual, special and reserve assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land, and shall be a continuing lien upon the property against which each such assessment is made. Each assessment, together with the interest, costs and reasonable attorney's fees, shall be the personal obligation of the owner of such property at the time when the assessments are due.

Section 2. Purpose of Assessments

The assessments levied by the Association shall be used to promote the recreation, health, safety, convenience, and welfare of the owners; for the improvement of roads, repair and maintenance of easements, trails, open space, storm water ponds and associated facilities (per operation and maintenance plan); and for any other purposes, expressed or implied, in these conditions. The annual assessment shall reflect the imposition of an operating assessment upon the lots connected to the community sewer and water system.

Section 3. Amount and Approval of Assessments

The maximum annual assessment per lot which may be made by the Association in every calendar year shall not substantially exceed the projected and budgeted actual and reasonable costs to be incurred by the Association during the coming year in carrying out the purposes herein set forth, and may include a reasonable reserve for contingencies. The amount of the annual assessments shall be fixed by the Board of Directors of the Association in the following manner:

At each annual meeting of the members of the Association, the Directors shall present a proposed budget of the estimated expenses for the Association for the coming year to the members for review, discussion, amendment, comment and approval. The members shall approve or amend the proposed budget by a majority vote of the members present or voting by proxy. After the annual meeting, the Board of Directors shall set the amount of the assessments and the date(s) due for the coming year to cover the budget approved in the manner herein set forth.

Section 4. Special Assessments for Capital Improvements and Reserve Assessments

In addition to the annual assessments authorized above, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction or other capital improvements on the properties and open space, including fixtures and personal property related thereto, provided that any such assessment shall have the approval of two-thirds (2/3) or more of all of the votes of the members who are present, in person or by proxy, at a meeting duly called for that purpose. Special assessments may be levied to be paid over one or more years. Assessments for normal maintenance and repairs shall not require two-thirds (2/3) vote.

The Association may levy reserve assessments for the replacement and upkeep of the improvements enjoyed by the Association members. Reserve assessments need not be levied against all lots during any budget cycle provided that any such assessment shall have the approval of two-thirds (2/3) or more of all the votes of the members being assessed, who are present, in person or by proxy, at a meeting duly called for that purpose.

Section 5. Uniform Rate of Assessment





Annual assessments shall be fixed by the Directors at a uniform rate for each lot within the following two (2) categories: Category A: Commercial lots Category B: Residential single family or multi-family. (3)

Section 6. Date of Commencement of Annual Assessments: Due Dates

Except as herein provided, the annual and special assessments provided for herein shall be due on the date determined by the Board of Directors. The Board of Directors shall fix the amount of the annual assessments against each lot at least thirty days in advance of the due date of each annual assessment, and at least ninety days in advance of a special assessment and reserve assessments. Written notice of the annual and special assessments shall be mailed or personally delivered to every member subject thereto, at their last known mailing address.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association

Any assessment not paid within thirty 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 obligated to pay the same or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the open space or by abandonment of their lot.

Upon delivery of the notice of assessment to the owner, the assessment shall be a lien upon the owner's lot until paid. The Association may record a notice of the lien with the Clerk and Recorder of Flathead County, Montana. In the event of non-payment within thirty days after the recording of the notice of lien, the Association may foreclose the lien in the manner set forth under Montana law for the foreclosure of liens against real property. The Association is entitled to collect during an action for delinquent assessments any and all reasonable attorney fees and costs accrued prior to and in association with the collection of delinquent assessments.

Section 8. Sale or Transfer of a Lot

The sale, transfer or encumbrance of any lot shall not affect the assessment lien if recorded in the records of Flathead County, Montana, or the personal liability of the owner responsible for the assessment. No sale or transfer to a third party with actual or constructive knowledge of an assessment shall relieve such new owner from the liability for any outstanding assessments, or from any assessments thereafter becoming due, or from the recorded lien thereof. A person or entity purchasing a lot shall be responsible for checking with the Association for any outstanding assessments against said lot before the closing upon the purchase.

Section 6. Open Space and Trail Maintenance

The Association shall be responsible for trail maintenance within Kalispell North Town Center. The Association is also responsible for the weed control, mowing, care and maintenance of open spaces and all common area amenities within Kalispell North Town Center. The Association may use the provision of Conditions for collecting funds to pay for such maintenance.

Section 7. Noxious Weeds

In order to comply with the Noxious Weed Management Plans of the Flathead County Weed Control District and the Montana County Noxious Weed Control Act, the District requires that the following





items be addressed in the Conditions of each subdivision within Flathead County.

The POA is responsible for noxious weed control in all parks, open spaces, community areas, trails, and roadways within the subdivision not owned by the city. Each landowner is responsible for the subdivision roadway adjoining their property. The POA will also act as the contact point for any noxious weed complaints within the subdivision.

The control of noxious weeds by the POA on those areas for which the POA is responsible and the control of noxious weeds by individual owners on their respective lost shall be as set forth and specified under the Montana Noxious Weed Control Act (MCA 7-22-2101 through 7-22-2153) and the rules and regulations of the Flathead County Weed Control District. The landowner shall be responsible for the control of the state and county declared noxious weeds on his or her own lot. Both unimproved and improved lots shall be managed for noxious weeds. In the event a landowner does not control the noxious weeds, after ten days notice from the POA, the POA may cause the noxious weeds to be controlled. The cost and expense associated with such weed management shall be assessed to the lot and such assessment may become a lien if not paid within 30 days of the mailing of such assessment. The POA is responsible for the control of state and county declared noxious weeds in the subdivision's parks, open spaces, community areas, trails, and roadways not owned by the city.

Open Spaces

Section 1. Purpose

Open space within the development is proposed for active and passive activities and is to be accessible for public use. Trails and areas within Kalispell North Town Center will serve as public recreation areas. The trail system shall be used for non-motorized travel only.

Section 2. Mandatory Requirements

Open spaces as designated on the Final Plat, shall be preserved in perpetuity. The Board, among its other duties, shall establish assessments for the taxes, insurance, and maintenance of all open space, roads, trails, and easements under the control and authority of the Association, owners' parks, and parkways.

The Association shall be responsible for liability insurance, local taxes and maintenance of recreation and other facilities in designated open spaces. The assessments levied by the Board for the maintenance, upkeep, repair and operation of open space like all other assessments, become a lien on each lot within Kalispell North Town Center. The Board may adjust the assessments to meet the changing needs of the community and the areas serving the community.

Section 3. Nuisance

No Owner, guest or invitee may use or occupy the open space, trails, roads, or any lot in such a manner as to disturb or interfere with the peaceful use, occupancy or enjoyment of any other owner, or guest of Kalispell North Town Center.

Section 4. Control and Management

The Association shall have the exclusive right and obligation to manage, control and maintain the Open Space.





Utilities Installation and Maintenance

Utilities Easement

Utility easements for electricity, gas, sewer, communications, telephone, water, television, cable communications, and other equipment shall be underground and are designated on the Kalispell North Town Center plat. Easements for ingress and egress and for utilities shall not be moved, deleted or restricted without the written approval of all the lot owners affected. Utility companies and owners must restore disturbed land to a condition as close as possible to the natural condition of the land before work commenced.

Maintenance

Each Parcel owner shall, at all times, at its sole cost and expense, keep its Parcel including all improvements thereon, in a well-maintained, safe, clean and attractive condition, Such maintenance includes, but is not limited to the following:

- a) Prompt removal of all litter, trash, refuse, wastes, snow and ice.
- b) Keeping all landscaping alive, weed free and attractive.
- c) Keeping exterior lighting and mechanical facilities in working order.
- d) Keeping parking areas, driveways, and roads in good repair.
- e) Complying with all government health and safety requirements.
- f) Striping of parking areas and repainting of improvements.
- g) Repair of exterior damage to improvements.
- h) Maintenance of utility lines.

Term. Enforcement. Applicability, and Change Enforcement

Section 1. The owner of each Lot shall be primarily liable, and the Occupant, if any, secondarily liable for the violation or breach of any condition or restriction herein contained. Violation or breach of any covenant, condition or restriction herein contained shall give to Declarant, or the Association, following thirty (30) days written notice to the Owner or Occupant in question except in extenuating circumstances, the right, privilege and license to enter upon the Lot where said violation or breach exists and to abate and remove summarily, or abate or remove, at the expense of the Owner or Occupant thereof, any improvement, structure, thing, or condition that may be or exist there on contrary to the intent and meaning of the provisions hereof, or to prosecute a proceeding at law or in equity against the person or persons who have violated or are attempting to violate any of these conditions to enjoin or prevent them from doing so, to cause said violation.

No such entry by Declarant, the Association or their agents shall be deemed a trespass, and neither Declarant nor the Association nor their agents shall be subject to liability to the Owner or Occupant of said Lot for such entry and any action taken to remedy or remove a violation. The cost of any abatement, remedy or removal hereunder shall be a binding personal obligation on any Owner or Occupant in violation of any provision of this Declaration, as well as a lien (enforceable in the same manner as a trust indenture) upon the Lot in question. The lien provided for in this section shall not be valid as against a





bona fide purchaser or mortgagee for value of the Lot in question unless a suit to enforce said lien shall have been filed in a court of record in Flathead County, Montana, prior to the recordation of the deed or mortgage conveying or encumbering the Lot in question to such purchase or mortgage, respectively.

Section 2. Right of Entry. During reasonable hours and upon reasonable notice (24 hours), and subject to reasonable security requirements, the Declarant, the Association or their agents, shall have the right to enter upon and inspect any Lot and the Improvements thereon covered by this Declaration for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and neither Declarant nor the Association nor their agents shall be deemed to have committed a trespass or wrongful act by reason of such entry or inspection.

Section 3. The term of the provisions of these conditions shall be binding for a term of fifteen (15) years from the date of these conditions and may be modified, altered or amended during that period only by the Declarant at the Declarant's sole option. After the initial fifteen (15) year period, the conditions should be automatically extended for successive periods of ten (10) years not to exceed three (3) such extensions unless an instrument agreeing to amend, revoke or terminate these conditions has been signed by the Owners of eighty (80) percent of the lots in Kalispell North Town Center. Anything required as a condition of preliminary subdivision approval shall not be altered or amended without the agreement of the governing body.

Section 4. Enforcement of these conditions shall be by proceedings either at law or in equity against any person or persons violating, or attempting to violate, any condition; and the legal proceedings may either be to restrain violation of these conditions, to recover damages, or both. Should any lawsuit or other legal proceeding be instituted by the Association or an owner against an owner alleged to have violated one or more of the provisions of these conditions and should the Association or owner enforcing the provisions of the conditions be wholly or partially successful in such proceedings, the offending owner shall be obligated to pay the costs of such proceeding, including reasonable attorney's fees for all time associated with the action.

Section 5. The failure of the Declarant, the Association or an owner, to enforce any conditions contained herein shall not be deemed a waiver or in any way prejudice the rights to later enforce that condition or any other condition thereafter, or to collect damages for any subsequent breach of that condition.

The waiver or approval of a variance of a Covenant provision by the Board of Directors, or non-action of the Association or Declarant in the event of a violation of a Covenant by a particular owner or lot, shall not be deemed to delete or waive the Covenant or enforcement thereof as it pertains to other Owners or lots.

Section 6. Invalidation of any one of these Conditions by judgment or by Court order shall in no way affect any of the other Conditions or provisions, all of which shall remain in full force and effect.

Section 7. In any conveyance of the above described real property or of any lot thereon, it shall be sufficient to insert a provision in any deed or conveyance to the effect that the property is subject to protective or restrictive Conditions without setting forth such restrictions and Conditions verbatim or in substance in said deed nor referring to the recording data. All of the above described real property and lots shall be subject to the Conditions set forth herein, whether or not there is a specific reference to the same in a deed or conveyance.

Section 8. A breach of any of the foregoing restrictions or Conditions shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value upon any lot or portion of the





real property or any improvements thereon. However, the Conditions shall be binding upon and shall insure to the benefit of any subsequent owner whose title thereto was acquired by foreclosure, trustee sale or otherwise.

Section 9. After the initial 15-year term for these conditions, the provisions of these Conditions may be changed or amended or additional Conditions added, in whole or in part, by the Association upon approval of two-thirds (2/3) of the votes of the Property Owners' Association at a meeting duly noticed and called for this purpose; provided that, the easements for roads, utilities and common areas shall not be changed without the unanimous consent of all of the Owners affected by the change.

The President or Vice-President shall execute and record the amendment, change or addition with the Clerk and Recorder of Flathead County, Montana.

Any change of these Conditions shall be effective upon the filing and recording of such an instrument in the office of the Flathead County Clerk and Recorder. Any change in these Conditions shall not affect existing structures and uses of the lots.

President		
Printed Name And House		
Printed Name		
In House	5-7-18	
Signature	Date	
Vice-President		
Printed Name		
Signature	Date	
Secretary		
Printed Name		
Printed		
Signature	Date	
Treasurer		
Printed		



Signature	Date	
Commercial Representative		
Printed	_	
Signature	Date	



EXHIBIT "A"

PARCELS

Legal Descriptions Phases 1 & 2 Kalispell North Town Center







PIONEERING ENVIRONMENTS

Kalispell North Town Center – Phase 1 Property Description

A tract of land located in the northwest quarter of Section 30, Township 29 North, Range 21 West, P.M.,M., Flathead County, Montana, more particularly described as follows:

Commencing at the northwest corner of said Section 30, Township 29 North, Range 21 West, P.M.,M., City of Kalispell, Flathead County, Montana; thence S38°34'11"E, 111.48 feet to a point on the east boundary of U.S. Highway 93 right-of-way and the POINT OF BEGINNING; thence EAST, 1129.94 feet; thence SOUTH, 340.77 feet; thence WEST, 256.08 feet to the beginning of a 430.00 foot radius curve to the left; thence along said curve 382.54 feet through an angle of 50°58'20"; thence WEST, 436.73 feet; thence SOUTH, 680.11 feet; thence N83°27'28"W, 77.25 feet; thence N89°48'47"W, 30.09 feet to a point on the east boundary of U.S. Highway 93 right-of-way; thence along said east boundary through the following five courses: 1) N00°11'11"E, 97.32 feet; 2) N14°12'33"E, 61.91 feet; 3) N00°11'06"E, 940.00 feet; 4) N13°54'44"W, 61.80 feet; 5) N00°14'37"E, 13.90 feet to the POINT OF BEGINNING, said tract contains 12.486 acres, all as shown hereon,

and

A tract of land located in the northwest quarter and southwest quarter of Section 30, Township 29 North, Range 21 West, P.M.,M., Flathead County, Montana, more particularly described as follows:

Commencing at the west quarter corner of Section 30, Township 29 North, Range 21 West, P.M.,M., Flathead County, Montana; thence N88°56'08"E 1338.89 feet to the POINT OF BEGINNING; thence N89°36'32"E 333.62 feet; thence S0°23'28"E 723.10 feet; thence S89°36'32"W 333.60 feet; thence N0°23'35"W 723.10 feet to the POINT OF BEGINNING, said tract contains 5.538 acres, all as shown hereon. Subject to and together with easements of record.





KALISPELL NORTH TOWN CENTER - PHASE II LEGAL DESCRIPTION

A tract of land located in the south half of Section 19, and the north half of Section 30, Township 29 North, Range 21 West, P.M.,M., Flathead County, Montana, more particularly described as follows:

Commencing at the northwest corner of said Section 30, Township 29 North, Range 21 West, P.M., M., Flathead County, Montana, thence along the north line of said Section 30, S89°41'21"E, 69.85 feet to a point on the east boundary of U.S. Highway 93 right-of-way and the POINT OF BEGINNING; thence continuing along the north line of said Section 30, S89°41'21"E, 1237.79 feet to the west sixteenth corner common to said Sections 19 and 30; thence along the sixteenth line of said Section 19, N00°33'20"W. 524.92 feet, thence leaving said sixteenth line, S89°59'34"E, 562.05 feet; thence N00°00'11"E, 35.10 feet; thence S89°59'49"E, 60.00 feet; thence S00°00'11"W, 555.00 feet; thence S44°59'55"E 7.07 feet; thence EAST 275.88 feet to the beginning of a 1040.00 foot radius curve to the right; thence along said curve 223.72 feet through an angle of 12°19'30"; thence \$77°40'30"E, 144.74 feet to the beginning of a 1360.00 foot radius curve to the left; thence along said curve 621.28 feet through an angle of 26°10'27"; thence N76°09'04"E, 150.75 feet, to the beginning of a 1040.00 foot radius curve to the right; thence along said curve 251.33 feet through an angle of 13°50'46"; thence N89°59'50"E 1706.09 feet to a point on the east line of said Section 19; thence along said east line, S00°37'29"E, 41.97 feet to the southeast corner of said Section 19; thence along the south line of said Section 19, said south line also being the north line of Tract B of Certificate of Survey No. 20570, on file in the office of the Clerk and Recorder, N89°40'24"W 687.79 feet to the northwest corner of said Tract B; thence along the west line of said Tract B, S00°12'33"E 41.98 feet; thence S89°59'50"W, 1018.92 feet to the beginning of a 960.00 foot radius curve to the left; thence along said curve 231.99 feet through an angle of 13°50'46"; thence S76°09'04"W, 150.75 feet to the beginning of a 1440.00 foot radius curve to the right; thence along said curve 657.83 feet through an angle of 26°10'27"; thence N77°40'30"W, 144.74 feet to the beginning of a 960.00 foot radius curve to the left; thence along said curve 206.51 feet through an angle of 12°19'30"; thence WEST 265.89 feet; thence S45°00'05", 7.07 feet; thence S00°00'11"W, 1235.11 feet; thence WEST 1763.36 feet; thence S83°21'33"W, 65.88 feet; thence N89°48'47"W, 40.18 feet to a point on the east line of U.S. Highway 93 right-of-way; thence along said east line N00°11'11"E, 76.39 feet; thence leaving said east line and along the south and east lines of Lot 2, Block 1 of the plat of Kalispell North Town Center - Phase 1, on file in the office of the Clerk and Recorder, for the following three courses: 1) S89°48'47"E, 30.09 feet; 2) S83°27'28"E, 77.25 feet; 3) NORTH 680.10 feet to the southwest corner of Lot 1, Block 1 of said plat of Kalispell North Town Center - Phase 1; thence along the southerly, easterly and northerly lines of said Lot 1 for the following five courses: 1) EAST 436.73 feet to the beginning of a non-tangent curve to the right, said curve having a radial bearing of S50°58'21"E and a radius of 430.00 feet; 2) along said curve for a distance of 382.54 feet, through an angle of 50°58'20"; 3) EAST 256.08 feet; 4) NORTH 340.77 feet; 5) WEST 1026.85 feet to the northeast corner of said Lot 2; thence along the north line of said Lot 2, WEST 103.09 feet to a point on the east line of said U.S. Highway 93 right-of-way; thence along said east line N00°14'37"E 86.78 feet to the POINT OF BEGINNING. Said Tract contains 56.926 acres.