BYLAWS

OF

SPURWING CREEKSIDE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
INTRODUCTION

Section 1. The provisions of these Bylaws govern the internal affairs of the Spurwing Creekside Homeowners' Association, Inc., ("Owners Association") and its members, as applicable, to the operation, administration, use and occupancy of the lots and improvements in Spurwing Creekside, Phase I, a platted subdivision in a portion of Section 13, Township 26 North, Range 21 West, P.M.,M., Flathead County, Montana, more particularly described on the Plat of Spurwing Creekside, Phase I, Flathead County records (hereinafter referred to as the "project"), together with any annexations, for which a Declaration of Covenants, Conditions and Restrictions was recorded in the records of the Clerk and Recorder of Flathead County, Montana. Said Declaration is incorporated in these Bylaws by this reference. Any conflict between said Declaration and these Bylaws shall be resolved in favor of said Declaration.

Section 2. These Bylaws were adopted by this corporation, a nonprofit corporation, organized under the laws of Montana, and intended to qualify under Internal Revenue Code, Section 528, as amended, pertaining to owners associations.

ARTICLE II
PRINCIPAL OFFICE

The principal office of the corporation shall be maintained in Flathead County, Montana.

ARTICLE III
MEETINGS AND MEMBERS

Section 1. Every owner of a lot in the project shall be a member of the Owners Association and shall remain a member for the period of ownership of such lot.

Section 2. There shall be an annual meeting of voting members of the Association on the second Saturday in August of each year at a time and place designated in the written notice thereof mailed to voting members by the Board of Directors at least thirty (30) days prior to the date of said meeting. With said notice shall be mailed, and at the annual meeting the Board of Directors shall be presented, a written statement of the financial condition of the Association, itemizing receipts and disbursements for the preceding financial year.

Section 3. Special meetings may be called at any time for the purpose of considering matters which require the approval of members. Such a special meeting shall be called by written notice mailed by the Board of Directors at least thirty (30) days prior to the date of such meeting to all members. Such written notice may be initiated by the majority of the Board of Directors and must be so initiated upon petition to the Board of Directors of members holding twenty-five percent (25%) of the voting rights. Such notice and such petition shall specify the date, time and place of the meeting as well as an agenda.

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Section 6. A quorum for the transaction of business at any regular or special meeting of the directors shall consist of a majority of members of the Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board except where a greater number is required by the Articles of Incorporation or these Bylaws. Each director shall have one vote. The presiding officer shall be the President or, in his/her absence, the Vice President. Any business may be transacted by the signature and consent of all directors, in lieu of a meeting for that purpose.

Section 7. The organizational directors or successors shall elect officers of the Association to serve until the first annual meeting of the Board. Thereafter, the directors shall elect the officers of the Association specified in these Bylaws at the directors' meeting following each annual meeting of the members of the Association thereafter. An officer may be removed at any time by a majority vote of the full Board of Directors of the Association.

Section 8. Directors shall not receive any compensation for their services as directors.

Section 9. Any vacancy or vacancies on the Board of Directors may be filled by the remaining directors in any special or regular directors' meeting. Death, incapacity or resignation of any director shall cause his office to become vacant. Such appointment shall be for the remaining term of the vacancy filled.

Section 10. The Board of Directors shall have the responsibility for and the authority to do all things necessary for the accomplishment of the matters specified in these Bylaws and/or in the Declaration of Covenants, Conditions and Restrictions or Montana statutes, all as may be amended. All corporate powers shall be exercised by or under the authority of the Board and the business and affairs of the Owners Association shall be controlled by the Board. Such powers and duties are subject to approval by the members only when such is specifically required under these Bylaws.

Section 11. The Board of Directors shall have the authority to engage the services of a property manager/agent or management service for the Owners Association and to fix his/her compensation and to specify his/her authority.

Section 12. All checks, drafts, notes, acceptances, vouchers, conveyances, contracts and other instruments shall be approved and signed on behalf of the Association by such person(s) as shall be provided by general or special resolution of the Board of Directors, or in the absence of any such resolution applicable to such instruments, by the President or Vice President or Secretary/Treasurer.

ARTICLE V
OFFICERS

Section 1. The officers of the corporation shall be a President, Vice President and Secretary/Treasurer. Officers shall be directors. Compensation, if any, of officers shall be fixed from time to time by the directors. A vacancy in office shall be filled by the Board of Directors at any regular or special meeting. The President may appoint such committees and committee chairpersons as appear necessary in his/her judgment.

Section 2. The President shall preside at all directors', and members' meetings; shall have general supervision over the affairs of the Association; and shall perform all such other duties as are incident to the office.

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Section 3. The Vice President shall perform the duties of the President in his/her absence or disability.

Section 4. The Secretary/Treasurer shall issue notices of all directors' and members' meetings and shall attend and keep the minutes of the same; shall have charge of all Association books and records and papers; shall have custody of all money and securities of the Association, and shall give bond in such amount as required by the directors, conditioned upon the faithful performance of the duties of the office. The Secretary/Treasurer shall keep regular books of account and shall submit them monthly to the directors for their examination and approval, or as often as they may otherwise require; shall have such regular books of account available to individual members upon request; duties as are incident to this office. The Secretary/Treasurer may retain the services, upon approval by the Board of Directors, of an independent accountant or accounting firm to assist in the completion of his/her duties hereunder.

ARTICLE VI
FINANCE AND RECORDS

Section 1. The funds of the Association shall be deposited in such bank(s) or other financial institutions as the directors shall designate and shall be duly authorized by the Board of Directors. All such accounts shall be federally insured.

Section 2. An annual report or the receipts and expenditures of the Association certified by an independent certified public accountant shall be rendered by the Board to all owners and any mortgagee, trust indenture beneficiaries or contract sellers who have requested as soon as practicable after the end of each fiscal year.

Section 3. The Board of Directors shall keep detailed records of its actions, financial dealings, and minutes of all meetings of the Board and all member meetings.

Section 4. The Board of Directors shall determine the fiscal year of the corporation.

ARTICLE VII
ASSESSMENTS

Section 1. Covenant of Personal Obligation of Assessments. Every owner, by acceptance of the deed or other instrument of transfer, including the acceptance by a purchaser of the terms and provisions of an executory land sales contract, of a lot in the project is deemed to personally covenant and agree, jointly and severally, with every other owner and with this Association, and hereby does so covenant and agree to pay to the Association (a) annual assessments or charges; (b) special assessments; and (c) default assessments applicable to his/her fractional interest; such assessments to be established and collected as hereinafter provided. No owner may waive or otherwise escape personal liability for the payment of the assessments provided for herein by non-use of his/her lot or by abandonment or leasing of his/her lot. In addition to the foregoing, every owner shall also have the obligation to pay to the appropriate governmental subdivision real property ad valorem taxes and special assessments imposed by Montana governmental subdivisions applicable to his/her lot.

Section 2. Incorporation by Reference. All of the terms, obligations, rights and duties set forth in the Declaration of Covenants, Conditions and Restrictions for Spurwing Creekside Subdivision are hereby adopted by this reference as if fully set forth hereat.

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Section 3. Effect of Nonpayment of Assessments. If any annual or special assessment (or any monthly installment thereof) is not fully paid within thirty (30) days after the same has become due and payable, or if any default assessment shall arise, then in any of such events and as often as the same may happen, interest shall accrue at the maximum rate allowed by law from the due date on any amount thereof which was not paid within such 30-day period or on the amount of assessment in default, whichever shall be applicable, and the Association may thereafter bring an action at law or in equity, or both, against any owner personally obligated to pay the same and may also proceed to foreclose its lien against the particular lot in the manner and form provided by Montana law for foreclosure of liens in and through the courts. No owner may vote in Association elections while 30 or more days past due on any assessment (or monthly installment thereof). An action at law or in equity by the Association against an owner to recover a money judgment for unpaid assessments (or any monthly installment thereof), may be commenced and pursued by the Association without foreclosing or in any way waiving the Association's lien therefor. In the event that any such assessment (or monthly installment thereof) is not fully paid when due and the Association may commence such an action (or may counterclaim or cross-claim for such relief in any action, against any owner personally obligated to pay the same or may proceed to foreclose its lien against the particular lot, then all unpaid monthly installments of annual and special assessments and all default assessments (including any such installments or foreclosure proceedings), and late charges, any accrued interest, the Association's costs of suit, expenses and reasonable attorney's fees incurred for preparing and recording any lien notice) and the Association's costs of suit, expenses and reasonable attorney's fees incurred for any such action and/or foreclosure proceedings shall be recoverable as a part of the costs of any such action or foreclosure proceedings by the Association from any owner personally obligated to pay the same and from the proceeds of the foreclosure sale of the particular lot in satisfaction of the Association's lien. Foreclosure, or attempted foreclosure by the Association, of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessments (or monthly installments thereof) which are not fully paid when due or for any subsequent default assessments. The Association shall have the power and right to bid on or purchase any lot at foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same.

Section 4. Successor's Liability for Assessments. Notwithstanding the personal obligation of each owner of a lot to pay all assessments thereon and notwithstanding the Association's perpetual lien upon a lot for such assessments, all successors in interest to the fee simple title of a lot shall be jointly and severally liable with the prior owner(s) thereof for any and all unpaid assessments, interest, late charges, costs, expenses and attorney's fees against such lot, without prejudice to any such successor's right to recover from any prior owner any amounts paid thereon by such successor; provided, however, that a successor in interest to the fee simple title of a lot shall be entitled to rely upon the existence and status, or absence thereof, of unpaid assessments, interest, late charges, costs, expenses and attorney's fees as shown upon any certificate issued by the Association to such named successor in interest. The foregoing liability of successors in interest for all unpaid assessments, interest, late charges, costs, expenses and attorney's fees against his lot shall not apply to any first mortgagee or first mortgagee's nominee who shall, in good faith and not for the primary purpose of circumventing this section, acquire the lot by virtue of foreclosure of the first mortgage or trust indenture or through a deed or assignment in lieu of foreclosure proceedings or by virtue of the cancellation of forfeiture of an executory land sale contract or any purchaser at the foreclosure sale for the first mortgage or trust indenture; provided, however, any such first mortgagee, nominee or person shall be liable for any claims for a pro rata share of any assessments or charges resulting from a pro rata reallocation of such assessments or charges to all lots (including the lot subject to the first mortgage or trust indenture).

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Section 5. Subordination of Association's Lien for Assessments. The Association's perpetual lien on a lot for assessments provided for herein shall be superior to all other liens and encumbrances except: (a) real property ad valorem tax and special assessment liens duly imposed by Montana governmental subdivision; or (b) the lien of a contract seller or any first mortgage or trust indenture recorded in the records of the office of the Clerk and Recorder of Flathead County, Montana, prior to the date such assessment became due or the lien, including any and all advances made by the first mortgagee or trust indenture beneficiary and notwithstanding that any of such advances may have been made subsequent to the date of the attachment of the Association's liens. With respect to the foregoing sub-part (b) of this section, any contract seller, first mortgagee or trust indenture beneficiary who comes into possession of a lot by virtue of default or foreclosing the first mortgage or trust indenture, or by virtue of a deed or assignment in lieu of such a foreclosure, or any purchase at a foreclosure sale of the first mortgage or trust indenture, will take the lot free of any claims for unpaid Association assessments, interest, late charges, costs, expenses and attorney's fees against the lot which accrue prior to the time such first mortgagee, trust indenture beneficiary or purchaser comes into possession of the lot, except for claims for a pro rata share of such assessments resulting from a pro rata reallocation of such assessments to all lots (including the lot which is encumbered by the first mortgage or trust indenture). No sale or transfer, foreclosure, or cancellation or forfeiture of any executory land sales contract, shall relieve such lot from liability for any such claims thereafter becoming due or from any lien thereof for assessments, interest, late charges, costs, expenses and attorney's fees due and owing at the time of such sale or other transfer and shall not affect the personal liability of each owner who shall have been responsible for the payment thereof.

Section 6. Certificate of State of Assessments. Upon request in writing by any person and payment of a reasonable charge therefor, the Association shall furnish within thirty (30) days after such request is received, a certificate setting forth: (a) the amount of any unpaid assessments, interest, late charges, costs, expenses and attorney's fees then existing against a particular lot; (b) the due date of the payment of any assessments; and (c) any other information deemed proper by the Association. Upon the issuance of such a certificate signed by a member of the Board or by an officer of the Association, the information contained therein shall be conclusive upon the Association as to the person(s) to whom such certificate is addressed and who rely thereon in good faith.

Section 7. Mortgagees May Pay Assessments and Cure Defaults. Provided that a contract seller, mortgagee or trust indenture beneficiary has, in writing, requested the following information with respect to a lot upon which the party holds a security interest and has furnished the Association with the address to which the party wants the information sent, then, if any assessment, or monthly installments thereof, on any lot shall not be paid by the owner thereof within thirty (30) days after the same is due, or if a default by any owner of any provisions hereof shall not be cured within thirty (30) days after written notice thereof is given to such owner, then the Association shall thereafter send a notice thereof to such party and may (but shall not be required to) send a notice thereof to any other contract seller, mortgagee, or trust indenture beneficiary thereof. Any contract seller, mortgagee, or trust indenture beneficiary may (but shall not be required to) pay such assessment or monthly installments thereof, together with any other amounts secured by the Association's lien, and may (but shall not be required to) cure any such default.

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ARTICLE VIII
INSURANCE AND FIDELITY BONDS

Section 1. The Association may obtain and maintain in full force and effect at all times the insurance coverage set forth in the following sections, which insurance coverage shall be provided by companies duly organized and recognized to do business in the state of Montana.

Section 2. The Association may obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the part of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association. such fidelity coverage or bonds shall name the Association as an obligee and be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating expenses of the Association, including reserves.

Section 3. The Association shall obtain workers' compensation or similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

Section 4. The Association may obtain officers' and directors' personal liability/errors and omissions insurance in a face amount no less than $1,000,000.00 to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as officers and directors on behalf of the Association.

Section 5. The Association may obtain an adequate, comprehensive policy of public liability insurance covering all of the lots, naming the Board of Directors, each owner, any property manager/agent or the provider of amenities to the property as insured. The policy shall be in a face amount of no less than $1,000,000.00 and have no more than a $1,000.00 deductible provision.

Section 6. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as required by covenant or otherwise, or as it shall deem appropriate with respect to the Association's responsibilities and duties.

Section 7. Insurance premiums for the above-provided insurance shall be a common expense to be paid by assessments levied by the Association.

Section 8. In addition, an owner may obtain such other and additional insurance coverage on and in relation to his property as he, in his sole determination, shall conclude to be desirable; provided, however, that none of such insurance coverage obtained by a member shall affect any insurance coverage obtained by the Association nor cause the diminution or termination thereof. Any such insurance obtained by a member shall waive the particular insurance company's right of subrogation against the Association, other owners and members, the developer and contractors.

ARTICLE IX
RULES AND REGULATIONS

The Board of Directors may, from time to time, approve and enact rules and regulations applicable to the lots. The Board may also delegate to a property manager the ability to set and enforce rules and regulations affecting the lots; provided, however, that no rule or regulation enacted shall be inconsistent with the Declaration of Covenants, Conditions and Restrictions or these Bylaws.

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ARTICLE X
AMENDMENTS

No amendment of these Bylaws shall be effective unless approved by the affirmative vote of members holding seventy-five percent (75%) of the voting rights. Any amendment must be recorded to be valid.

ARTICLE XI
MISCELLANEOUS

Section 1. All notices to the Board of Directors shall be sent postage prepaid in care of the manager/agent, or if there is no manager, to the office of the Board of Directors as may be designated from time to time, said notices to be effective upon receipt, and all notices by the Board of Directors to owners shall be sent by the Board or its agent, postage prepaid to the most recent address furnished by each owner, with copies to all mortgagees, trust indenture beneficiaries, or contract sellers from which the Board has received requests for notices, said notices to be deemed received and effective ten (10) days after mailing.

Section 2. The invalidity of any part of these Bylaws shall not affect or impair in any manner the validity, enforceability, or effect of the balance of these Bylaws.

Section 3. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to be abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

IN WITNESS WHEREOF, the undersigned, President and Secretary (interim officers) of Spurwing Creekside Homeowners' Association, Inc., do hereby certify that the foregoing is a true and correct copy of the Bylaws as duly adopted by the organizational Board of Directors of said corporation this 28th day of December, 2017.

SPURWING CREEKSIDE HOMEOWNERS' ASSOCIATION, INC.

By _____
Gregory Pisk, President

Attest:

_____
Julie Pisk, Secretary

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