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RESTATED DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

TOWNHOUSE SITE TA1, EAGLE BEND

THIS DECLARATION, Made on the date hereinafter set forth by EAGLE BEND COMPANY, a wholly owned subsidiary of and successor in interest to CROP HAIL MANAGEMENT, (hereinafter referred to as "Declarant").

This Restated Declaration is herewith prepared and filed for the purpose of amending and replacing the original Declaration of Covenants, Conditions and Restrictions recorded for the Townhouse Site TA1, Eagle Bend Condominium Development on March 28, 1984, Reception No. 8408814140, Office of the Clerk and Recorder of Flathead County, Montana. From and after the date of recording of the within "Restated Declaration of Covenants, Conditions and Restrictions, Townhouse Site TA1, Eagle Bend", this document shall be the governing instrument under, by and through which this project shall be created and under, by and through which this project shall be governed and operated, it being the intent and purpose of this Restated Declaration to completely replace and cancel the previous documents filed for and in behalf of this project and to the end that such previous documents shall have no further force and effect.

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the real property situated in Flathead County, Montana, to be developed and known as Townhouse Site TA1, Eagle Bend, described in the Amended Plat of Eagle Bend, Resubdivision, Lot TA1 and filed with the Clerk and Recorder of Flathead County, Montana, on March 28, 1984, filing no. 4-9-21; and,

WHEREAS, Declarant is desirous of subjecting said real property to the Covenants, Conditions and Restrictions hereinafter set forth, each of which is and are for the benefit of said property and for each owner thereof, and shall inure to the benefit of and pass with said property, and each and every parcel thereof, and shall apply to and bind the successors in interest, and any owner thereof.

NOW, THEREFORE, the Declarant hereby declares that the real property described in Article I is and shall be held, transferred, sold and conveyed subject to the Covenants, Conditions and Restrictions hereinafter set forth.

ARTICLE I

1. Property. The real property which is and shall be held, conveyed, transferred and sold subject to the Covenants, Conditions and Restrictions hereinafter set forth is situated in the County of Flathead, State of Montana, and is described in the Amended Plat of Eagle Bend, Resubdivision, Lot TA1 and filed with the Clerk and Recorder of Flathead County, Montana, on March 28, 1984, filing no. 4-9-21.

No other property, other than that described above, shall be deemed subject to this Declaration unless and until specifically made subject thereto.

2. Definitions.

(a) "Association" shall mean the Townhouse (Site TA1) Homeowners Association, its successors and assigns which shall be formed by the Declarant as a non-profit corporation.

(b) "Eagle Bend Homeowner's Association" shall mean the Association created by the Restated Declaration of Covenants,

Conditions and Restrictions of Eagle Bend and amendments thereto, which encompasses the properties.

(c) "Common properties" or "common area" shall mean those areas described in Article I, Section 4, of the Restated Declaration of Covenants, Conditions and Restrictions of Eagle Bend.

(d) "Declarant" shall mean Eagle Bend Company, of Kalispell, Montana, its successors and assigns.

(e) "Living unit" shall mean any building, or portion of a building, situated upon the properties designed and intended for the use and occupancy as a residence by a single family. All reference to a living unit shall be deemed to refer also to the underlying lot, whether or not developed, and all permanent improvements thereon.

(f) "Lot" shall mean any plot of land shown upon any recorded subdivision map of the property with the exception of the common properties or common area. Every lot shall be conclusively presumed for all purposes hereunder to include one living unit, irrespective of the actual status of construction thereon.

(g) "Member" shall mean an owner of a living unit which is subject to assessment hereunder.

(h) "Mortgage" shall mean the conveyance or assignment of an interest in any lot or living unit to secure the performance of an obligation and the instrument thereof, and may include a deed of trust, trust indenture, mortgage, assignment, financing statement or any other form of security instrument, or agreement as now known or hereafter devised for the purpose of creating a lien to secure an obligation or duty.

(i) "Mortgagee" shall mean a person or entity to whom a mortgage is made.

(j) "Mortgagor" shall mean a person or entity who mortgages his or its property to another, i.e., the maker of a mortgage.

(k) "Owner" shall mean the record owner of a fee simple title to any living unit which is part of the property and shall also include a contract buyer.

(l) "Properties" shall mean the real property described in Article I, paragraph 1 hereinabove.

(m) "Townhouse" shall mean any living unit.

ARTICLE II

ASSOCIATION MEMBERSHIP AND PROPERTY RIGHTS

1. Association Membership. The Association to be formed by the Declarant shall have as members the owners of each Townhouse. Membership shall be appurtenant to and shall not be separated from ownership of any Townhouse. Members shall participate in a manner prescribed by the Declaration and By-Laws of the Association, and the resolutions of its Board of Directors. The Association's purpose is to maintain and repair the exteriors of the Townhouses, plus provide such services and facilities to the Owners as it may determine.

2. Membership in Eagle Bend Homeowner's Association. Upon acquiring title to a lot, the Owner, besides acquiring membership

in the Townhouse (Site TA1) Homeowners' Association, shall become a member of the Eagle Bend Homeowners' Association, and will be subject to all of the terms, conditions, covenants and restrictions contained in the Restated Declaration of Covenants, Conditions and Restrictions of Eagle Bend and any amendments thereto. Such membership in the Eagle Bend Homeowner's Association shall also give Townhouse Owners all of the rights contained in said Restated Declaration of Eagle Bend, including but not limited to the right to the use and enjoyment of the common areas.

ARTICLE III

ASSOCIATION - VOTING RIGHTS

1. Voting Rights. The Association shall have two classes of voting membership:

Class A: Class A members shall be all owners (with the exception of the Declarant until conversion of Declarant's Class B Membership) and shall be entitled to one vote for each living unit owned. When more than one person holds an interest in any living unit, all such persons shall be members. The vote for such living unit shall be exercised as the owners thereof among themselves determine, but in no event shall more than one vote be cast with respect to any living unit.

Class B: The Declarant shall be the Class B member and shall be entitled to three (3) votes for each living unit owned. The Class B membership shall cease and be converted to Class A membership when ownership of all living units shall have passed from Declarant to any owner other than Declarant.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

1. Creation of the Lien and Personal Obligations of Assessments. The Declarant, for each living unit owned within the properties, hereby covenants, and each owner of any living unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, as provided in paragraph 4 hereof; (3) an amount sufficient to indemnify and hold the Association harmless from all obligations undertaken or incurred by the Association at or on account of an individual owner's special request and to repay the Association for all expenditures on account thereof; and (4) an amount sufficient to reimburse the Association for the cost of performing an obligation of an owner hereunder which he has failed to timely pay or perform. The aforesaid obligation, together with interest, taxable court costs, reasonable attorney's fees and all other collection expenses, shall be a charge and a continuing lien upon the living unit against which each such assessment is made, or with reference to which each such charge is incurred. Each assessment or charge, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such living unit at the time when the assessment fell due or charge was incurred. The personal obligation for delinquent assessments or charges shall not pass to his successors in title unless expressly assumed by them.

2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents in the properties and buildings situated thereon. Assessments made pursuant to this Article shall

be in addition to any assessments levied upon owners by the Eagle Bend Homeowner's Association.

3. Annual Assessment. Until January 1 of the year immediately following the conveyance of the first living unit to an owner, the maximum annual assessment shall be Five Hundred Dollars ($500.00) per living unit. From and after January 1 of the year immediately following the conveyance of the first living unit to an owner, the maximum annual assessment shall be as determined by the Board of Directors.

4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any extraordinary expenditure for which the annual assessment for the year is inadequate, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

5. Notice and Quorum for Any Action Authorized Under Paragraph 4. Written notice of any meeting called for the purpose of taking any action authorized under paragraph 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such meeting called, the presence of members or their proxies entitled to cast fifty percent (50%) of all votes of each class of membership shall constitute a quorum.

6. Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all living units and may be collected on a monthly basis. This provision shall not preclude the Association from making a separate or additional charge to an owner for and on account of special services or benefits rendered, conferred or obtained.

7. Date of Commencement of Annual Assessments: Dues. The annual assessments provided for herein shall commence as to all living units on the first day of the month following the occupation of the unit by a purchaser or tenant; provided, however, that any unit which remains unoccupied for a period of six (6) months after it is completed shall be subject to an assessment which shall be paid by the owner, including the Declarant if it is still the owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each living unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment and of any special charges shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth when the assessment and charges on a specified living unit have been paid.

8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment or charge not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments or charges provided for herein by abandonment of his living unit.

9. Subordination of the Lien to Mortgages and Deeds of Trust. The lien of the assessments and charges provided for herein

shall be subordinate to the lien of any first mortgage or first deed of trust. Sale or transfer of any living unit shall not affect the lien for assessments or charges. However, the sale or transfer of any living unit pursuant to foreclosure of a first mortgage or first deed of trust (including without limitation the exercise by the trustee of a power of sale thereunder), or any proceeding or deed in lieu thereof, shall extinguish the lien of such assessments or charges as to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such living unit from liability for any assessments or charges thereafter becoming due or from the lien thereof.

10. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Montana shall be exempt from the assessments created herein. Provided, however, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE V

EXTERIOR MAINTENANCE

1. By Association. The Association shall provide exterior maintenance upon each lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for party walls between living units, roofs, gutters, downspouts, exterior building surfaces and other such exterior improvements. Such exterior maintenance shall not include improvements built or placed by an owner within the patio or yard space or repairs or replacements caused by any of the perils covered by a standard form fire insurance policy with extended coverage endorsement thereon, or caused by flood, earthquake or other Acts of God, including, but not limited to glass surfaces, air conditioning units, trees, shrubs, grass, walks, driveways, parking areas or landscaping.

2. Necessitated by Owner. In the event that the need for maintenance or repair is caused through the willful or negligent act of the owner, his family, guests or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such living unit is subject.

3. By Owner. Except as provided in paragraph 1 of this Article, all maintenance shall be the responsibility of each living unit owner; provided, however, that if an owner shall fail to maintain or make the repairs or replacements which are the responsibility of such living unit owner, then, upon vote of a majority of the Board of Directors, and after not less than thirty (30) days notice to the living unit owner, the Association shall have the right (but not the obligation) to enter upon or into the lot or living unit and provide such maintenance or make such repairs or replacements, and the cost thereof shall be added to the assessments chargeable to such living unit owner and shall be payable to the Association by the said living unit owner.

4. Access at Reasonable Hours. For the purpose of performing the maintenance authorized by this Article, the Association's agents or employees shall have the right, after reasonable notice to the living unit owner, to enter upon a lot or living unit at reasonable hours, and without notice at any time in the event of any emergency.

ARTICLE VI

DUTIES AND POWERS OF THE OWNER'S ASSOCIATION

1. Duties and Powers. In addition to the duties and powers enumerated in its Articles of Incorporation and By-Laws, or else-

where provided for herein, and without limiting the generality thereof, the Association shall:

(a) Exterior Maintenance. Maintain the exterior of the living units in the manner and subject to the limitations set forth in Article V.

(b) Utilities; Refuse Collection. Have the authority to obtain for the benefit of all the owners, all utility services, including but not limited to, water, gas, sewer, electricity, and refuse collection; and, to the extent not separately charged or metered, for the individual living units upon the owner's request and promise to pay therefor.

(c) Legal and Accounting Services. Have the authority to obtain legal and accounting services necessary or proper in the discharge of the duties and responsibilities of the Association or the enforcement of these restrictions.

(d) Employ. Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association.

(e) Contingency Fund. Have the power to establish and maintain a working capital and contingency fund in an amount to be determined by the Board of Directors of the Association. Said fund shall be used by the Association as the Directors shall deem fit to carry out the objectives and purposes of the Association, and shall be added to and made a part of the regular assessments provided for in paragraph 3 of Article IV hereof.

(f) Purchase Insurance. Have the power to purchase insurance for all or any part of the living units for such risks, and with such companies, and in such amounts as the Board of Directors of the Association shall determine, and to assess the premium costs thereof in any manner that the Board of Directors of the Association shall deem to be equitable. Premium costs shall be part of the uniform assessment provided in Article IV.

(g) Other Duties and Powers. The Association and its Board of Directors acting in its behalf shall obtain, provide and pay for any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, or pay any taxes or assessments which the Board is required to secure or pay for pursuant to the terms of these Restrictions or by law or which in its opinion shall be necessary or proper for the performance of its duties or for the enforcement of these restrictions; provided that if any such materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments are specially provided for particular living units, the cost thereof shall be specially assessed to the owners of such living units. The Association may likewise pay any amount necessary to discharge any lien or encumbrance levied against the entire properties or any part thereof which may, in the opinion of the Board, constitute a lien thereon rather than merely against the interests therein of a particular owner, provided that where one or more owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it, and any costs incurred by the Board by reason of said lien or liens, shall be specially assessed to said owners.

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ARTICLE VII

INSURANCE

1. Liability Insurance. Public liability and common area property damage insurance shall be purchased by the Board or acquired by assignment from Declarant, as promptly as possible following its election, and shall be maintained in force at all times, the premium thereon to be paid out of the Association's funds. The insurance shall be carried in reputable companies authorized to do business in Montana. The minimum amounts of coverage shall be $500,000.00 for personal injury to any one person, $1,000,000.00 for personal injury to any number of persons sustained in any one accident or mishap, and $100,000.00 property damage. The policy shall name the Association, its directors, officers, employees and agents in the scope of their employment, as insured.

2. Fire Insurance - Master Policy. A master or blanket fire insurance policy shall also be purchased or acquired by the Board as promptly as possible following its election, and shall thereafter be maintained in force at all times, the premium thereon to be paid out of the Association's funds. Said insurance shall be carried with reputable companies qualified to do business in the State of Montana, and shall insure against loss from fire and other hazards therein covered, for the full insurable value of all of the permanent improvements upon the properties. Said policy may contain extended coverage and replacement cost endorsements, if available, as well as vandalism and malicious mischief coverage, special form endorsement, stipulated amount clause, and a determinable cash adjustment clause, or a similar clause or clauses to permit cash settlement covering full value of the improvements in the event of partial destruction. The policy shall be in such amounts as shall be determined from time to time by the Board. The policy shall name all owners and mortgagees of the subject property, or any of it, as insured, as their respective interests may appear.

3. Other Insurance. The Board of Directors of the Association may purchase additional insurance as the Board may determine to be advisable including, but not limited to, workman's compensation insurance, demolition insurance to remove improvements that are not rebuilt, fidelity bonds, and insurance on Association-owned personal property. All premiums therefor shall be paid out of the Association's funds.

4. Owner's Additional Insurance. An owner may carry such personal liability and property damage insurance respecting his individual living unit as he may desire; however, any such policy shall include a waiver of subrogation clause against the Association and all other owners.

5. Damage and Destruction; Reconstruction. If any permanent improvement comprising a part of the properties, whether owned by an individual owner or by the Association, shall be damaged by fire or other casualty covered by insurance, the proceeds of all such insurance policies shall be paid to the Association to be applied as hereinafter provided. If the damage or destruction shall be to one or more living units, the Board of Directors of the Association shall enter into a contract for the repair or reconstruction of the damaged improvements, upon such terms as the Board feels is in the best interests of the individual owner as well as the Association. In the event that the proceeds from the insurance policies payable as a result of the loss to an individual unit shall be insufficient for the repair or reconstruction of such living unit, the deficiency shall be promptly paid by the Owner of such living unit, failing which, such amount shall become a special charge and assessment against such living unit pursuant to the provisions of Article IV

hereof. The insurance proceeds shall be paid to the contractor or contractors designated by the Board at such times and upon such obligations as may be designated by the Board. All repair or reconstruction shall be made in accordance with original plans and specifications therefor, according to such revised plans and specifications as may be approved by the Board of Directors of the Association, subject to architectural review required under existing recorded documents.

In the event that more than one individual living unit shall be substantially destroyed by fire or other casualty, and in the further event that at least sixty-six and two-thirds percent (66 2/3%) of both Classes of Membership provided herein shall approve, the damaged and destroyed improvements shall not be rebuilt but rather the remaining portions thereof shall be removed, the land cleared, and the lots occupied by such removed improvements shall, with the consent of the owners thereof, be removed from the properties subject to this Declaration.

If the Board of Directors of the Association shall fail to proceed in good faith with the repair or reconstruction of any damaged or destroyed improvement, and in any event if reconstruction of an individual dwelling unit is not commenced within sixty (60) days after the casualty occurs, the owner of such damaged improvement may proceed to negotiate and execute a contract for such repair or reconstruction and the Association who shall receive any insurance proceeds attributable to such loss shall pay such proceeds, to the extent required, to the contractor or contractors selected by such individual owner. The excess of any proceeds not required to repair or restore an improvement, shall be paid by the Association to the owner or the institution who shall have paid the premium for such insurance coverage.

ARTICLE VIII

RIGHTS OF MORTGAGEES

1. Each mortgagee, upon written request by such mortgagee to the Board, shall be entitled to timely written notice of: (1) any proposed amendment of this Declaration effecting a change in (i) the boundaries of any Lot or the exclusive easement rights appertaining thereto, (ii) the interests in the common area appertaining to any Lot or the liability for common expenses appertaining thereto, (iii) the number of votes in the Homeowners' Association appertaining to any Lot or (iv) the purposes to which any Lot or the common area are restricted; (2) any condemnation loss or any casualty loss which affects a material portion of a Lot on which there is a first mortgage held; (3) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a first mortgage, where such delinquency has continued for a period of sixty (60) days; (4) any lapse, cancellation or material modification of any insurance policy maintained by the Homeowners' Association pursuant to Article VII.

ARTICLE IX

UTILITIES

1. Rights and Duties of Owners. The rights and duties of the owners with respect to sanitary sewer, water, electricity, gas and telephone lines and facilities shall be governed by the following:

(a) Easement. Wherever sanitary sewer or water connections or electricity, gas, telephone or other similar lines or pipes are installed within the properties, which connections, lines or pipes, or any portion thereof, lie in or upon lots owned by other than the owner of a living unit served by said

connections, lines or pipes, the owners of any living unit served by said connections, lines or pipes, shall have the right, and are hereby granted an easement to the full extent necessary therefor, at reasonable hours, to enter upon the lot within the properties in or upon which said connections, lines or pipes, or any portion thereof, lie, to repair, replace and generally maintain said connections, lines and pipes, as and when the same may be necessary.

(b) Common Connections, Lines or Pipes. Wherever sanitary sewer or water connections, or electricity, gas or telephone lines or pipes, are installed within the properties, which connections serve more than one living unit, the owner of each living unit served by said connections, lines, and pipes, shall be entitled to the full use and enjoyment of such portions of said connections, lines and pipes, as service his living unit.

(c) Resolution of Disputes. In the event of a dispute between living unit owners with respect to the repair or rebuilding of said connections, lines or pipes, or with respect to the sharing of the costs thereon, then, upon written request of one of such owners, addressed to the Association, the matter shall be submitted to the Board of Directors who shall decide the dispute, and the decision of the Board shall be final and conclusive on the parties.

2. Declarant's Easement. Easements over the properties for the installation and maintenance of electric, telephone, water, gas and sanitary sewer lines, pipes and facilities, and for drainage facilities, as shown on the recorded plat of the properties and as may be hereafter required or needed to service the properties, or any living units, are hereby reserved by Declarant, together with the right to grant and transfer the same.

ARTICLE X

USE RESTRICTIONS

In addition to all other covenants contained herein, the use of the lots and each living unit thereon is subject to the following:

1. Restricted Use. Except as otherwise provided herein, none of the lots shall be used except for residential purposes. No lot shall have more than one living unit thereon. No building shall be erected, altered, placed or permitted to remain thereon other than a building or buildings containing townhouse-type units for residential purposes. No lot may be sold, rented or leased on a time share or equivalent basis.

2. Business and Related Use. No part of the properties shall ever be used or caused, allowed or authorized in any way, directly or indirectly, to be used for any business, commercial, manufacturing, industrial, mercantile, storing, vending, or other such purposes, provided, however, that Declarant, its successors or assigns, and the owners of any property annexed, may use the properties for a model site or sites, and display and sales office during the construction and sales period.

3. Signs. No signs, billboards or advertising devices of any nature except as may be authorized by the Architectural Committee shall be erected or maintained on any part of the properties; provided, however, the foregoing shall not apply to the business activities or advertising of Declarant while any lots remain unsold. The Association may erect signs or notices for identification purposes in accordance with applicable statute and municipal laws or codes.

4. Noxious or Offensive Activities. No noxious or offensive activity shall be carried on upon any part of the properties, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the owners, of his respective living unit or which shall in any way increase the rate of insurance.

5. Restricted Residences. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently.

6. Vehicles and Recreational Equipment. No trailer, camper, boat or similar equipment shall be permitted to remain upon any lot or within the properties. Golf carts shall be stored only at a place designated for such purpose from time to time. Golf carts or any other powered carts shall not be operated upon walkways intended only for pedestrial walkways.

7. Animals. No animals, livestock, or poultry of any kind shall be raised, bred or kept on or within any lot or living unit except that dogs, cats or other household pets may be kept on or within the lots or living units, provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animals or fowl may be kept on the properties which result in any annoyance to or are obnoxious to other living unit owners or tenants in the vicinity.

8. Drilling and Mining. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind, shall be permitted upon or in any properties, nor shall oil wells, tanks, tunnels or mineral excavation or shafts be permitted upon the surface of the properties. No derrick or other structure designed for use in boring for water, oil, or natural gas shall be erected, maintained or permitted upon the properties.

9. Trash. All rubbish, trash and garbage shall be regularly removed from the properties, and shall not be allowed to accumulate thereon.

10. Screening and Fencing. All clotheslines, refuse containers, woodpiles, storage areas and machinery and equipment shall be prohibited upon any lot, unless obscured from view of the adjoining lot and common areas by fence or appropriate screen approved by the Architectural Committee.

11. Antennas. No alteration to or modification of any radio or television antenna system, as developed by Declarant, shall be permitted and no owner may be permitted to construct or use and operate his own external radio or television antenna or satellite dish without the written approval of the Architectural Committee.

ARTICLE XI

PARTY WALLS

1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the properties and placed on the dividing line between the lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the

owners. Declarant reserves and each owner grants a reciprocal easement for access to the premises of the other for the purpose of performing repair or maintenance work to the party wall and any utility services contained therein.

3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

4. Weatherproofing. Notwithstanding any other provisions of this Article, an owner who by his negligent or willful act caused the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

5. Right to Contribution Runs with Land. The right of any owner to contribution from any owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, then, upon written request of one of such owners, addressed to the Association, the matter shall be submitted to the Board of Directors who shall decide the dispute, and the decision of the Board shall be final and conclusive on the parties.

ARTICLE XII

ARCHITECTURAL CONTROL

1. Architectural Approval. No building, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall an exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, color, design, shape, size, height, materials, site location and other material attributes of the same shall have been submitted to and approved in writing by the Architectural Committee established pursuant to the provisions of paragraph 2 of this Article. No written approval shall be given by such Architectural Control Committee unless similar written approval has been obtained from the Architectural Control Committee created pursuant to Article VII of the Restated Declaration of Covenants, Conditions and Restrictions of Eagle Bend.

2. Appointment of Architectural Committee. Declarant shall initially appoint the Architectural Committee, consisting of not less than three (3) members, who shall remain in office until Declarant's Class B Membership has terminated. From and after such time or event, as the case may be, the Architectural Committee shall be composed of the Board of Directors of the Association or by three (3) or more representatives appointed by the Board, who need not be members of the Association. In the event of the death or resignation of any member of the Committee prior to the time when the Board of Directors of the Association is vested with authority, Declarant shall have the right to appoint such member's successor.

ARTICLE XIII

GENERAL PROVISIONS

1. Enforcement. The Association, in the first instance, or any owner, should the Association fail to act within a reasonable time, shall have the right to enforce, by any proceeding at law or in equity, all limitations, restrictions, liens, and charges now or hereafter imposed by the provisions of this Declaration, or any amendment thereto. Failure by the Association or by any owner to enforce any limitation, condition, reservation, lien, charge, covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Deeds of conveyance of said property, or any part thereof, may contain the above restrictive covenants by reference made in such deeds, or any part thereof, and each and all such restrictive covenants shall be valid and binding upon the respective grantees. Violators of any one or more of such covenants may be restrained by any court of competent jurisdiction and damages awarded against such violators; provided, however, that a violation of these restrictive covenants or any one or more of them shall not affect the lien of any mortgage or deed of trust now of record or which hereafter may be placed of record upon said lots or any part thereof.

2. Severability. Invalidation of any one of these covenants or restrictions, or any portion thereof, by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

3. Term. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years for so long as the property shall continue to be used for residential uses.

4. Amendment. This Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the lot owners. Any amendment must be recorded. Declarant may amend this document prior to delivery of the first deed to an owner.

5. Construction. This Declaration shall be liberally construed to effectuate is purposes of creating a uniform plan and scheme for the development of a townhouse project. The provisions hereof shall be construed in a manner which will effectuate the annexation to and merger into the project of additional land. The article and paragraph headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. All terms and words used in this Declaration regardless of the number and gender in which they are used shall be deemed and construed to include any other number, and any other gender, masculine, feminine or neuter, as the context or sense of this Declaration or any article or paragraph herein may require, with the same effect as if such terms and words had been fully and properly written in the required number and gender. Whenever the words and symbol "and/or" are used in this Declaration, it is intended that this Declaration be interpreted and the sentence, phrase or other part be construed in both its conjunctive and disjunctive sense, and as having been written twice, once with the word "and" inserted, and once with the word "or" inserted, in the place of said word and symbol "and/or".

6. Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to

each person at the address given by such person to the Association for the purpose of service of such notice or to the address of the living unit of such person if no address has been given. Such address may be changed from time to time by notice in writing to the Association.

7. No Partition. There shall be no judicial partition of the properties or any part thereof, nor shall Declarant or any owner or other person acquiring any interest in the properties, or any part thereof, seek any such judicial partition, unless and until the happening of the conditions set forth in Article VII, paragraph 5 hereof shall occur; provided, however, that if any living unit shall be owned by two or more co-tenants as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants.

8. Easements. Each lot shall be subject to an easement for overhangs and minor encroachments by walls, structures and fences upon adjacent lots as constructed by the original builder or as reconstructed or repaired in accordance with the original plans and specifications.

IN WITNESS WHEREOF, the undersigned has set its hand and seal the 13th day of June, 1984.

EAGLE BEND COMPANY, a Montana corporation

By: M. K. Felt
M. K. Felt, President

Attest: Mary Boller

STATE OF MONTANA)
: ss.
County of Cascade)

On this 13th day of June, 1984, before me, the undersigned, a Notary Public for the State of Montana, personally appeared M. K. FELT, known to me to be the President of EAGLE BEND COMPANY, the corporation whose name is subscribed to the within instrument, and acknowledged to me that he executed the same on behalf of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

Notary Public for the State of Montana
Residing at: Great Falls, Montana
My commission expires: 01/03/86

(SEAL)

84292/5320

ADDENDUM TO DECLARATION OF COVENANTS

CONDITIONS AND RESTRICTIONS FOR

TOWNHOUSE SITE Tal EAGLE BEND SUBDIVISION

ARTICLE XIII

4. Amendement. This declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the lot owners and must bear the written approval of the Flathead County Commissioners. Any amendment must be recorded with the Clerk and Recorder of Flathead County, Montana. Declarant may amend this document prior to delivery of the first deed to an owner.

STATE OF MONTANA, }
County of Flathead } ss

Recorded at the request of Crop Hail

this 18 day of Oct 1984 at 3:32 o'clock P M and recorded in the records of Flathead County, State of Montana.

Fee $ 35.50 Pd.

Iris I Kendman
Flathead County Clerk and Recorder

RECEPTION NO. 84292/5320

Kathleen Klein
Deputy

RETURN TO Eagle Bend
Box 960 Bigfork MT 59911

3550