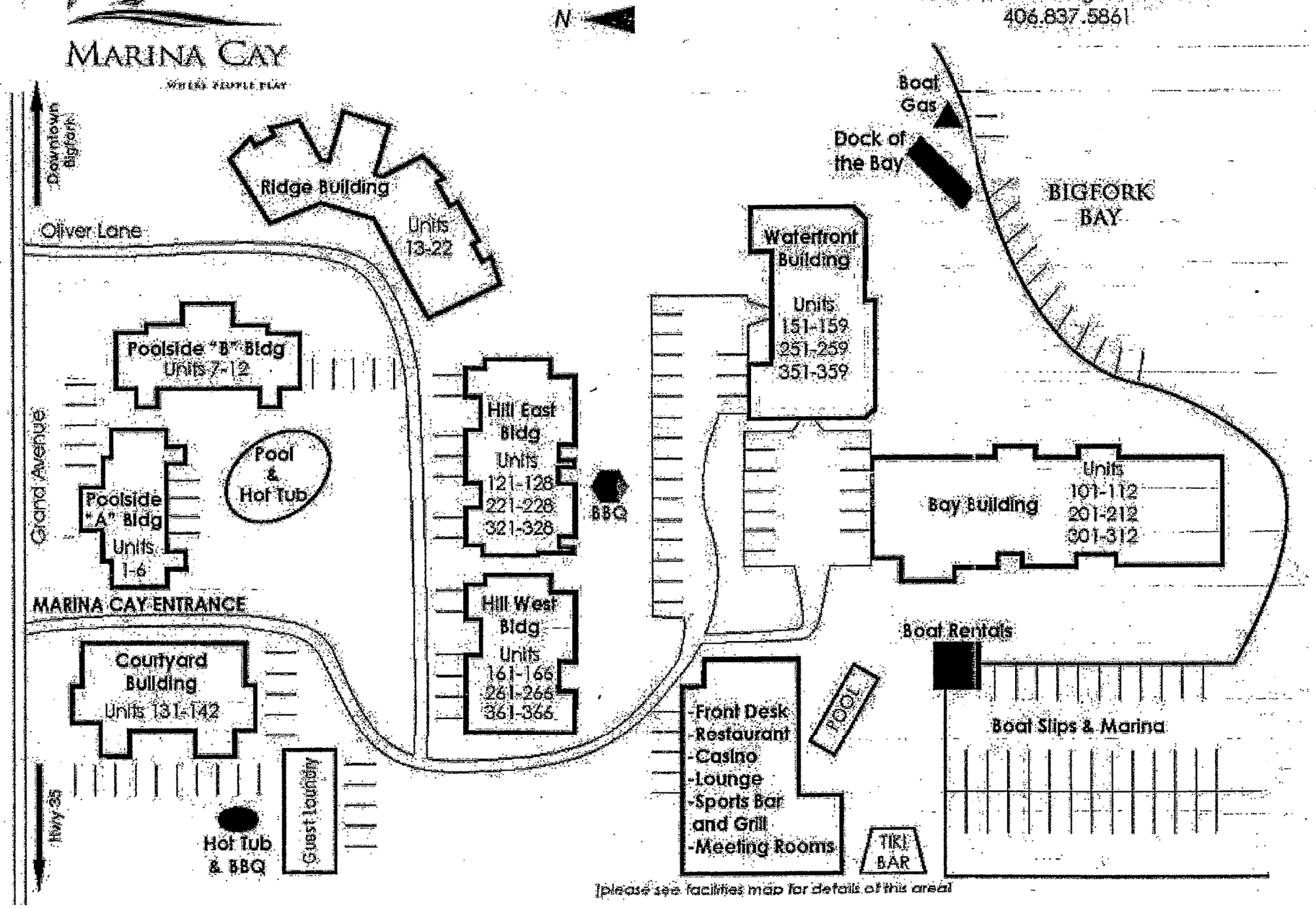
SECOND AMENMENT TO AND COMPLETE RESTATEMENT OF THE DECLARATION OF CONDOMINIUM FOR MC ESTATES CONDOMIMIUM UNDER THE MONTANA UNIT OWNERSHIP ACT

PROPERTY MAP

180 Vista Lane, Bigfork MT 59911
406.837.5861

MARINA CAY
WHERE PEOPLE PLAY



[please see facilities map for details of this area]

Return to: pas
Johnson Berg McEvoy Bostock
PO Box 3038
Kalispell, MT 59903-3038

COPY

SECOND AMENDMENT TO AND COMPLETE RESTATEMENT OF THE DECLARATION OF CONDOMINIUM FOR MC ESTATES CONDOMINIUM UNDER THE MONTANA UNIT OWNERSHIP ACT

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SECOND AMENDMENT TO AND COMPLETE RESTATEMENT OF THE DECLARATION OF CONDOMINIUM FOR MC ESTATES CONDOMINIUM

This Second Amendment to and Complete Restatement of the Declaration of Condominium for MC Estates Condominium under the Montana Unit Ownership Act is executed this ___ day of August, 2008 by **MARINA CAY ESTATES, LLC**, a Montana Limited Liability Company in Bigfork, Montana (hereinafter referred to as "Declarant").

WHEREAS, Declarant caused to be filed that Declaration for MC Estates Condominium with the Flathead County Clerk and Recorder as Document No. 200620916320 (hereinafter sometimes "Original Declaration" or "Declaration") and the First Amendment to and Complete Restatement of the Declaration of Condominium for MC Estates Condominium as Document No. 200715213550 (hereinafter "First Amended Declaration"); and

WHEREAS, pursuant to said Original Declaration, Declarant specifically reserved unto itself the right to amend said Declaration; and

WHEREAS, Declarant is the owner of sixty-eight and 18/100ths percent (68.18%) of the Units of MC Estates Condominium; and

WHEREAS, Declarant desires to amend said Declaration to correctly reflect the square footage of Units 8 and 10 referenced in Exhibit B-1 of the First Amendment and to correctly allocate Common Element ownership; and

WHEREAS, Declarant desires to amend Section 6 of the First Amended Declaration to reflect that the Dock facility is comprised of ten (10) boatslips; and

WHEREAS, Declarant continues to reserve the right to further amend said Declaration as contemplated within the Declaration referenced herein above.

NOW, THEREFORE, in consideration of the foregoing recitals and the amendment powers reserved unto Declarant as set forth in the Declaration, Declarant hereby amends and completely restates said Declaration as follows:

1. **Definition of Terms:** Unless the context expressly provides otherwise, the following definitions shall apply throughout this Declaration and in the interpretation thereof:

   a. **Association** means all of the Unit Owners acting as a group in accordance with this Declaration and with duly adopted Bylaws.

   b. **Boardwalk** means the physical walkway located upon the retaining wall, depicted upon Exhibit F1 as "wood walkway," specifically excluding therefrom the Boatslips and Docks to which the Boatslips are attached.

   c. **Boatslips** means the space within which a boat or other water vessel is moored and the one-foot (1') perimeter of the physical Dock structure bordering each such space.

   d. **Board of Directors** means the Board of Directors of the Association as more particularly defined in the Bylaws.

   e. **Common Elements** means both General Common Elements and Limited Common Elements.

   f. **Common Expenses** means expenses of administration, maintenance, repair or replacement of Common Elements, expenses agreed upon by the Association and expenses declared common by the Montana Unit Ownership Act.

   g. **Declarant** means Marina Cay Estates, LLC or its successors or assigns, who shall be the entity to receive service of process as set forth in Section 70-23-301, MCA. The place of business of Declarant is 180 Vista Lane, Bigfork, Montana 59911.

   h. **Dock/Docks** means the physical walkways to be depicted on Exhibit B2, excluding Boatslips.

   i. **Driveway** means those driveways immediately adjacent and appurtenant to garages contained within Units 1, 3, 5, 7, 9, 11, 13, 14, 15, 16, 17, 18 and 19.

   j. **General Common Elements** has the same meaning as set forth in Section 70-23-102(7), MCA.

k. **First Class Standard** means guest services, furniture package (as provided or approved by the Management Company), equipment package, and amenities package as recommended by the Management Company and adopted by the Board.

l. **Limited Common Elements** means those Common Elements reserved for the use of a certain Unit or number of Units to the exclusion of the other Units. Limited Common Elements specifically include, but are not limited to, Boatslips.

m. **Limited Expense** means expenses associated with Limited Common Elements.

n. **Management Company** means Bay Club, Inc., its successors and assigns, or such other company approved to manage the Property by a majority of the Unit Owners and the Declarant, so long as Declarant owns any Unit for sale in the ordinary course of Declarant's business.

o. **Property** means all the land and all buildings, improvements and structures on the land, and all easements, rights and appurtenances belonging thereto, which are submitted to the Montana Unit Ownership Act by this Declaration as hereinafter set forth or as amended in accordance with this Declaration, applicable law and the Future Development Agreement attached hereto as Exhibit D and incorporated herein by this reference.

p. **Unit** means the separate Units of MC Estates Condominium. Each Unit is intended for independent use with a direct exit to a common area or areas leading to a public street together with an undivided interest in the Common Elements.

q. **Unit Owner** means the person or entity owning a Unit in fee simple absolute or in any real estate tenancy recognized under the laws of Montana, including an undivided interest in both the land and improvements constituting the Property.

2. **Property Subject to Declaration:** The Property subject to this Declaration consists of the following land and improvements situated in Bigfork, Flathead County, Montana:

A tract of land located in the Northeast Quarter of Section 36, Township 27 North, Range 20 West, PMM, Flathead County, Montana, and more particularly described as follows:

Beginning at the Northeast corner of Tract 1 as shown and described on Certificate of Survey No. 11744, records of Flathead County, Montana; thence

North 00°06'36" East, a distance of 155.60 feet to a found 5/8" rebar on the southerly right-of-way of Old Highway No. 35; thence
South 56°05'43" East, on and along said right-of-way a distance of 311.98 feet to a set 5/8" rebar; thence
South 00°16'16" East, and leaving said right-of-way a distance of 82.41 feet to a found 1" iron pin; thence
South 00°07'13" East, a distance of 110.30 feet to a found fence post; thence
South 89°57'24" West, a distance of 39.67 feet to a found fence post; thence
South 00°01'40" East, a distance of 109.14 feet to a found 5/8" rebar; thence
South 42°30'11" West, a distance of 140.59 feet to a found channel iron; thence
North 59°28'27" West, a distance of 109.25 feet to a found steel fence post; thence
North 32°57'47" West, a distance of 58.35 feet to a point; thence
North 00°06'36" East, a distance of 319.51 feet to the true Point of Beginning.

This tract contains 2.515 acres, is subject to and together with all appurtenant easements of record and is depicted on Certificate of Survey No. 16045.

AND

A tract of land located in the Southwest Quarter of the Northeast Quarter of Section 36, Township 27 North, Range 20 West, PMM, Flathead County, Montana, and more particularly described as follows:

Commencing at the true Point of Beginning of Tract 7 of Certificate of Survey No. 9582, records of Flathead County, Montana, and which point is the true Point of Beginning; thence on and along the boundaries of said Tract 7 the following eleven (11) courses:
North 38°37'32" West, a distance of 187.72 feet to a point;
South 59°28'27" East, a distance of 109.25 feet to a point;

North 42°30'11" East, a distance of 140.59 feet to a point;
North 89°46'01" East, a distance of 40.06 feet to a point;
South 00°32'24" East, a distance of 72.44 feet to a point;
North 64°59'41" East, a distance of 42.58 feet to a point;
South 00°14'26" East, a distance of 66.54 feet to a point on the approximate low water mark of the Swan River;
South 57°21'36" West, on and along said low water mark a distance of 71.79 feet to a point;
South 32°58'22" West, continuing on and along said low water mark a distance of 81.23 feet to a point;
North 26°49'10" West, and leaving said low water mark a distance of 35.61 feet to a point;
North 87°57'57" West, a distance of 30.82 feet to the true Point of Beginning.

This tract contains 0.600 acres, is subject to and together with all appurtenant easements of record, and is depicted on Certificate of Survey No. 16656.

RESERVING UNTO Declarant the right to amend this Declaration pursuant to the terms and conditions hereinafter set forth.

3. **Name and Description of Property:** The Property subject to this Declaration shall be known as MC Estates Condominium. The Property will initially consist of three (3) multi-story condominium buildings comprised of twenty-three (23) condominium Units numbered as set forth on the exhibits attached hereto and by this reference incorporated herein. The location and general dimensions of said condominium buildings are depicted on Exhibit A1 attached hereto and by this reference incorporated herein. Declarant, its successors and assigns, specifically reserves the right to (but shall not be obligated to) expand the number of Units to be included within this Declaration by Amendment of this Declaration. In this regard, Declarant reserves the right to construct additional condominium buildings on the Property. Declarant reserves unto itself, its successors and assigns, an easement over and across the Property for purposes of constructing additional condominium buildings and storing materials and equipment reasonably necessary to complete the construction of any additional condominium buildings and other structures or appurtenances associated with the Property. For identification and descriptive purposes, the following Exhibits are attached and incorporated, by this reference, into this Declaration:

EXHIBIT A1: Site Plan depicting Property and condominium buildings
EXHIBIT A2: Pool Side A Building First Floor Plan (Units 1, 3, and 5)
EXHIBIT A3: Pool Side A Building Second Floor Plan (Units 2, 4 and 6)
EXHIBIT A4: Pool Side A Building Third Floor Plan (Unit 4)
EXHIBIT A5: Pool Side B Building First Floor Plan (Units 7, 9 and 11)
EXHIBIT A6: Pool Side B Building Second Floor Plan (Units 8, 10, and 12)
EXHIBIT A7: Pool Side B Building Third Floor Plan (Unit 10)
EXHIBIT A8: Pool Side A and B Buildings North Elevation
EXHIBIT A9: Pool Side A and B Buildings South Elevation
EXHIBIT A10: Pool Side A and B Buildings East Elevation
EXHIBIT A11: Pool Side A and B Buildings West Elevation
EXHIBIT A12: The Ridge Building First Floor Plan (Units 13, 14, 15, 16, 17, 18 and 19)
EXHIBIT A13: The Ridge Building Second Floor Plan (Units 15, 17, 18, 19, 20, 21, and 22)
EXHIBIT A14: The Ridge Building Basement Floor Plan (Units 13 and 14)
EXHIBIT A15: The Ridge Building North Elevation
EXHIBIT A16: The Ridge Building South Elevation
EXHIBIT A17: The Ridge Building East Elevation
EXHIBIT A18: The Ridge Building West Elevation
EXHIBIT A19: Pool Side A Building First Floor Plan (Unit 23)

Each Unit, together with its appurtenant undivided interest in the Common Elements, shall comprise one Unit, shall be inseparable and may be conveyed, leased, devised or encumbered only as a condominium Unit. Each Unit shall be bound as to both horizontal and vertical boundaries as shown on the floor plans set forth on Exhibits A2, A3, A4, A5, A6, A7, A12, A13, A14 and A19 subject to any encroachments contained in the building whether they exist now or are created by construction, settlement or movement of the building or by permissible repairs, reconstruction or alterations. Each Unit shall include all of the walls and partitions within the Unit's perimeter boundaries, the interior decorated or finished surfaces of all walls, floors and ceilings within the Unit's perimeter boundaries and all fixtures attached to the Property that are within the Unit's perimeter walls. All of the Units are single-level Units with the exception of Units 4, 10, 13, 14, 15, 17, 18 and 19, which Units are two-level Units.

Each Unit Owner shall maintain the interior of its Unit and shall maintain all other areas, features or parts of its Unit and all Property not otherwise maintained by the Association. Each Unit Owner shall maintain all

fixtures and equipment located within its Unit and utilities serving that Unit. Each Unit Owner shall also maintain and repair any appliances, such as air conditioning units, located in the exterior of his, her or its Unit. No Unit Owner shall permit any act or work to be performed on his, her or its Unit that will impair the structural soundness or integrity of the Unit or impair any easement or hereditament, and no Unit Owner shall allow any condition to exist which will adversely affect the other Units or Unit Owners. No alterations to the exterior of any Unit shall occur without written approval from the Board of Directors of MC Estates Condominium Unit Owner's Association, Inc. and Declarant, so long as Declarant owns any Units for sale in the ordinary course of Declarant's business. Any such exterior alterations shall preserve the consistent appearance of all Units. The Association shall maintain the utility lines up to the point of entry of those lines into the Units.

4. **Appurtenances/Easements:** The Units shall include the following appurtenances, whether or not separately described, conveyed or encumbered:

a. Each Unit shall include an undivided interest in the Common Elements as set forth in Section 5 of this Declaration and Exhibit B1 (subject to reallocation as set forth herein).

b. Each Unit shall include Association membership and an undivided interest, as set forth in Section 5 and of this Declaration, in the funds and assets held by the Association for the benefit of the Unit Owners.

c. Each Unit shall benefit from the following easements:

i. An easement through the Common Elements for ingress and egress for all persons making use of the Common Elements in accordance with the terms of this Declaration, including all easements and rights-of-way of record at or before the recording of this Declaration. The Property, and all portions thereof, shall be subject to the easements as shown on any recorded plat affecting the Property as shown on the recorded plat.

ii. An easement is granted to the Condominium Owners Association, its officers, agents, employees and assigns, through the Units and Common Elements for maintenance, repair and replacement of any features or parts of the Common Elements. Use of these easements, however, shall be limited to reasonable hours, except that access may be had at any time in case of emergency.

iii. An easement is granted to the Condominium Owners Association, its officers, agents, employees and assigns, to repair and maintain structural support for the benefit of the Common Elements for every portion of a Unit which contributes to the structural support of the buildings.

iv. An easement is granted for encroachments and maintenance of encroachments of any portion of the Common Elements upon a Unit and easements for encroachments and maintenance of encroachments of any portion of a Unit upon the General Common Elements, the Limited Common Elements or an adjoining Unit.

v. All conveyances of Units hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Section even though no specific reference to such easements or to this Section appears in the instrument for such conveyances.

vi. An Owner's right to an easement with respect to the Common Elements is subject to the following restrictions:

- The right of the Condominium Owners Association to suspend the voting rights and any and all rights of any Owner to the use of any recreational facility for any period during which any Condominium Owners Association's assessment against such Owner or against such Owner's individual Unit remains unpaid for thirty (30) days beyond its due date.

- The right of the Condominium Owners Association to suspend the use of any recreational facilities for any period as a result of the Owner's infraction or the infraction by any member of the Owner's family, guests or invitees of any rule or regulation of the Condominium Owners Association or its designated Manager.

- The right of the Condominium Owners Association to adopt any and all rules and regulations concerning vehicular traffic and travel upon, in, under or across the Property.

- The right of the Condominium Owners Association to limit the number of guests or invitees of each Owner who may use the recreational facilities contained in the Common Elements.

- The right of the Condominium Owners Association to adopt any and all rules and regulations concerning the Common Elements and the facilities located thereon as the Condominium Owners Association may deem necessary or prudent from time to time.

The encroachments and easements set forth in this Section 4 shall not constitute encumbrances either on the Common Elements or on the Units for purposes of marketability of title.

5. **General Common Elements:** The General Common Elements include, but are not limited to, the land specifically described in Section 2 of this Declaration, all buildings on the Property except the individual Units, all exterior doors, garage doors, exterior door locks, screens, fences, roadways, parking spaces, curbs, gutters, sidewalks and landscaping amenities, swimming pool, swimming pool equipment, swimming pool area and all other elements necessary for the safety, maintenance and existence of the Property and all the buildings except for the individual Units and all those items listed in Section 70-23-103(7), MCA.

The Owner of each Unit shall have an undivided interest in the Common Elements subject to the interests of Owners of the other Units in MC Estates Condominium as presently constructed or to be constructed in the future pursuant to the provisions contained herein and the Future Development Agreement. The percentage ownership of the Common Elements is set forth on Exhibit B1. Although ownership of the Common Elements is as aforesaid, Declarant and all future Unit Owners hereby grant necessary possession and control thereof to such Manager as may be appointed by the Board of Directors of MC Estates Condominium Owners Association solely for the purposes of maintaining, repairing, improving and administering them and otherwise carrying out the duties and obligations as set forth in such Management Agreement as may be entered into between the Condominium Owners Association and the Manager, Montana law and such other regulations as may be imposed by law.

The Boardwalk is hereby designated as a General Common Element, and the Docks and Boatslips are designated as Limited Common Elements. The owners of Units to which the Docks and Boatslips are attached as Limited Common Elements shall share the costs and expenses related to maintenance and repair (including replacement) of the Docks.

If and when Common Elements are added or annexed by Declarant, this Declaration shall be duly amended to describe and reflect the General and Limited Common Elements as then existing.

Marina Cay Estates, LLC, as Declarant and as Owner of all Units referenced herein and on the Exhibits appended hereto, hereby consents to future inclusions of additional Units to be constructed by Marina Cay Estates, LLC on the Property subject to this Declaration. Such additional Units will be constructed pursuant to the Future Development Agreement attached hereto as Exhibit D. Said inclusion of additional Units will alter each Unit Owner's interest in the General Common Elements. In the event additional Units are constructed as contemplated, Declarant shall have the right and responsibility to reallocate each Unit Owner's interest in the General Common Elements, which reallocation shall be set forth on an Amendment hereto which shall be recorded in the office of the Flathead County Clerk and Recorder.

6. **Limited Common Elements:** The Limited Common Elements are those Common Elements reserved for the use of fewer than all of the Unit Owners. Without limiting the foregoing, the Limited Common Elements shall include stairways, balconies, entrances, stoops, flues, chimneys, ducts, cables, conduits, public utility lines, water, sewer, electrical, gas, cable television lines, hot and cold water pipes (all such utility pipes and lines are Limited Common Elements where they service fewer than all of the Units; where they service all of the Units, they shall be General Common Elements), boilers, hot water tanks and fixtures, other portions of the building servicing only a particular Unit or less than all the Units, skylights and the utilities and heating contained within such individual Unit to the exclusion of the use thereof by the Owners, except by invitation.

The Limited Common Elements shall also include Docks and Boatslips. The Docks and Boatslips are hereby comprised of ten (10) Boatslips as depicted on Exhibit B-2 attached hereto, and designated as Limited Common Elements and are reserved for the use of a certain Unit or number of Units to the exclusion of other Units. Declarant hereby specifically reserves the right to sell additional Boatslips to the Association to be designated as Limited Common elements or to further develop the waterfront of the Property subsequent to the filing of

this Declaration. The proceeds of any such future sale shall inure solely to Declarant and shall not be subject to any claim by any Unit Owner(s). No Boatslip shall be construed as reserved and allocated to any Unit as a Limited Common Element unless specifically designated pursuant to future Amendment(s) of this Declaration or an Assignment executed by Declarant in favor of a Unit Owner pertinent to any such Boatslip. No Boatslip may be leased, rented or otherwise utilized by any person other than a Unit Owner or anyone utilizing the Unit of the Unit Owner entitled to the use of a Boatslip. No Boatslip may be used for commercial purposes. As used herein, "commercial purposes" includes any service or activity for which remuneration is provided. Notwithstanding any provisions of this Declaration to the contrary, the restrictions on use of Limited Common Elements in this Section 6 shall not apply to the Declarant.

No shore stations or other improvements shall be allowed to be placed in or near the Dock structure or Boatslips.

Subsequent to Declarant's allocation of Boatslips to various Units as Limited Common Elements, the Unit Owner to whose Unit said Limited Common Element is appurtenant shall be entitled to convey the right to the use of said Limited Common Element to any other Unit Owner to be appurtenant to said transferee Unit Owner's Unit. Said transfer shall be pursuant to a written form approved by the Board of Directors of the Association who shall keep detailed records of the ownership of said Limited Common Element use rights. The foregoing shall only apply to Boatslips and no other Limited Common Element. Declarant may allocate the Limited Common Elements referred to in the immediately preceding sentence by Deeds of Conveyance to be recorded with the Flathead County Clerk and Recorder. In no event shall a Unit Owner be entitled to transfer the right to the use of any such Limited Common Element to anyone other than a Unit Owner to be appurtenant to the Unit of said Unit Owner.

The Driveways are hereby designated as Limited Common Elements. The Driveways are reserved for the use of the Unit to which the Driveway is immediately appurtenant. No Driveway shall be construed as reserved and allocated to any Unit except the Unit to which said Driveway is immediately appurtenant. No Driveway may be leased, rented or otherwise utilized by any person other than a Unit Owner or anyone utilizing the Unit of the Unit Owner entitled to the use of the Driveway. No Driveway may be used for commercial purposes.

The Parking Spaces, numbered as set forth on Exhibit A1, attached hereto, are hereby designated as Limited Common Elements and are hereby reserved for the use of the Unit designated as follows:

Unit 2	-	Parking Space No. 9
Unit 4	-	Parking Space No. 8
Unit 6	-	Parking Space No. 7
Unit 8	-	Parking Space No. 21
Unit 10	-	Parking Space No. 17
Unit 12	-	Parking Space No. 16
Unit 20	-	Parking Space No. 18
Unit 21	-	Parking Space No. 24
Unit 22	-	Parking Space No. 25

No Parking Space shall be construed as reserved and allocated to any Unit as a Limited Common Element unless specifically designated pursuant hereto. No Parking Space may be leased, rented or otherwise utilized by any person other than a Unit Owner or anyone utilizing the Unit of the Unit Owner entitled to the use of a Parking Space. No Parking Space may be used for commercial purposes.

The room depicted as "Limited Common Element to Unit No. 23" on Exhibit A20, attached hereto and by this reference incorporated herein, is hereby designated a Limited Common Element appurtenant to Unit 23 and is hereby reserved for the use of Unit 23 only, to the exclusion of all other Units. The room depicted on Exhibit A20 shall not be construed as reserved and allocated as a Limited Common Element to any Unit other than Unit 23.

The Fuel Tank and all lines and improvements attached thereto, depicted on Exhibit F, attached hereto and by this reference incorporated herein, is hereby designated as a Limited Common Element appurtenant to Unit 23 and is hereby reserved for the use of Unit 23 only, to the exclusion of all other Units. The Fuel Tank shall not be construed as reserved and allocated as a Limited Common Element to any Unit other than Unit 23.

That triangular portion of the Property located in the northeastern corner of the Property is depicted and designated as "Limited Common Element to Unit No. 23" on a copy of Certificate of Survey 16045, which copy is attached hereto as Exhibit A21 and by this reference incorporated herein. Said triangular portion of the Property shall be and is hereby designated as a Limited Common Element attached to and reserved for the use

of Unit 23 to the exclusion of all other units. Said Property is so designated in order for the Owner of Unit 23 to place signage on said Limited Common Element.

7. **Use of Units and Elements:** The Units and Common Elements shall be occupied and used in accordance with the following:

a. A Unit Owner shall occupy and use his, her or its Unit as a single-family, private residence and only for his, her or its family, guests, lessees or invitees. Nothing herein shall prohibit the ownership of a Unit by an entity such as a partnership, limited liability company or corporation or the co-ownership or fractional ownership of a Unit by more than one individual. Unit Owners shall be entitled to rent or lease their Units subject to any restriction that may be adopted by the MC Estates Condominium Owners Association, Inc. However, said Units shall not be used for any commercial business enterprise. Notwithstanding the foregoing or any other provision to the contrary contained herein, Unit No. 23 will be used by its Owner for purposes of managing the Property and no prohibition concerning commercial use shall apply to Unit No. 23.

b. Unit Owners shall be entitled to rent or lease their Units; provided, however, Owners may only rent or lease their Unit if they utilize the services of a rental agent authorized by the Board. Additionally, Owners, or their Board approved rental agent, are required to notify Management Company in writing of the name, address, expected check-in time and date, and expected check-out time and date of any person renting or leasing Owner's Unit prior to the expected arrival time. Management Company is specifically authorized to deny the check-in of any person whose name has not been furnished to Management Company prior to the expected arrival time. Management Company is further specifically authorized to deny the check-in of any person into a Unit whose Owner has not furnished Management Company with the evidence of Owner's insurance required below.

i. Any Owner renting or leasing their Unit in accordance with this Section shall, at Owner's expense, acquire and maintain in effect with respect to the Unit, (i) bodily injury and property damage liability insurance with a combined single limit of not less than $1,000,000 per occurrence, (ii) coverage insuring the contents of the Unit against fire and other casualties, and (iii) any other coverage required under this Declaration. All such policies and coverages shall be underwritten by an insurance company reasonably acceptable to the Board. The Association and the Board shall not be held liable for any damage to or destruction of Owner's property, including but not limited to damage to furniture, equipment, appliances or any other property used or retained by Owner in the Unit. Any and all deductible or co-insurance payments related to a claim by or against Owner shall be the sole responsibility of Owner. In furtherance of this paragraph, any Owner renting or leasing their Unit in accordance with this Section shall deliver to the Management Company certificates of insurance certifying that (i) the above-described insurance coverages are in full force and effect, (ii) the Board and the Management Company will receive at least thirty (30) days advance written notice before any such insurance policy is canceled for any reason, including without limitation any failure by Owner to pay any premium or to renew any insurance policy, and (iii) Management Company, the Declarant, and the Association will be named as additional insureds on such policies. Such certificates of insurance will be delivered to the Management Company Rental Manager prior to the first rental or lease of the Unit and on an annual basis thereafter.

ii. It is the intent of this Declaration that the Condominium will be maintained as a residential condominium operated in accordance with a First Class Standard and that the rental of the Units shall be accomplished in a manner that provides the benefit of rental to Owners while at the same time reducing any disruption to the use and enjoyment of other Units and the Condominium by other Owners, guests, transient renters, long term tenants and occupants. This goal will be accomplished at the Condominium by means of a review and approval process to be managed by the Board to ensure that authorized rental agents understand the goals of the Condominium and its Owners, the residential nature of the Condominium, the desire to maintain the First Class Standard in all regards, and the manner in which rental and check-insurance must be accomplished at the Condominium, including the requirements that all persons, including Owners, are required to check in with the Management Company so that the Management Company at all times knows which persons are entitled to use the Condominium Property. For those Owners properly using the services of an authorized rental agent, the right of an Owner to lease or rent his Unit shall not be subject to the approval of the Association; however, any lease or rental arrangement will be deemed to be an acknowledgment and consent on the part of the lessee-sublessee-tenant to use, occupy and possess such Unit in conformance and compliance with the provisions of this Declaration, as well as the Articles of Incorporation, Bylaws, and the Condominium Rules and Regulations.

Any lease or rental arrangement shall also be deemed to contain a provision requiring that any sums due to the Association as assessments must be deducted from the gross rentals and paid directly to the Association. Management Company is specifically authorized to prohibit the check-in of any person who has been procured by a rental agent that has not been authorized by the Board.

iii. Any person or entity desiring to become an authorized rental agent shall make application to the Board for approval and demonstrate compliance with the following criteria, and any additional criteria that may be established by the Board from time to time:

(1) Rental agent has at least five (5) years experience in Flathead County of renting or managing transient occupancy units.

(2) Rental agent has a good reputation in the transient rental and management business.

(3) Rental agent has demonstrated its existing capability to obtain suitable renters for a transient rental product in Flathead County.

(4) Rental agent has read and has demonstrated an understanding of this Declaration, the Condominium Rules and Regulations, and all other governing documents for the Condominium.

(5) Rental agent has demonstrated an understanding of the check-in and check-out procedures of the Condominium, and has met with the Management Company to go over such procedures.

(6) Rental agent has demonstrated an understanding of the First Class Standard to which the Condominium will be operated and the clear goal of the Owners to avoid rowdy and disturbing behavior by any person, including renters, at the Condominium that would disturb the quiet and peaceful enjoyment of the Condominium by the Owners.

(7) Rental agent agrees that, should Management Company advise Rental agent that its renter is not complying with this Declaration, the Condominium Rules and Regulations, or any other governing document of the Condominium, Rental agent will be responsible for ensuring the immediate compliance of renter with such governing documents and, if the Management Company determines it necessary, to locate alternate accommodations for such renter.

(8) Rental agent agrees to advise all potential renters of: (i) the residential nature of the Condominium and the manner in which all renters shall be required to conduct themselves, (ii) the required check-in and check-out procedures of the Condominium, and (iii) the ability of Management Company to terminate their occupancy in the event of their failure to comply with the governing documents of the Condominium.

(9) Rental agent agrees that it will notify Management Company prior to the expected arrival time of any person to whom rental agent has rented a Unit.

iv. The Board shall reasonably and timely review and approve rental agents that meet the criteria to become a Board authorized rental agent. Furthermore, should any rental agent fail to adhere to the criteria expressed above, the Board may withdraw a rental agent's approval at any time. At the time of the recording of this Declaration, **BAY CLUB, INC.** is the only Board-approved rental agent.

v. The goal that this Condominium will be maintained as a residential condominium operated in accordance with a First Class Standard and that the rental of the Units shall be accomplished in a manner that provides the benefit of rental to Owners while at the same time reducing any disruption to the use and enjoyment of other Units and the Condominium by other Owners, guests, transient renters, long term tenants and occupants shall further be accomplished by requiring all Owners intending to rent their Units to furnish, equip, and maintain their Unit in accordance with the First Class Standard prior to each rental. The Management Company shall recommend from time to time, and the Board shall adopt, a furniture package, equipment package, and amenities package meeting the First Class Standard that must be provided by each Owner to each rental guest prior to renting the Owner's Unit. By requiring each Owner to comply with this requirement, it is anticipated that all tenants guests will benefit from a

more uniform stay at the Condominium and that disruptions caused by tenants and guests will be minimized to the greatest extent practicable due to dissatisfaction with accommodations provided by individual Owners. This Section 7.b may not be amended without the affirmative vote of seventy-five percent (75%) of all Owners.

c. No Unit Owner shall permit the obstruction of the General Common Elements or the storage of any item in or on the General Common Elements without prior consent of the Association.

d. Each Unit Owner shall maintain and repair his, her or its Unit.

e. No Unit Owner shall permit any activity in any Unit or in the Common Elements which will increase the rate of insurance of the Property without the prior written consent of the Association. Furthermore, no Unit Owner shall permit any activity in any Unit or in the Common Elements which will result in the cancellation of insurance on the Property or which would be in violation of any law.

f. No Unit Owner shall permit any nuisance or any practice which may be a source of annoyance to other Unit Owners or which interferes with the peaceful possession and proper use of the Property by the Unit Owners. No Unit Owner shall permit any immoral, improper, offensive or unlawful use to be made of the Property. Each Unit Owner shall observe all valid laws, zoning ordinances and regulations of all applicable governmental entities.

g. Neither any Unit Owner nor the Association shall alter the Common Elements or Limited Common Elements or permit the construction of anything within the Common Elements or Limited Common Elements except upon the vote of a majority of the members of the Association and the consent of the Declarant so long as Declarant owns any Unit for sale in the ordinary course of Declarant's business.

h. No Unit Owner shall permit any act in any Unit or in the Common Elements which will impair the structural integrity of the Property or will structurally change the Property except as otherwise provided in this Declaration.

i. The Association shall maintain the exterior of all Common Elements and shall decorate and maintain all General Common Elements. The Association shall not alter and no Unit Owner shall maintain, decorate or landscape the exterior of the General Common Elements except upon the vote of a majority of the members of the of the Association and the consent of Declarant so long as Declarant owns any Units for sale in the ordinary course of Declarant's business.

j. Notwithstanding anything to the contrary contained herein, no Unit Owner shall be entitled to cause signage to be placed in or on the exterior portion of any building or on any other Common Element with the exception of a "For Sale" sign, which may be placed inside a window of a Unit.

k. All determinations as to the construction and interpretation of the provisions included in this Declaration shall require the vote of a majority of the Board of Directors and the consent of Declarant so long as Declarant owns any Units for sale in the ordinary course of Declarant's business. All determinations made in accordance with this paragraph and set forth in writing shall be subject to appeal to a court of competent jurisdiction.

l. Notwithstanding anything to the contrary contained herein, Declarant reserves the right to place signage on the property for purposes of marketing the Units and further reserves the right to use one or more Units owned or leased by Declarant for non-residential purposes until all Units contemplated to be constructed are completed and sold by Declarant.

m. Parking of trailers and recreational vehicles on the Property is prohibited. The Association and Declarant are hereby authorized to tow, without notice, any unauthorized trailers and recreational vehicles at the owner's sole expense.

n. No pet will be allowed in any Unit that is a potentially dangerous animal. Dogs that are "Pit Bull" breeds will not be allowed on the Property. Exotic pets shall not be boarded by any MC Unit Owner or renter. This includes, but is not limited to, reptiles (snakes or lizards), poultry (chickens, ducks, etc.) and rabbits. Exotic birds such as canaries and parakeets may be boarded in a Unit. Pets must be maintained in such a way that they do not become a nuisance to other residents. No more than two (2) pets will be boarded in a Unit. All pets will be leashed and attended by the pet owner when on the exterior of the Unit. No leash will be longer than ten (10) feet. No unattended pet will be staked or chained to any object (tree, shrub, fence, building, garage or carport, etc.) in the Common Areas. No structure will be constructed on the exterior of a building or attached to a patio railing for the purpose

of boarding or sheltering pet(s). The Owner of a Unit in which a pet(s) is boarded will be responsible for any property damage, injury, or disturbance caused by such Owner's animals, including damages done by pet(s) to other Unit(s) and personal property, as well as to Common Areas (grass, trees, shrubs, flowers, fences, buildings, etc.). All pet owners will be required to remove pet excrement immediately from common areas, and pet owners cannot have their pets "do their business" within thirty (30) feet of the entrances and sidewalks of the buildings. Any person keeping an animal inside a private patio area shall be responsible for maintaining the area in a sanitary manner to prevent odors and excrement from offending other Owners/tenants. The owner of any animal found to be malicious, vicious, noisy or obnoxious, which may include but is not limited to biting, frightening fellow residents, fighting with other pets, and chronic barking at other Owners, renters, visitors or guests on the Property may be ordered to expel the animal from the Property.

o. The Association may establish additional rules and regulations for the operation, use, occupancy and enjoyment of the Property, upon consent of Declarant so long as Declarant owns any Units for sale in the ordinary course of Declarant's business.

8. **Administration:** The administration of MC Estates Condominium shall conform with the provisions of this Declaration and with the provisions of the Bylaws attached hereto as Exhibit E and by this reference incorporated herein.

The obligation of each Unit Owner to pay a percentage of the Common Expenses assessed by the Association shall commence immediately after the recording of the Declaration with the Clerk and Recorder of Flathead County, Montana.

The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of those features and parts of the Common Elements that the Association shall maintain in accordance with this Declaration. The Association shall maintain the fund from the regular assessments for Common Expenses.

9. **Reservation unto Declarant:** Declarant submits the real property described in Section 2 hereof to the Montana Unit Ownership Act, reserving unto itself the right to expand the number of Units to be included in MC Estates Condominium. Declarant also reserves unto itself the right to amend this Declaration consistent with these provisions including, but not limited to, the construction and allocation of Boatslips as set forth in Section 6 hereof. In this regard, Declarant has or will enter into a Future Development Agreement with MC Estates Condominium Owners Association, Inc. identical to that attached hereto as Exhibit D.

In this regard, Declarant reserves the right to alter, modify, build upon or change all Common Elements, both General and Limited, pursuant to Declarant's right to construct additional buildings containing Units or other improvements as provided in this Section 10 until such time as a final Amendment to this Declaration, designated as such, has been recorded. Prior to recordation of such final Amendment, no person or entity whatsoever shall have any right to object to or in any way contest any alteration, modification or change to any of the Common Elements, whether General or Limited, resulting from, caused by or in connection with Declarant's right and privilege to construct additional buildings containing Units or to amend this Declaration in the manner contemplated herein.

Each person or entity who may become an Owner of any Unit does hereby irrevocably appoint Declarant as such Owner's agent to execute such Amendment or Amendments to this Declaration and the Bylaws of MC Estates Condominium Owners Association, Inc. as Declarant, in its sole discretion, may, for purposes of exercising its reservation of development rights and allocation of Limited Common Elements relative to the Property, deem necessary. The agency created hereby is non-revocable and constitutes a power coupled with an interest until such time as Declarant completes the construction of all condominium Units planned to be constructed on the Property. The agency hereby created shall be binding upon the heirs, executors, personal representatives, administrators, successors and assigns of all Unit Owners.

10. **Revocation or Amendment of Declaration Provisions:** Neither the Unit Owners nor the Directors shall revoke or amend any of the provisions of this Declaration unless seventy-five percent (75%) of all Unit Owners agree to the revocation or Amendment by duly recorded instrument. The Board of Directors shall record all Amendments in the office of the Clerk and Recorder of Flathead County, Montana. Notwithstanding the foregoing, Declarant reserves the right to amend and completely restate this Declaration without the consent of any Unit Owners until such time as all condominium buildings proposed to be constructed on the Property are actually constructed and one hundred percent (100%) of all condominium Units are sold, conveyed, transferred, or otherwise disposed of by Declarant. Notwithstanding anything to the contrary contained herein, the Unit Owners shall not have the right to revoke or amend any portion of this Declaration in accordance with the foregoing until such time as Declarant constructs all condominium buildings proposed to be constructed and

one hundred percent (100%) of all condominium Units are sold, conveyed, transferred or otherwise disposed of by Declarant.

11. **Assessments:** The Association shall levy assessments upon all Unit Owners for the purposes and in the manner provided in the Bylaws of the Association. No Unit Owner may exempt him or herself from liability for the assessments by waiving his, her or its right to use or enjoy the Common Elements or by abandonment of his, her or its Unit.

The Association or Declarant shall require the first Owner of each Unit to make a separate, non-refundable contribution to the Association in an amount equal to three (3) times the monthly Common Expense assessment against that Unit in effect at the closing thereof. Said contribution shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Unit and shall be maintained in a segregated account with other such working capital funds for the use and benefit of the Association including, without limitation, to meet unforeseen expenditures or to purchase additional equipment. Such contribution to working capital funds shall not relieve an Owner from making regular payments of assessments as the same become due. Under no circumstances shall the Declarant utilize any working capital funds of the Association to defray any of Declarant's expenses, reserve contributions or construction costs to make up any budget deficit while it is in control of the Association.

Assessments shall be made for the repair, replacement, general maintenance, management and administration of the Common Elements, fees, costs and expenses of the Manager, taxes for the Common Elements, if any, and for the Unit Owner's percentage share of any Special Improvement District assessments. Assessments shall be based upon and computed by using the percentage of interest that each Unit Owner has in the Common Elements.

Assessments may also be made for the payment of Limited Common Element expenses such that the Unit Owners are chargeable only for the expenses relating to their respective Units or buildings. Unit Owners shall share in the payment for Limited Expenses for the repair, maintenance and replacement of Limited Common Elements of their respective Units in accordance with the percentage the Unit or Units have in Limited Common Elements for which the assessment is being made. If only one Unit is associated with the Limited Common Element(s) involved, the entire cost of such repair, maintenance or replacement shall be borne by that Unit.

Assessments may also be made for any purpose contemplated by this Declaration and for any purpose set out in the Montana Unit Ownership Act.

In a voluntary conveyance of a Unit, the Grantee of the Unit shall be jointly and severally liable with the Grantor for all unpaid assessments by the Association against the latter for his, her or its share of the Common Expenses up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. However, any such Grantee shall be entitled to a statement from the Manager or Board of Directors of the Association, as the case may be, setting forth the amount of said unpaid assessments against the Grantor due the Association, and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the Grantor in excess of the amount therein set forth.

Any assessments, charges, costs or fees provided for in this Declaration including, without limitation, any default assessment arising under the provisions of this Declaration, or any monthly or other installment thereof, which is not fully paid within ten (10) days after the due date thereof shall bear interest from the due date at the highest rate of interest allowed pursuant to Montana law. Further, the Association may bring an action at law or in equity, or both, against any Owner personally obligated to pay such overdue assessments, charges, costs or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Owner's Unit. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid assessments, charges, costs or fees, or any monthly or other 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 any such assessment, charge, cost or fee, or monthly or other installment thereof, is not fully paid when due and the Association shall commence such an action (or shall counterclaim or cross-claim for such relief in any action) against any Owner personally obligated to pay the same, or shall proceed to foreclose its lien against the particular Unit, all unpaid assessments, charges and fees, and all unpaid monthly or other installments thereof, and any and all late charges and accrued interest under this Paragraph, the Association's costs, expenses and reasonable attorneys' fees incurred for preparing and recording any lien notice, and the Association's costs of suit, expenses and reasonable attorneys' fees incurred for any such action and/or foreclosure proceeding, shall be taxed by the Court as part of the costs of any such action or foreclosure proceeding and shall be recoverable by the Association from any Owner personally obligated to pay the same and from the proceeds of the foreclosure sale of such Owner's Unit. 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, charges, costs or fees, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase any Unit 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.

The lien created pursuant to this Section 11 shall have priority to all other liens except: (a) liens for real estate taxes assessed against the Unit; and (b) any first mortgage or trust indenture of record. Any unpaid assessments, charges, costs or fees provided for in the Declaration shall constitute a lien on the Unit of a delinquent Owner.

12. **Insurance:**

a. The Board of Directors shall purchase comprehensive general liability and property damage insurance as promptly as possible following its election or appointment and shall maintain the insurance in force at all times. The Association shall pay the premiums out of the maintenance fund created pursuant to the Bylaws. The Board of Directors shall purchase insurance with coverage limits of at least $2,000,000.00 for bodily injury, including death and property damage, arising out of a single occurrence. The Board of Directors shall purchase the insurance from reputable companies authorized to do business in the State of Montana. The policy or policies shall name as insured Declarant and Manager (if any), all the Unit Owners and the Association. The policy or policies shall insure against loss arising from perils in both the Common Elements and the Units and shall include contractual liability coverage to protect against liabilities as may arise under the contractual exposures of the Association or the Board of Directors.

b. The Board of Directors shall purchase fire and other hazard insurance as promptly as possible following its election or appointment and shall maintain the insurance in force at all times. The Board of Directors shall pay the premiums as Common Expenses out of the assessments collected pursuant to the Bylaws. The insurance shall cover all Common Elements and improvements and shall have coverage limits equal to 100% of the current replacement costs of the Property exclusive of land and other items normally excluded from coverage. The policy or policies shall provide for the issuance of certificates or endorsements as may be required. The policy or policies shall insure against loss from perils in both the Common Elements and the Units, except as they may be separately insured. The policy or policies shall contain extended coverage, vandalism and malicious mischief endorsements. If reasonably available, the policy or policies shall contain a stipulated amount clause, determinable cash adjustment clause or similar clause to permit a cash settlement covering specified value in the event of destruction of the Property and a decision not to rebuild. The policy or policies shall name as insured all of the Unit Owners and the Association. The policy or policies shall also cover any personal property owned in common by the Unit Owners and shall further contain a waiver of subrogation rights by the carrier as to negligent Unit Owners. Any casualty insurance policy obtained by the Association shall contain a provision prohibiting a reduction in the amount payable under the policy as a result of any casualty insurance proceeds payable to a Unit Owner under a separate policy procured by the Unit Owner.

c. All Unit Owners shall obtain and at all times maintain a Condominium Unit Owner's insurance policy insuring any improvements made to the property within a Unit, any decorated or finished surfaces, any fixtures, any personal property of the Unit Owner and personal liability. The Board of Directors or the Association may require all Unit Owners to provide to the Board or the Association certificates of such insurance or other evidence establishing compliance herewith.

d. The Board of Directors may purchase and maintain in force debris removal insurance, fidelity bonds and other insurance or bonds that it deems necessary.

e. The Board of Directors is hereby appointed the attorney-in-fact for all Unit Owners to negotiate loss adjustment on the policy or policies carried under Subsections a, b, and d of this Section 12.

f. If fire or other casualty damages or destroys any Unit or any portion of the Common Elements, all insurance proceeds paid in satisfaction of claims for any loss or losses shall be apportioned according to losses suffered by each Unit or the Common Elements and shall be paid to the Association as trustee for the Unit Owner. The insurance proceeds, whether or not subject to liens, and the proceeds of any special assessments as provided in this Declaration and the Bylaws shall be collected and disbursed by the trustee through a separate trust account on the following terms and conditions:

i. Unless a majority of the Units and Common Elements are destroyed, all damaged or destroyed Units and Common Elements shall be repaired or rebuilt, and the Board of Directors shall immediately contract to repair or rebuild the damaged portions of the Unit or Units and the

Common Elements substantially in accordance with the original plans and specifications for MC Estates Condominium. Original plans and specifications includes any Amendments/ Annexes to the original Declaration filed by the Declarant pursuant to additional development as indicated in Section 3 of this Declaration.

ii. If the Units and the Common Elements are substantially damaged or destroyed, the Board of Directors shall determine, by majority vote at a meeting duly called for that purpose, whether it will proceed with repair or reconstruction or whether the Property shall be distributed as provided for hereinbelow. In the event the Board of Directors votes to rebuild or repair, it shall prepare the necessary plans, specifications and maps and shall execute the necessary documents to effect the reconstruction or repair as promptly as practicable and in a lawful and workmanlike manner. In the event the Board of Directors votes against rebuilding or repairing the Property, the proceeds, if any, of insurance carried by the Association shall be distributed to the Unit Owners in the proportions set forth in Section 5 hereof.

iii. If the Board of Directors votes to repair or reconstruct the Common Elements, and if there is a deficiency between the insurance proceeds paid for the damage to the Common Elements and the contract price for repairing or rebuilding the Common Elements, the Board of Directors shall levy a special assessment to pay the difference. Each Unit Owner shall pay the special assessments in the proportions set forth in Section 5 of this Declaration. If any Unit Owner shall fail to pay the special assessments within thirty (30) days after the levy thereof, the Board of Directors shall pay the difference from the fund for Common Expenses and the remaining Unit Owners shall be entitled to the same remedies as those provided in Section 11 of this Declaration which covers defaults of any Unit Owner in the payment of assessments for Common Expenses.

g. The Board of Directors may provide coverage for payment of maintenance charges which are abated on behalf of a Unit Owner whose Unit is rendered untenantable by an insured peril. The maximum period of abatement of charges may not exceed four (4) months.

h. The Board of Directors shall analyze insurance coverage at least every five (5) years from the date of this Declaration and shall revise the insurance program in accordance with its analysis, if necessary.

i. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with a condemning authority for acquisition of any portion of the Common Elements. The Unit Owners hereby appoint the Association as their attorney-in-fact for that purpose. If a condemning authority takes or acquires all or part of the Common Elements, the award or proceeds of settlement shall be payable to the Association or its designated trustee to be held in trust for the Unit Owners.

j. Any restoration or repair of the Property after a partial condemnation or damage due to an insurable hazard shall conform with this Declaration and the original plans and specifications unless the Board of Directors votes otherwise.

13. **Default and Remedies:**

a. Each Unit Owner, his, her or its successors and assigns, shall be governed by and shall comply with the terms of this Declaration and the Bylaws as adopted under Title 70, Chapter 23 of the Montana Code Annotated, as well as all Amendments to this Declaration and the Bylaws as may be lawfully adopted from time to time.

b. If any Unit Owner fails to comply with any of the terms of this Declaration or the Bylaws, the Association or other Unit Owners may commence a proceeding at law or in equity to enforce the provisions of the Declaration and the Bylaws.

c. All Unit Owners shall be liable for the expense of their willful or negligent acts or the willful or negligent acts of their officers, employees, lessees, renters, licensees and invitees to the extent that those expenses are not covered by the proceeds of insurance carried by the Association. If the negligent or willful act of any of the foregoing persons causes the Association to incur repair or maintenance costs for any feature or part of the Common Elements, the Association shall assess those expenses against the Unit Owner which shall constitute a lien subject to foreclosure in accordance with Section 11 of this Declaration.

d. In any proceeding to enforce the terms of this Declaration or the Bylaws, the prevailing party shall be entitled to recover its costs, charges and expenses including reasonable attorneys' fees.

e. Failure of the Association or a Unit Owner to enforce any provision in this Declaration or the Bylaws shall in no event constitute a waiver of the right to do so thereafter.

f. All rights, remedies and privileges granted to the Association or a Unit Owner pursuant to the provisions of this Declaration and the Bylaws shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies nor shall it preclude the exercise of other and additional rights, remedies or privileges granted by this Declaration or the Bylaws or by law.

14. **Miscellaneous:**

a. The Association shall make available to all Unit Owners current copies of this Declaration, the Bylaws and other books, records and financial statements of the Association at reasonable cost to be paid by the requesting Unit Owner. Upon written request, the Association shall also make available to prospective purchasers current copies of this Declaration, the Bylaws and the most recent audited financial statement of the Association.

Upon written request from any Unit Owner, the Association shall prepare and furnish a financial statement for the immediately preceding fiscal year within a reasonable time.

b. All the provisions of this Declaration and of the Bylaws shall constitute covenants running with the land and any interest therein including, without limitation, every Unit and every Unit Owner, their successors and assigns. Every Unit and every Unit Owner, their successors and assigns, shall be bound by the provisions of this Declaration and the Bylaws.

c. Each Unit, together with its interest in the Common Elements, shall be considered a parcel of real property subject to separate assessment and taxation by any taxing authority. The Property, the improvements and the Common Elements shall not constitute a parcel of real property for purposes of taxation.

d. This Declaration shall be terminated, if at all, in the manner provided in Sections 70-23-801 through 70-23-806 of the Montana Code Annotated.

e. The County shall take no action which will adversely affect the rights of the Association with respect to the assurances against latent defects in the Property or other rights assigned to the Association, the members of the Association, their successors and their assigns.

f. Invalidation of any provision contained in this Declaration by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has caused this Second Amendment to and Complete Restatement of the Declaration of MC Estates Condominium to be executed this 14 day of August, 2008.

MARINA CAY ESTATES, LLC
BY: BAY CLUB, INC.
Managing Member

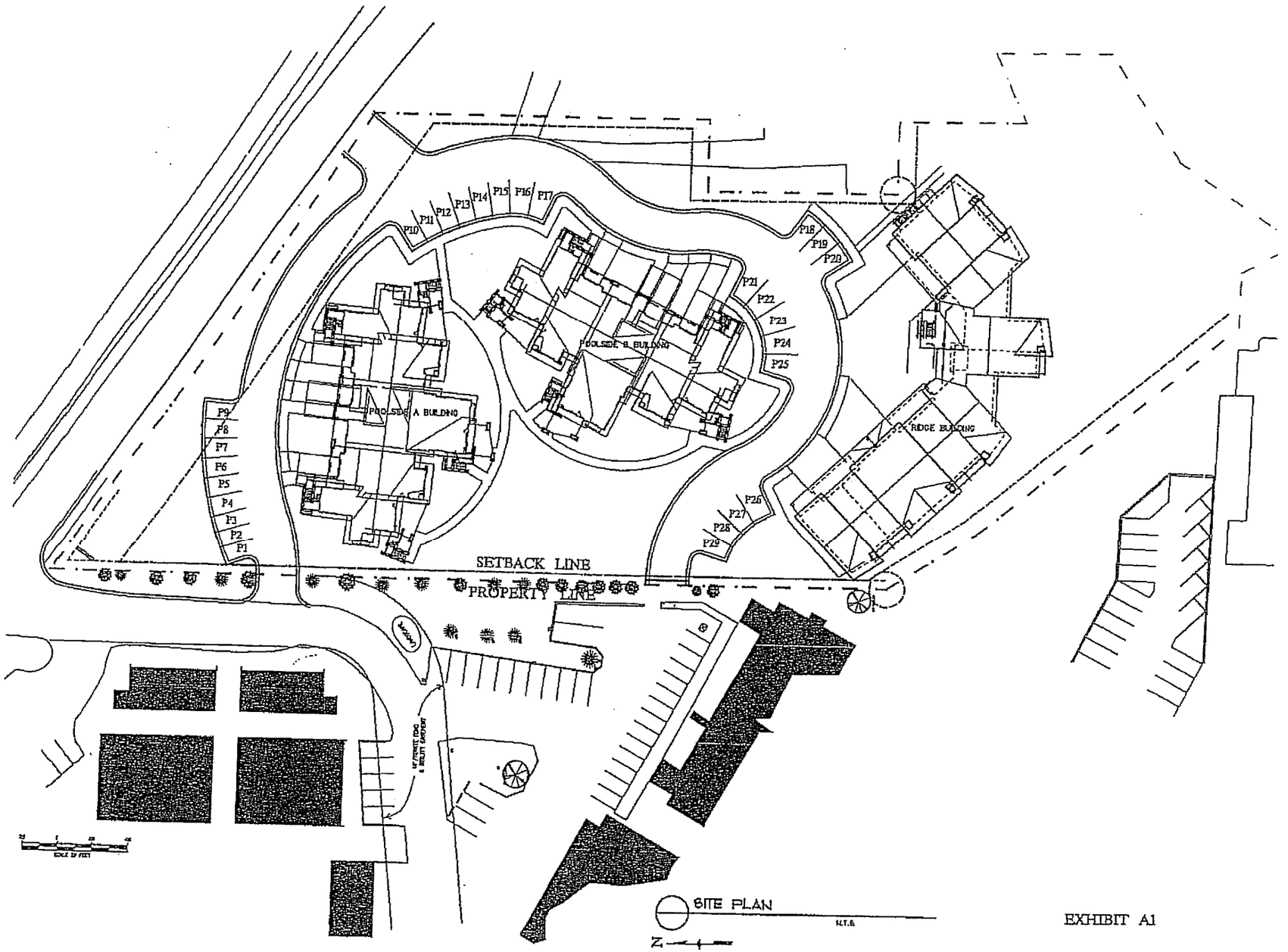
By: _____
Frederick J. Sterhan, President

STATE OF MONTANA)
) ss.
County of Flathead)

This instrument was acknowledged before me on the 14 day of August, 2008 by **Frederick J. Sterhan, as President of Bay Club, Inc., the Managing Member of Marina Cay Estates, LLC.**

PAUL A. SANDRY
NOTARIAL SEAL
STATE OF MONTANA

_____
PAUL A. SANDRY (printed name)
Notary Public for the State of Montana
Residing at KALISPELL
My Commission expires 9/25/2010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POOLSIDE A BUILDING
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RIDGE BUILDING
SETBACK LINE
PROPERTY LINE
SITE PLAN
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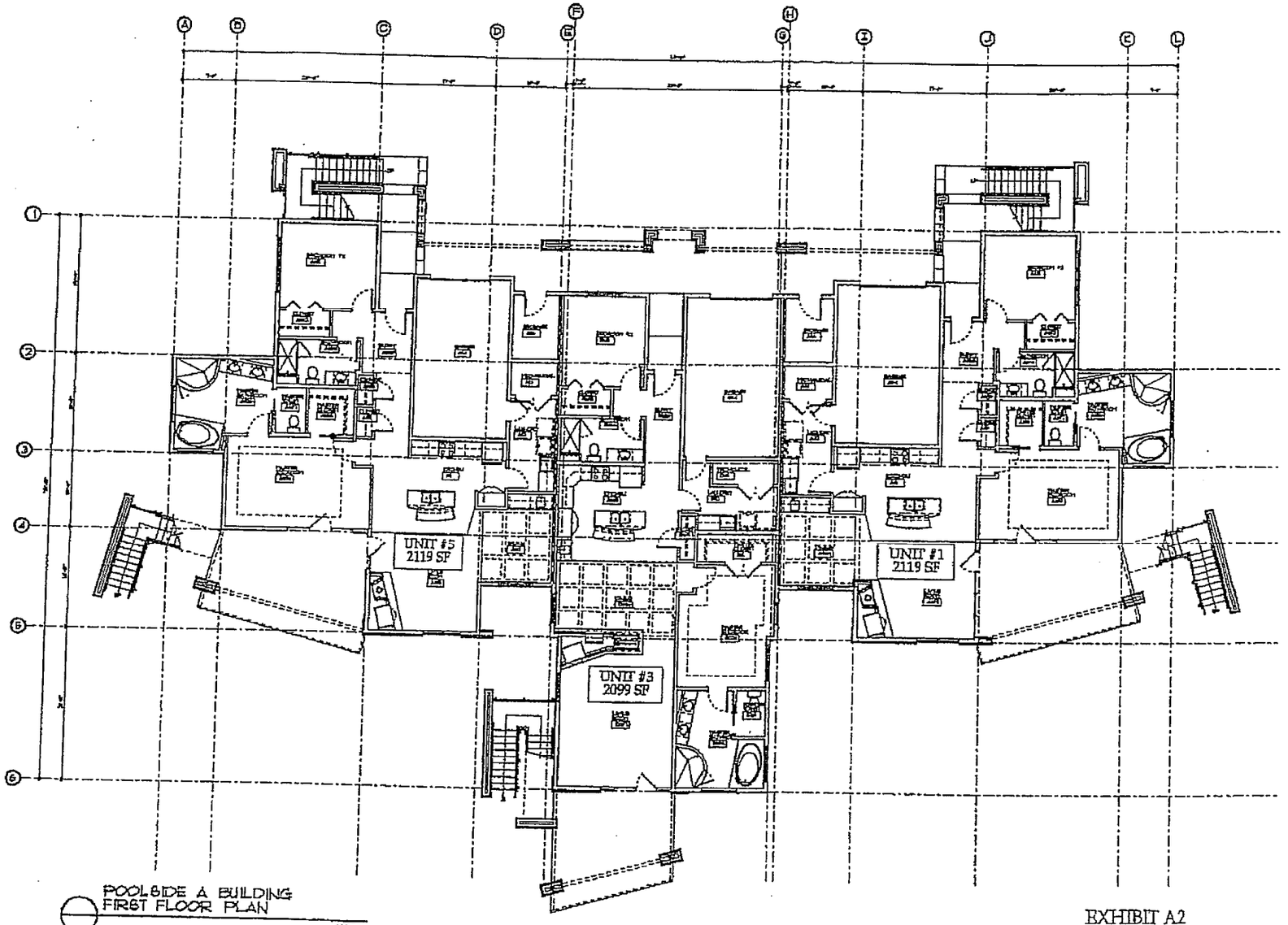
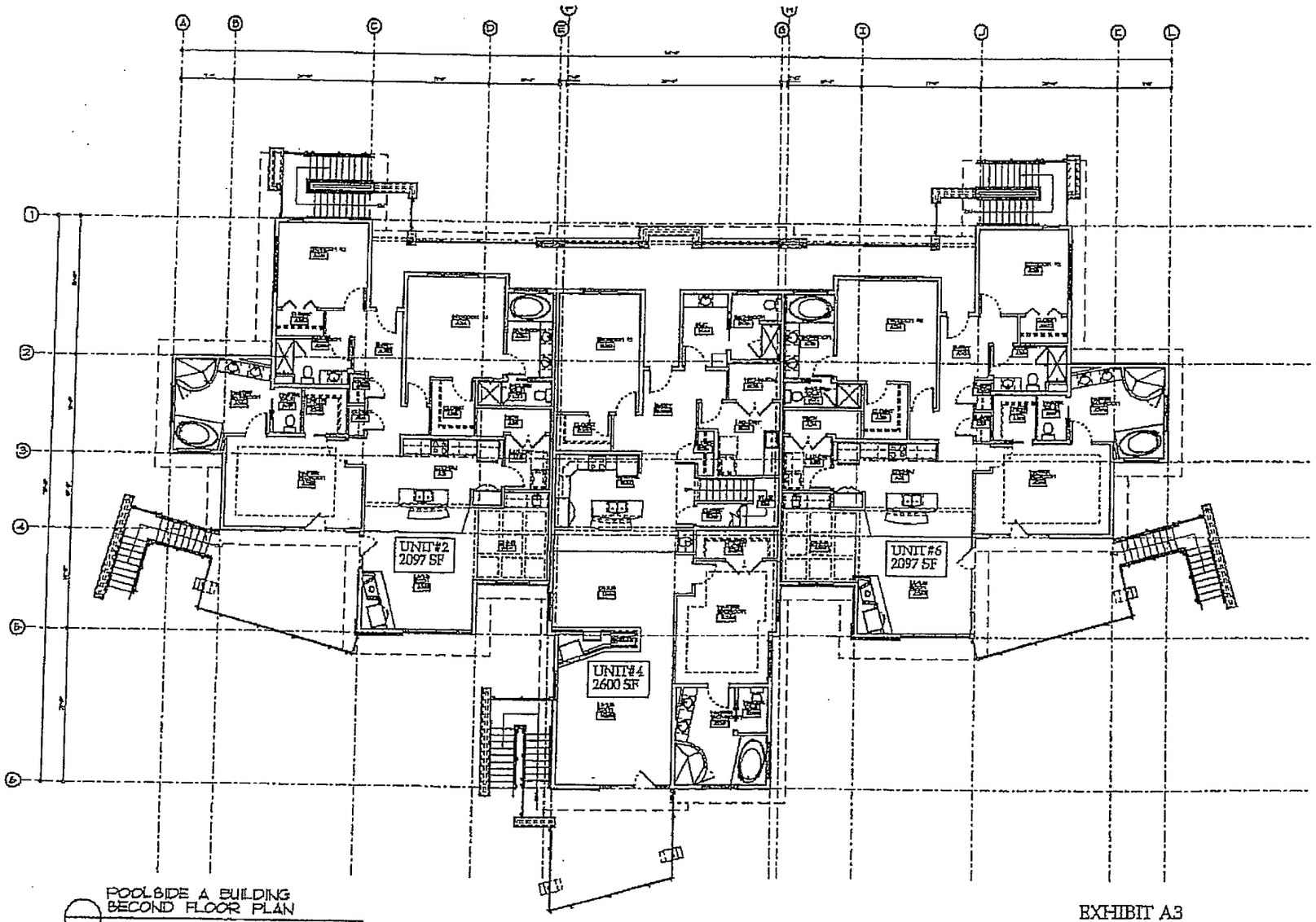
EXHIBIT A1



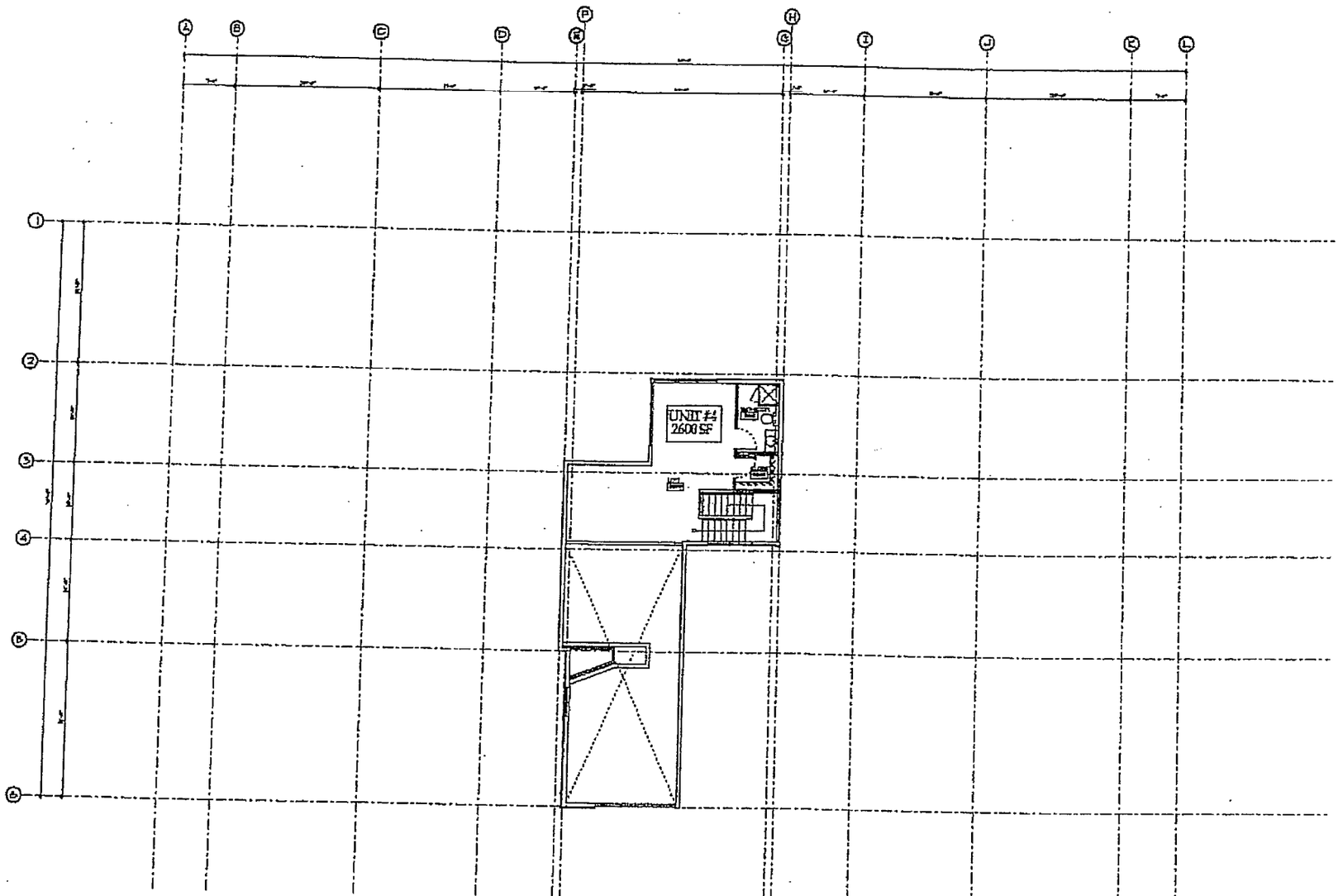
POOLSIDE A BUILDING
FIRST FLOOR PLAN

EXHIBIT A2



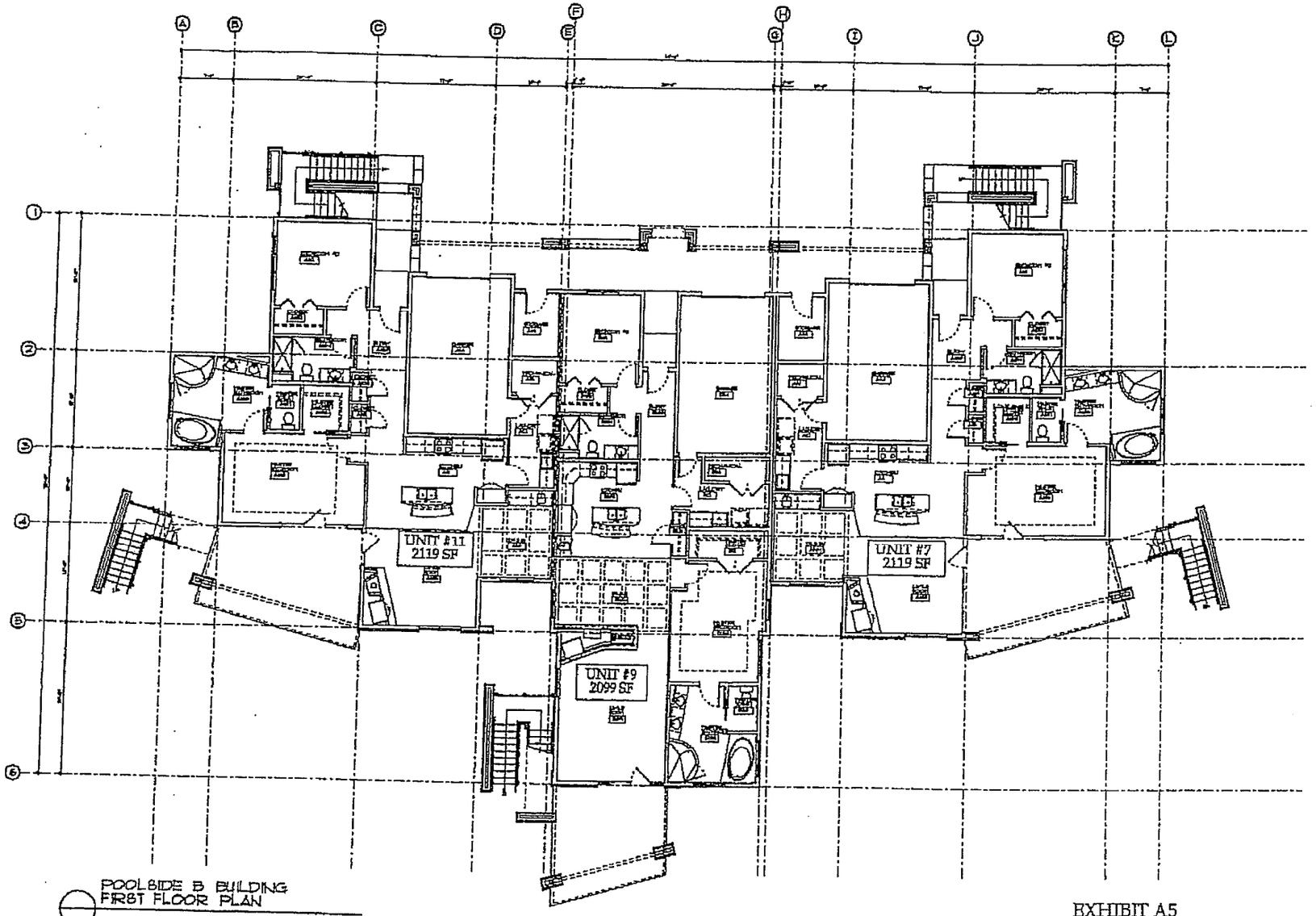
POOLSIDE A BUILDING
SECOND FLOOR PLAN

EXHIBIT A3



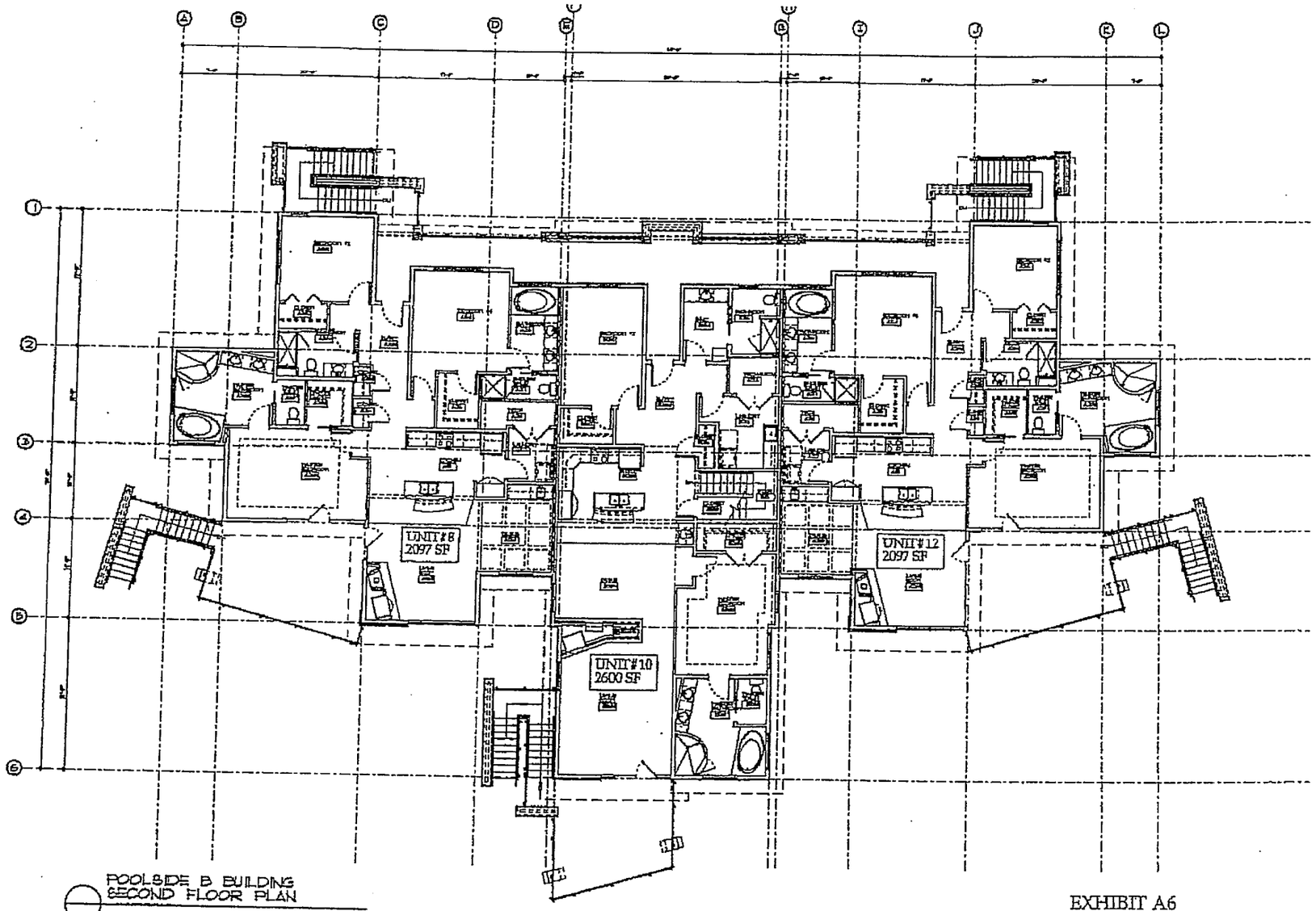
POOLSIDE A BUILDING
THIRD FLOOR PLAN

EXHIBIT A4



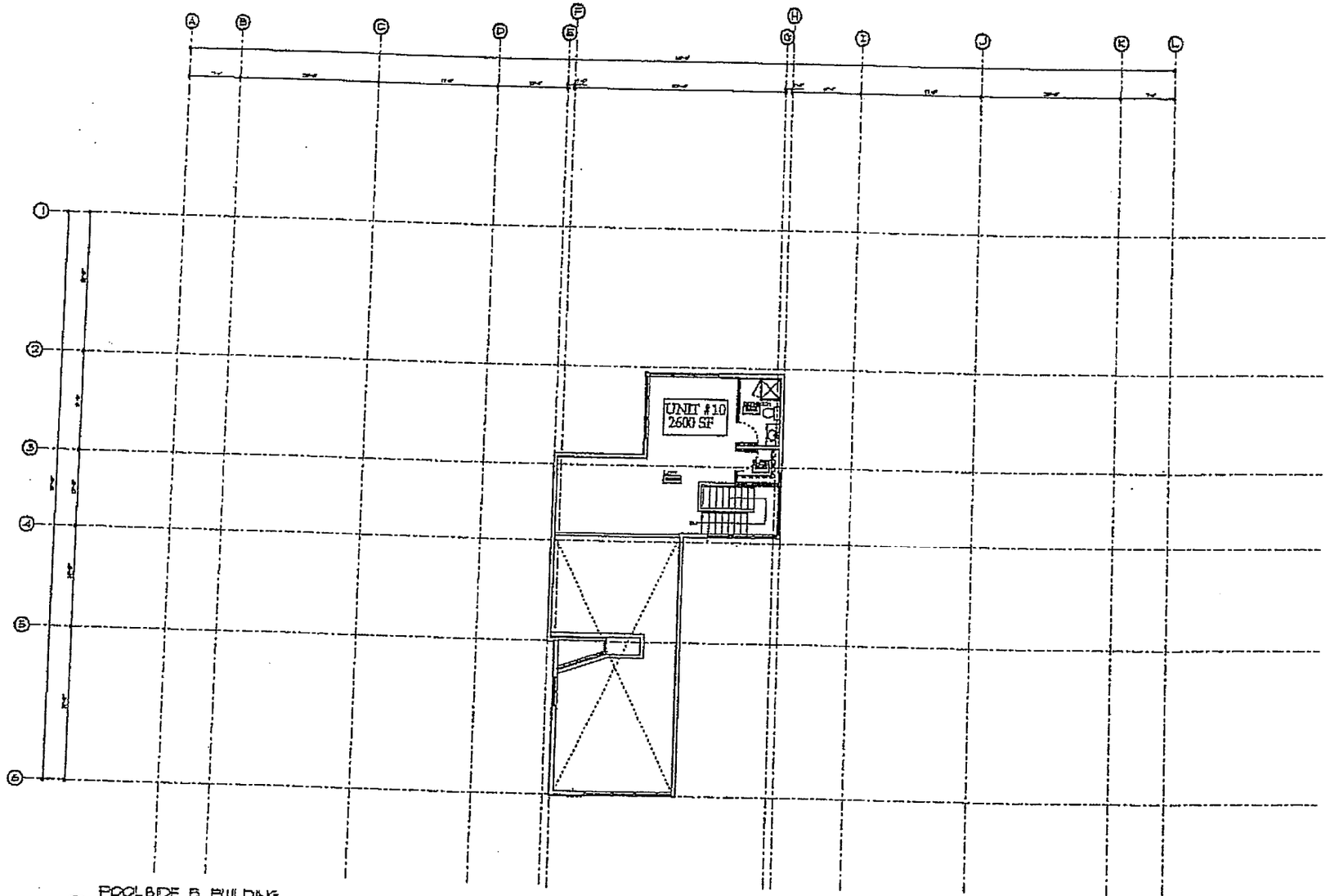
POOLSIDE B BUILDING
FIRST FLOOR PLAN

EXHIBIT A5



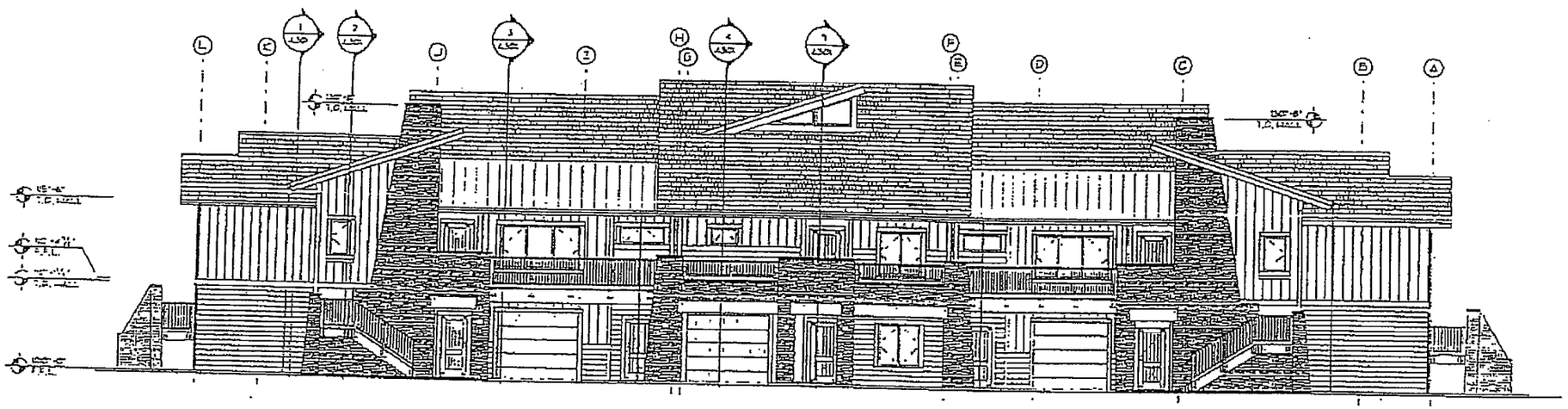
POOLSIDE B BUILDING
SECOND FLOOR PLAN

EXHIBIT A6



POOLSIDE B BUILDING
THIRD FLOOR PLAN

EXHIBIT A7



NORTH ELEVATION

EXHIBIT A8

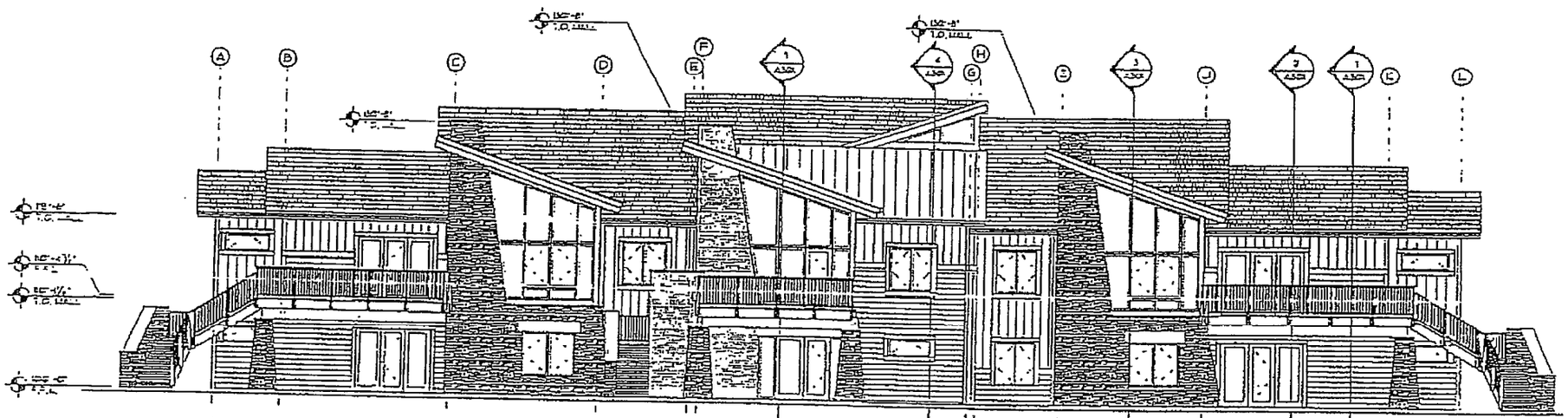
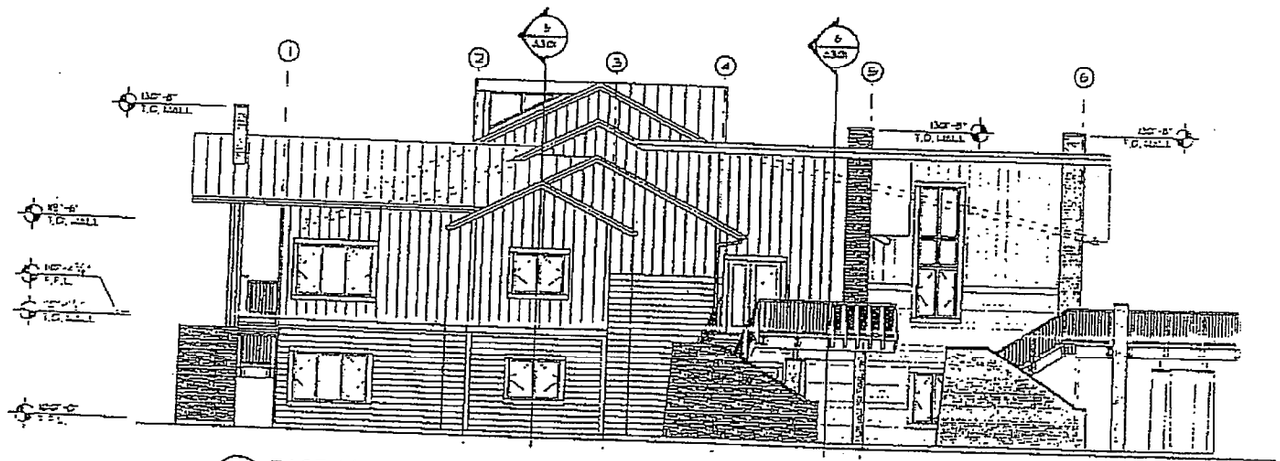


EXHIBIT A9



2 EAST ELEVATION

SCALE: 1/4" = 1'-0"

EXHIBIT A10

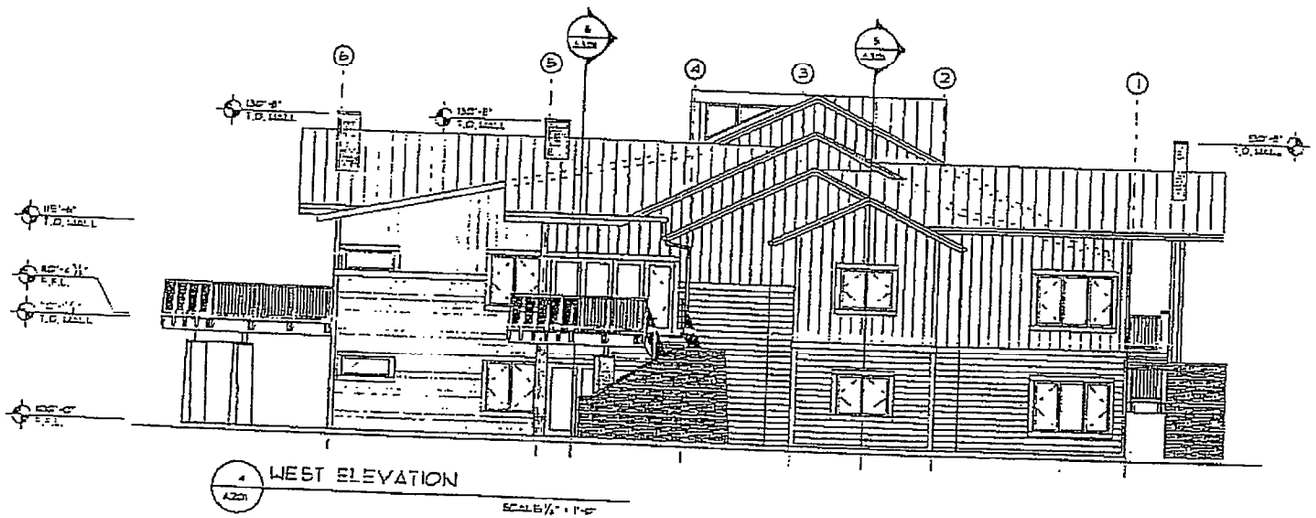
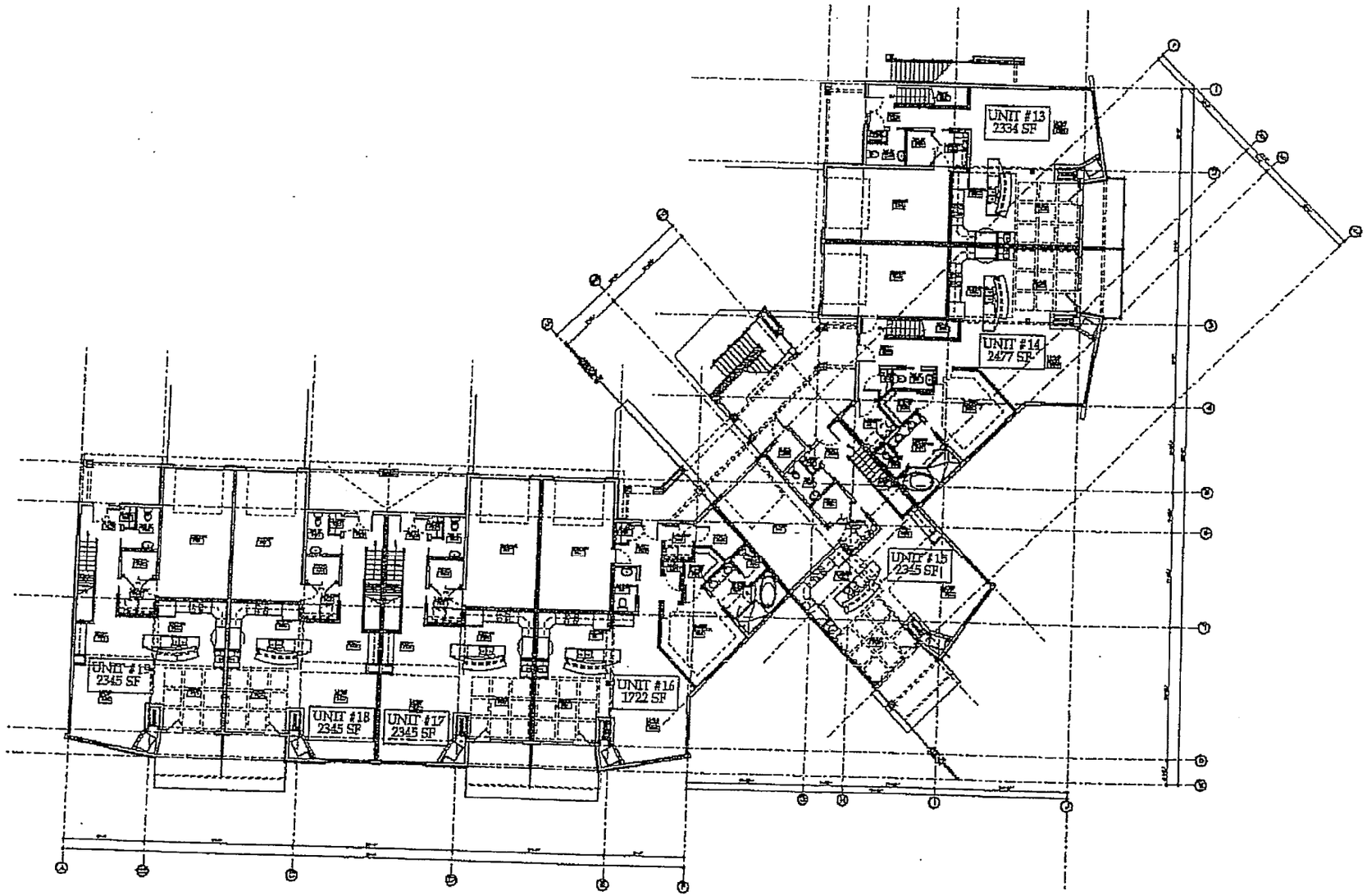
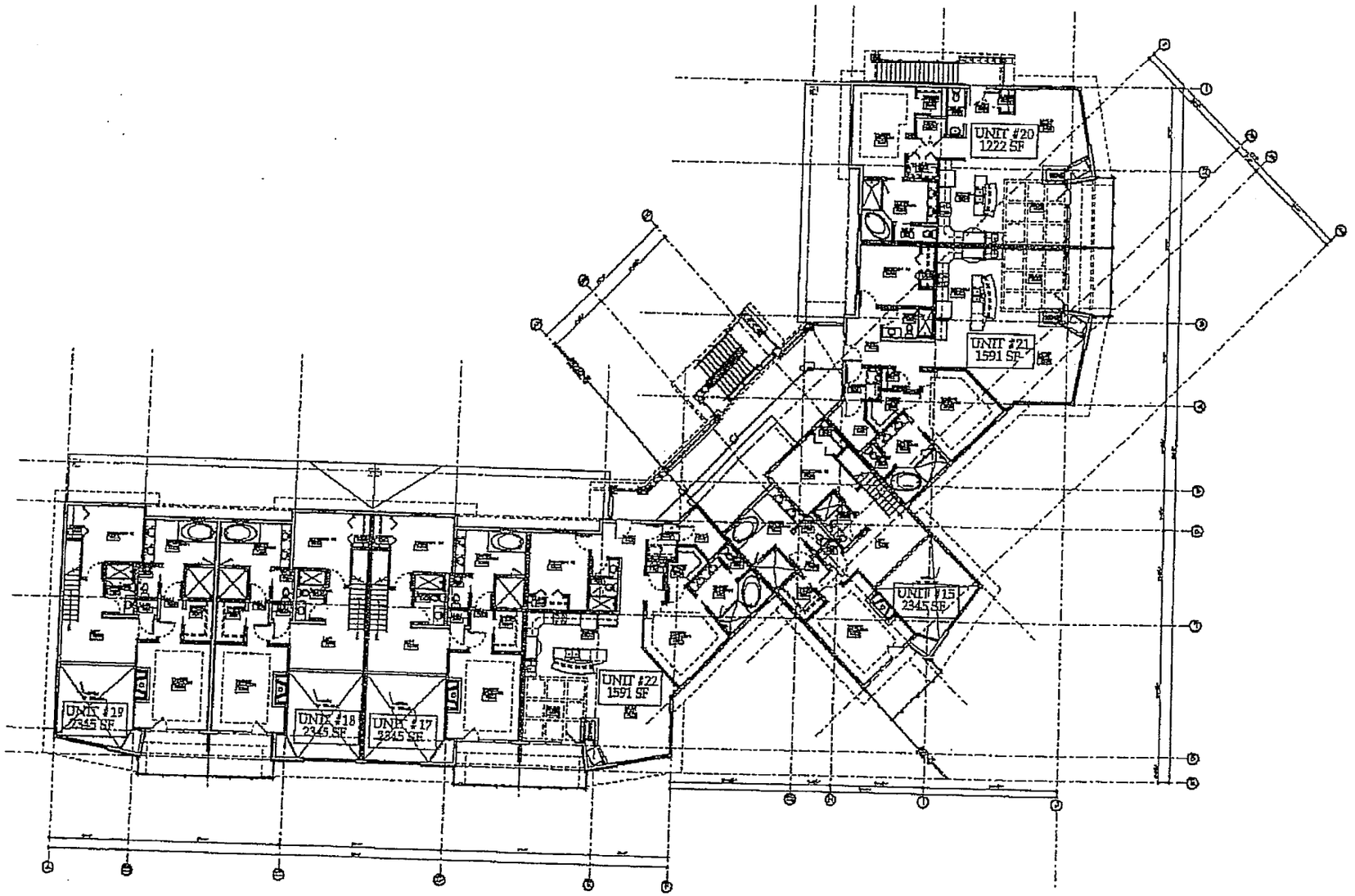


EXHIBIT A11



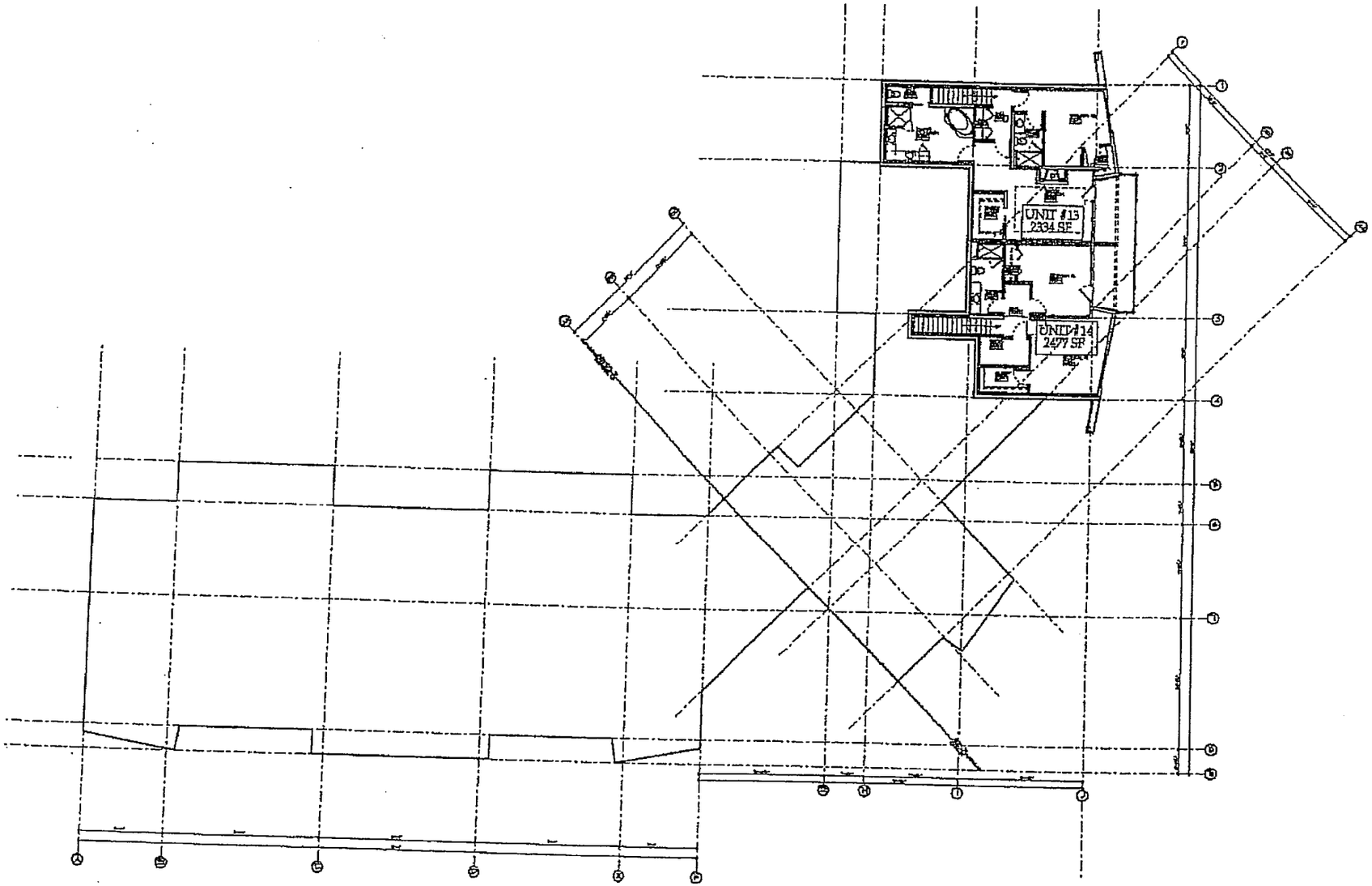
RIDGE BUILDING
FIRST FLOOR PLAN

EXHIBIT A12



RIDGE BUILDING
SECOND FLOOR PLAN

EXHIBIT A13



RIDGE BUILDING
BASEMENT FLOOR PLAN

N.T.S.

EXHIBIT A14

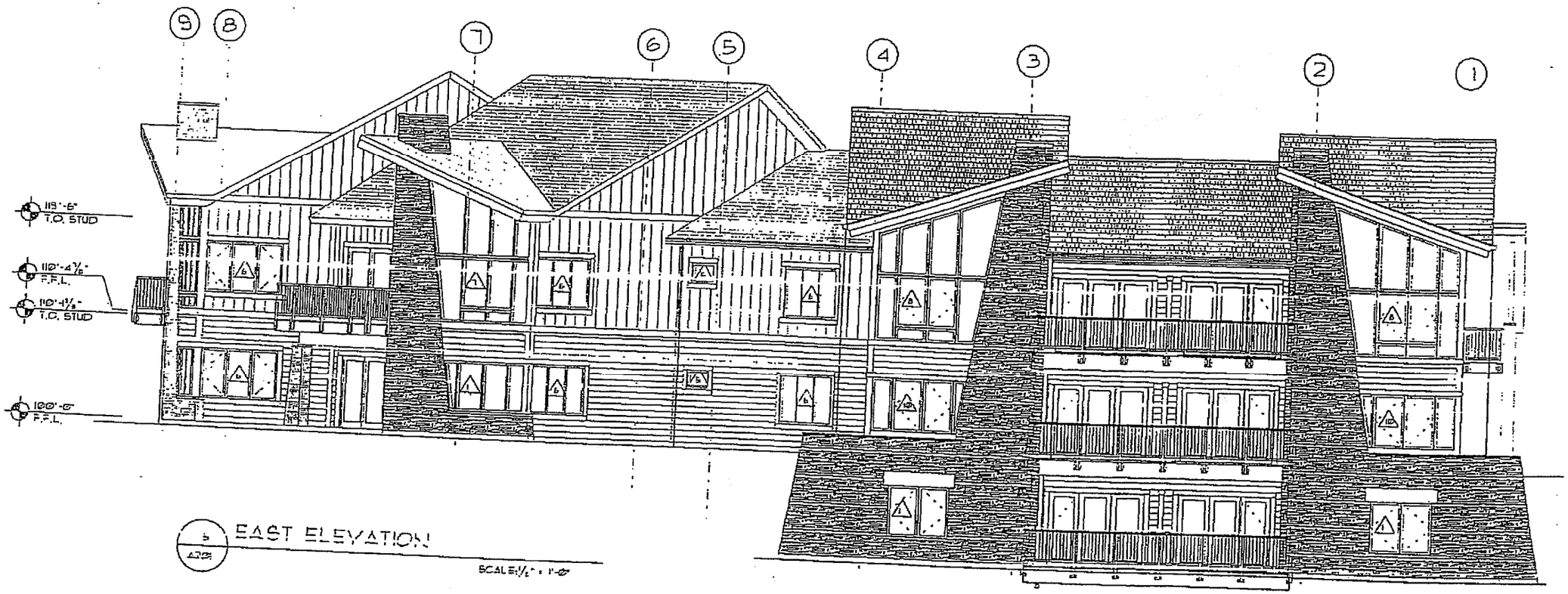


EXHIBIT A15



1 SOUTH ELEVATION

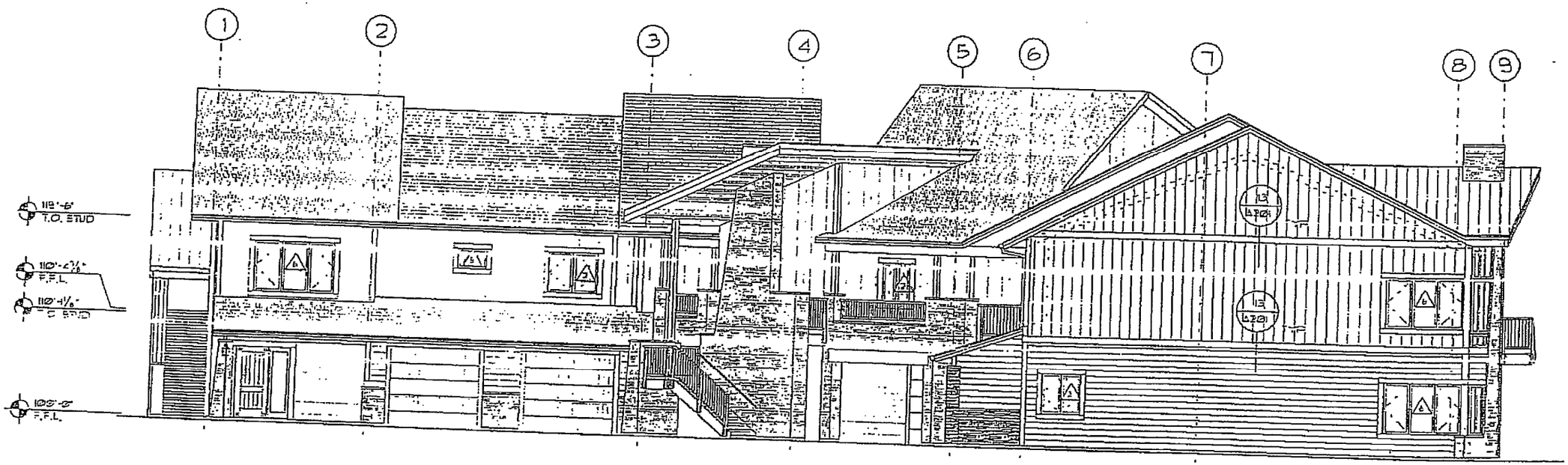
EXHIBIT A16



EAST ELEVATION

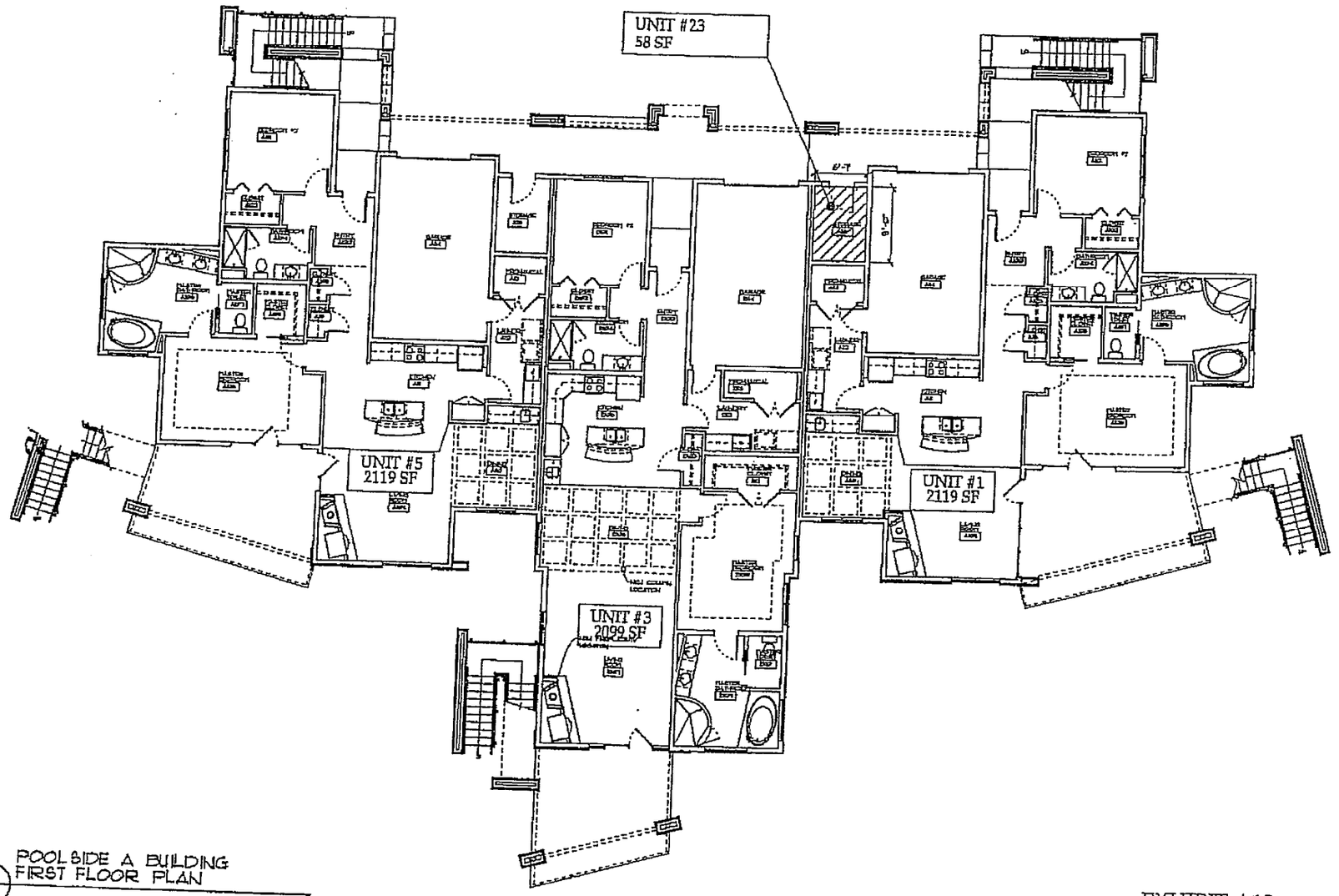
SCALE: 1/4" = 1'-0"

EXHIBIT A17



WEST ELEVATION

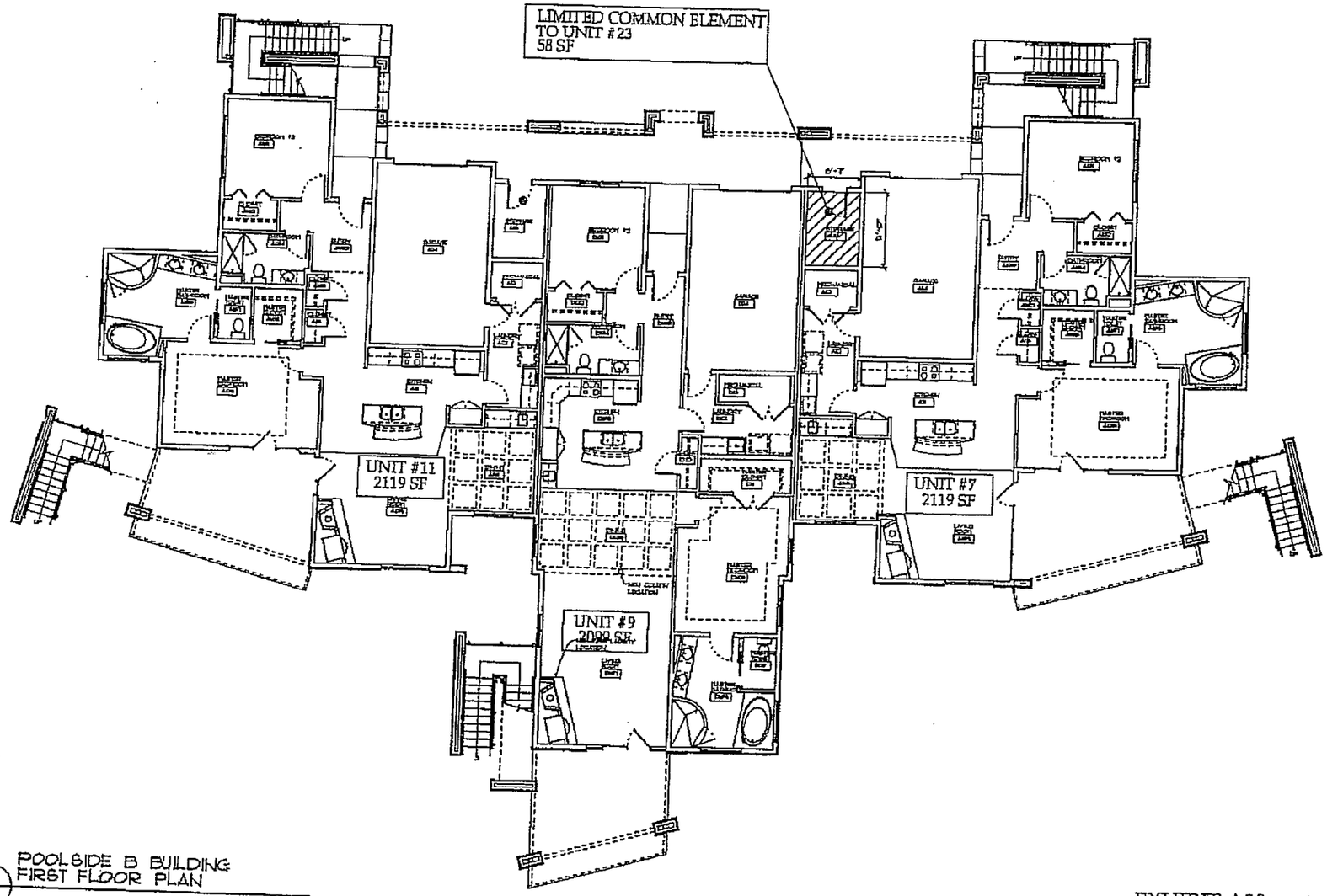
EXHIBIT A18



POOLSIDE A BUILDING
FIRST FLOOR PLAN

N.T.S.

EXHIBIT A19



POOLSIDE B BUILDING
FIRST FLOOR PLAN

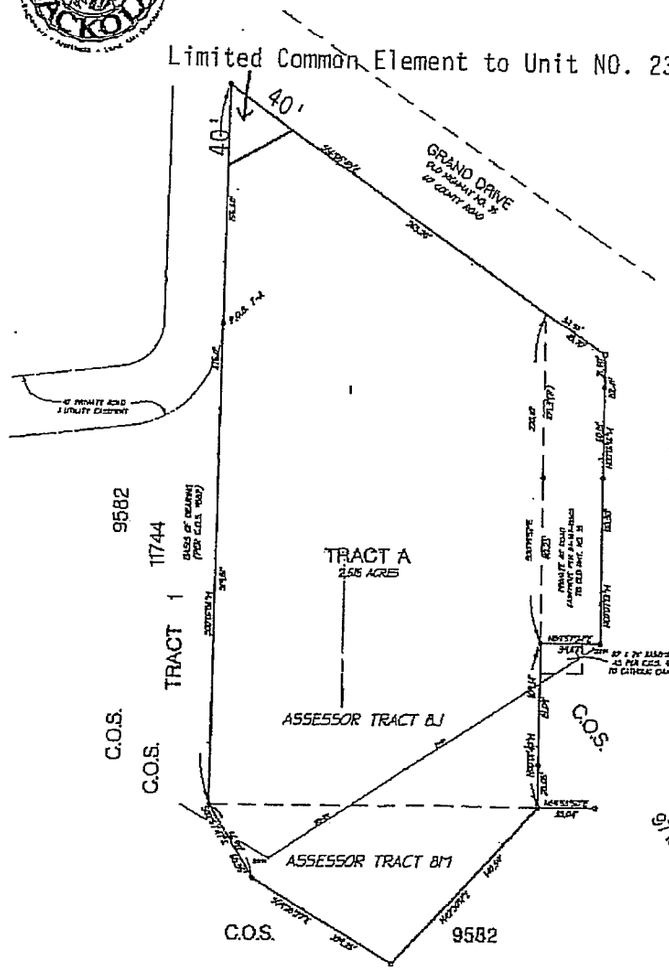
N.T.S.

EXHIBIT A20

BJ-E017550 BA-E017561

CERTIFICATE OF SURVEY

LOCATED IN THE NE¼ OF SEC. 35, T27N, R20W, P.M., FLATHEAD COUNTY, MONTANA



SCALE 1"=50'

- FOUND 1-3/4" IRON PIPE
- FOUND 1" IRON PIPE
- FOUND FENCE POST
- FOUND STEEL FENCE POST
- FOUND 5/8" RE-BAR
- FOUND 1/2" RE-BAR WITH SURV-CAP MARKED "SAIDS 7028"
- FOUND 3/4" IRON PIPE
- FOUND CHANNEL IRON
- FOUND 5/8" RE-BAR WITH SURV-CAP MARKED "HKM 5"
- SET 5/8" X 24" RE-BAR WITH PLASTIC SURV-CAP MARKED "BURTON 5-2015"

DESCRIPTION - TRACT A

A TRACT OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 27 NORTH, RANGE 20 WEST, PRINCIPAL MERIDIAN, MONTANA, FLATHEAD COUNTY, MONTANA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF TRACT 1, AS SHOWN AND DESCRIBED ON CERTIFICATE OF SURVEY NO. 9744 (RECORDS OF FLATHEAD COUNTY, MONTANA); THENCE NORTH 00°36'36" E, A DISTANCE OF 60.00 FEET TO A FOUND 5/8" RE-BAR ON THE SOUTHWEST RIGHT-OF-WAY OF OLD HIGHWAY NO. 93; THENCE S57°16'40"E, ON AND ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 382.98 FEET TO A SET 5/8" RE-BAR; THENCE S33°16'36"W, AND LEAVING SAID RIGHT-OF-WAY, A DISTANCE OF 82.41 FEET TO A FOUND 1" IRON PIPE; THENCE S33°03'13"E, A DISTANCE OF 84.00 FEET TO A FOUND FENCE POST; THENCE S61°18'20"W, A DISTANCE OF 31.67 FEET TO A FOUND FENCE POST; THENCE S00°36'36"W, A DISTANCE OF 61.25 FEET TO A FOUND STEEL FENCE POST; THENCE N89°23'24"W, A DISTANCE OF 51.00 FEET TO A FOUND 5/8" RE-BAR; THENCE S43°20'17"W, A DISTANCE OF 140.34 FEET TO A FOUND CHANNEL IRON; THENCE N61°18'20"W, A DISTANCE OF 215.35 FEET TO A FOUND STEEL FENCE POST; THENCE N00°36'36"E, A DISTANCE OF 58.35 FEET TO A POINT; THENCE N89°23'24"W, A DISTANCE OF 34.00 FEET TO THE TRUE POINT OF BEGINNING.

THIS TRACT CONTAINS 2.515 ACRES AND SUBJECT TO AND TOGETHER WITH ALL APPURTENANT EASEMENTS OF RECORD.

PREPARED BY:
JACOLA ENGINEERING & ARCHITECTURE, P.C.
JAMES H. BURTON, R.L.S.
1000 3RD AVENUE EAST
3RD FLOOR, SOUTHFIELD TOWER
P.O. BOX 831
KALISPELL, MT 59903
406-755-3300

PREPARED FOR:
CTA ARCHITECTS

OWNER OF RECORD:
ROMAN CATHOLIC BISHOP OF HELENA

NOVEMBER 2003

PURPOSE OF SURVEY:
RETRACEMENT OF EXTERIOR BOUNDARIES OF EXISTING TRACTS

UNLESS SIGNED, SEALED AND DATED, THIS IS A PRELIMINARY OR UNOFFICIAL DOCUMENT, AND CANNOT BE RELIED UPON IN WHOLE OR IN PART.

MONTANA JAMES H. BURTON 9231 REGISTERED LAND SURVEYOR

James H. Burton 3/30/2004
JAMES H. BURTON
REGISTERED LAND SURVEYOR
REGISTRATION NUMBER 9-2015

APPROVED: March 25th, 2004
BRYAN B. BLOCK
EXAMINING LAND SURVEYOR
REGISTRATION NUMBER 7905

STATE OF MONTANA)
: ss
COUNTY OF FLATHEAD)

FILED ON THE 30 DAY OF March
2004, AT 11:10 O'CLOCK A M.

Paula Robinson
COUNTY CLERK AND RECORDER
BY Kimberley Morris
DEPUTY

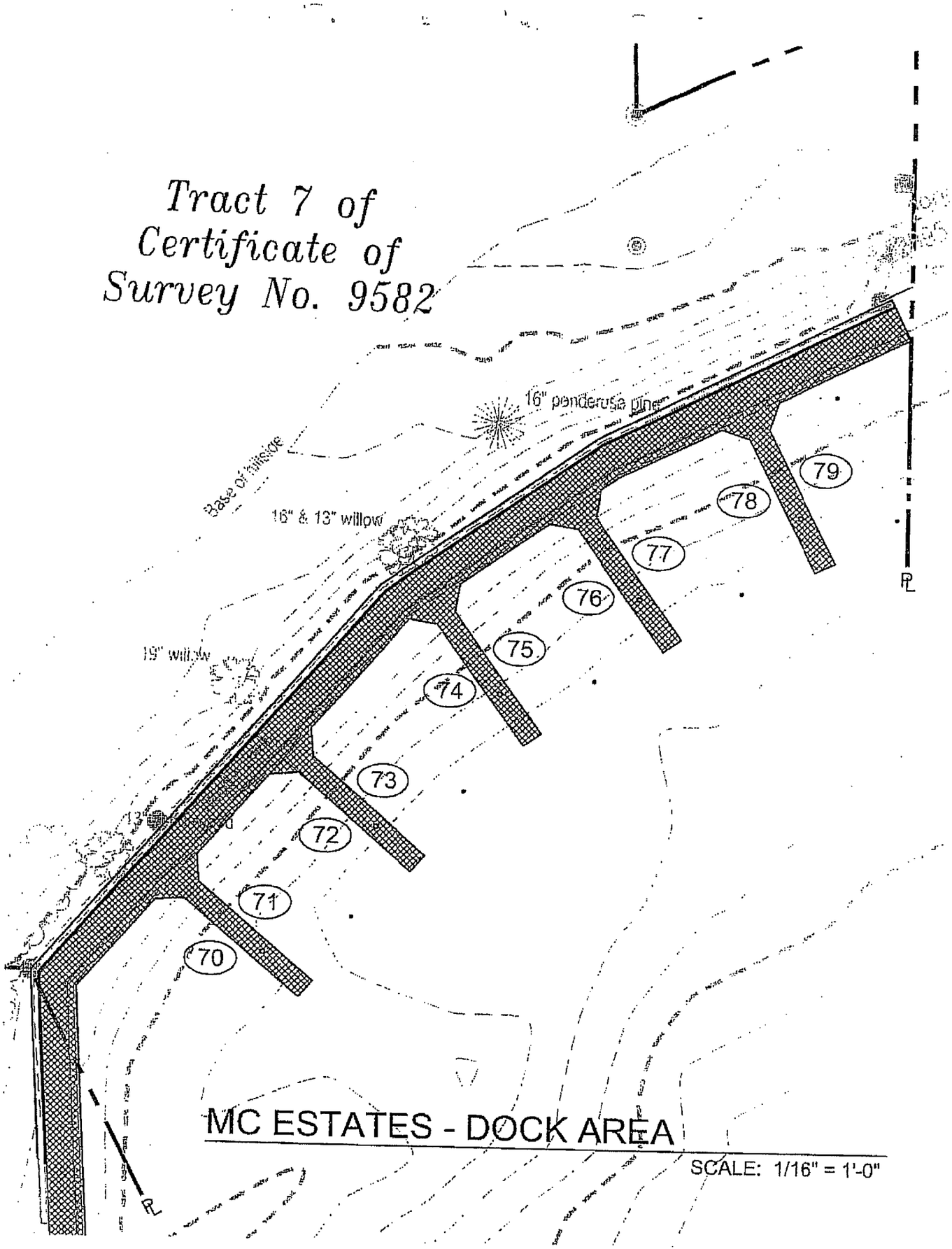
FILING FEE $5.00
INSTRUMENT REC. NUMBER 200409011100
CERTIFICATE OF SURVEY NUMBER 16945

CTA #03125-1

EXHIBIT A21

INITIAL ALLOCATION OF PERCENTAGE OWNERSHIP OF COMMON ELEMENTS

Unit 1 - 2,119 square feet - 4.53%
Unit 2 - 2,097 square feet - 4.48%
Unit 3 - 2,099 square feet - 4.48%
Unit 4 - 2,592 square feet - 5.54%
Unit 5 - 2,119 square feet - 4.53%
Unit 6 - 2,097 square feet - 4.48%
Unit 7 - 2,119 square feet - 4.53%
Unit 8 - 2,097 square feet - 4.48%
Unit 9 - 2,099 square feet - 4.48%
Unit 10 - 2,592 square feet - 5.54%
Unit 11 - 2,119 square feet - 4.53%
Unit 12 - 2,097 square feet - 4.48%
Unit 13 - 2,385 square feet - 5.09%
Unit 14 - 2,527 square feet - 5.39%
Unit 15 - 2,369 square feet - 5.06%
Unit 16 - 1,720 square feet - 3.67%
Unit 17 - 2,369 square feet - 5.06%
Unit 18 - 2,369 square feet - 5.06%
Unit 19 - 2,369 square feet - 5.06%
Unit 20 - 1,222 square feet - 2.61%
Unit 21 - 1,591 square feet - 3.40%
Unit 22 - 1,591 square feet - 3.40%
Unit 23 - 58 square feet - .12%
Total 100%



MC ESTATES - DOCK AREA

SCALE: 1/16" = 1'-0"

ARCHITECT'S CERTIFICATION

I, James Devine, am a registered and licensed architect who prepared the floor plans and plat and location drawings for Marina Cay Estates Condominium, being the building as described in the foregoing Declaration of Marina Cay Estates Condominium in Bigfork, Montana. Under the Montana Unit Ownership Act, I do hereby certify that I have reviewed the floor plans attached hereto, and they are an accurate copy of the plans filed with and approved by any governmental officers having jurisdiction to issue building permits.

DATED this 28th day of July, 2006.

James Devine

STATE OF MONTANA)
) ss.
County of Flathead)

This instrument was acknowledged before me on the 28th day of July, 2006 by **James Devine.**

PAUL A. SANDRY
NOTARIAL SEAL
STATE OF MONTANA

Paul A. Sandry (printed name)
Notary Public for the State of Montana
Residing at Kalispell
My Commission expires 9/6/2006

FUTURE DEVELOPMENT AGREEMENT

THIS AGREEMENT is made and entered into this 28th day of July, 2006 by and between **MARINA CAY ESTATES, LLC**, hereinafter referred to as "Declarant," and **MC ESTATES CONDOMINIUM OWNERS ASSOCIATION, INC.**, hereinafter referred to as "Condominium Owners Association."

WHEREAS, Declarant is in the process of constructing condominium buildings on real property owned by it located in Bigfork, Flathead County, Montana; and

WHEREAS, the condominium buildings will be constructed in phases, with the first phase consisting of the construction of one (1) such condominium building containing ten (10) condominium Units; and

WHEREAS, the entire development will consist of up to seven (7) condominium buildings collectively comprising not more than twenty-five (25) condominium Units and one (1) clubhouse/ manager's building; and

WHEREAS, Declarant is in the process of developing the waterfront of the Property on which it intends to construct boat docks and boatslips for sale as Limited Common Elements; and

WHEREAS, Declarant shall have the right to sell, transfer, convey and allocate said boatslips in its sole and absolute discretion, with all sales proceeds inuring solely to Declarant; and

WHEREAS, the above-referenced condominium Units will be subjected to the Declaration of Condominium for MC Estates Condominium to which this Future Development Agreement is attached; and

WHEREAS, a Condominium Owners Association has been established to govern the affairs of its Members as applicable to the operation, administration, use and occupancy of the MC Estates Condominium development; and

WHEREAS, all parties desire that the additional condominium Units be built on the Property pursuant to the aforesaid Declaration, which Units will be subjected to the terms and conditions of said Declaration by Amendment of said Declaration; and

WHEREAS, all parties desire the additional condominiums be built in an orderly fashion and to have such further additions to the Property subsequently subjected to the Declaration of Condominium of MC Estates Condominium; and

WHEREAS, Declarant desires to reserve the right to annex adjacent properties to be benefitted by and be subjected to the Declaration; and

WHEREAS, all parties recognize and acknowledge the future development rights of Marina Cay Estates, LLC as reserved in the Declaration, the Owners Association Bylaws and this Future Development Agreement.

NOW, THEREFORE, in consideration of the promises, covenants and conditions herein contained, as well as other good and sufficient consideration hereby acknowledged, the parties hereto agree as follows:

1. Marina Cay Estates, LLC shall have the absolute right, but shall not be obligated to, construct and complete additional Units on the Property described in the Declaration of Condominium of MC Estates Condominium. Marina Cay Estates, LLC may construct up to, but no more than, twenty-five (25) total Units on the Property and one (1) building dedicated as a clubhouse/manager's building. In addition, Marina Cay Estates, LLC shall have the absolute right, but shall not be required to acquire real property located adjacent to the real property described in the Declaration, to construct additional Condominium Units on said adjacent property, and annex said real property into the MC Estates Condominium.

2. After construction of such additional Units (whether on the real property the subject of the Declaration or on real property located adjacent thereto), and upon the subsequent filing of an Amendment or Amendments to the Declaration of Condominium of MC Estates Condominium under the Montana Unit Ownership Act, such additional Units shall be fully annexed and incorporated into said condominium project and the MC Estates Condominium Owners Association, Inc. All such Units shall be subjected to the same rules, regulations and restrictions as existing Units. MC Estates Condominium Owners Association, Inc. hereby approves the annexation of additional Units and shall approve and execute such Amendments at the appropriate time. Any such Amendment shall serve to reallocate the common element ownership based on square footage of all Condominium Units or on such other basis as Marina Cay Estates, LLC deems equitable in accordance with applicable law.

3. All parties agree to undertake such acts and execute such documents as may be necessary to facilitate the purposes and intent of this Agreement. Declarant shall have the right to construct condominium buildings on the Subject Property in excess of the three (3) buildings (Pool Side A, Pool Side B and The Ridge) currently constructed or in the process of construction. Declarant shall also have the right to develop the waterfront of the Property by constructing boat docks and boatslips. Declarant shall have the right to sell, transfer, convey and allocate said boatslips to Unit Owners in Declarant's sole and absolute discretion.

4. Any and all revenues derived from the sale of any Condominium Units constructed on the real property the subject of the above-referenced Declaration, any Condominium Unit constructed on adjacent real property to be annexed, and of any boatslips as a Limited Common Element shall be the sole and exclusive property of Declarant, and neither the Unit Owners nor MC Estates Condominium Owners Association, Inc. shall have any claim thereto.

5. MC Estates Condominium Owners Association, Inc. hereby agrees that it shall not in any way alter or amend the Declaration of Condominium of MC Estates Condominium or the Bylaws of MC Estates Condominium Owners Association, Inc. so as to alter or otherwise adversely affect Declarant and Declarant's reservation of rights to construct the additional Units contemplated herein and in said Declaration.

6. This Future Development Agreement is binding on the parties' successors and assigns. This Future Development Agreement shall be recorded in the office of the Flathead County Clerk and Recorder.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first written above.

MARINA CAY ESTATES, LLC
BY: VACATION PROPERTIES, LLC,
Managing Member

By: _____
Frederick J. Sterhan, Member

MC ESTATES CONDOMINIUM
OWNERS ASSOCIATION, INC.

By _____
Frederick J. Sterhan, Director

STATE OF MONTANA)
) ss.
County of Flathead)

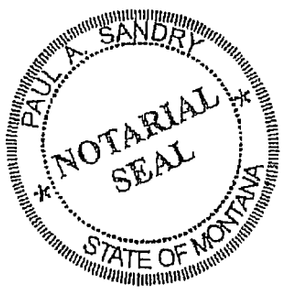
This instrument was acknowledged before me on the 28th day of July, 2006 by **Frederick J. Sterhan as Member of Vacation Properties, LLC, which is the Managing Member of Marina Cay Estates, LLC.**

PAUL A. SANDRY
NOTARIAL SEAL
STATE OF MONTANA

_____
Paul A. Sandry (printed name)
Notary Public for the State of Montana
Residing at Kalispell
My Commission expires 9/25/2006

STATE OF MONTANA)
) ss.
County of Flathead)

This instrument was acknowledged before me on the 28th day of July, 2006 by **Frederick J. Sterhan as a Director of MC Estate Condominium Owners Association, Inc.**



Paul A. Sandry (printed name)
Notary Public for the State of Montana
Residing at Kalispell
My Commission expires 9/25/2006

CERTIFICATION BY DEPARTMENT OF REVENUE

The MC Estates 2nd Amended declaration has been reviewed by Dawn M Cardone being an agent of the Department of Revenue for Flathead County, Montana, as described in 70-23-304 MCA. The attached declaration is approved as to the facts that the name is proper under 70-23-303 MCA and that the taxes due and payable on the property have been paid.

Dated this 18 day of Aug 2008

Signature

RECEIVED
AUG 18 2008
Per

200800023148
Page: 43 of 50
Fees: $370.00
8/18/2008 11:22 AM
Paula Robinson, Flathead County MT by JS

FIRST AMENDMENT AND COMPLETE RESTATEMENT OF THE BYLAWS OF THE MC ESTATES CONDOMINIUM OWNERS ASSOCIATION, INC.

ARTICLE I

Section 1. The provisions of these Bylaws are applicable to a condominium located on real property described in the Declaration of Condominium of MC Estates Condominium filed or to be filed with the Flathead County Clerk and Recorder, to which a copy of these Bylaws is attached, in accordance with the provisions of the Montana Unit Ownership Act, Title 70, Chapter 23, Montana Code Annotated, and such subsequent phases of MC Estates Condominium, if any, as may hereafter be subjected to the provisions hereof. Should subsequent phases of the MC Estates Condominium development be subjected to the terms of the Montana Unit Ownership Act, a copy of these Bylaws shall be recorded simultaneously with the Declaration of Condominium of MC Estates Condominium (or with the Amended Declaration) to which these relate, all in accordance with Section 70-23-301, Montana Code Annotated. All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Declaration.

Section 2. All present or future Owners, tenants or future tenants, or their employees or any other persons who might use the facilities of the Property in any manner, are subject to the regulations set forth in these Bylaws. The acquisition or rental of any of the Units of the Property or the occupancy of any of the Units shall signify that these Bylaws are accepted and ratified.

ARTICLE II

Section 1. The "Unit Owner" of a Unit on the Property means the person owning a Unit in fee simple absolute individually or as co-owner in any real estate tenancy relationship recognized under the laws of the State of Montana. Each Unit Owner, by virtue of ownership, shall be a Member of the MC Estates Condominium Owners Association (the "Association"). If ownership of any Unit is vested in more than one person or entity, each person or entity shall be a Member, but the co-Owners or joint Owners shall be deemed to be one Unit Owner for the purpose of voting and shall be entitled to vote only in accordance with the provisions of the Bylaws on voting.

Section 2. Each Unit Owner shall be entitled to a voting interest equal to his, her or its percentage interest in the General Common Elements as set forth in the Declaration or Declaration as Amended. The vote for any Unit owned by more than one person or entity shall be exercised as the co-Owners may among themselves determine, but in no event shall the vote with respect to any one Unit exceed the total voting interest provided for in this Section

Section 3. As used in these Bylaws, the term "Majority of Owners" shall mean the Owners holding fifty-one percent (51%) of the votes assigned as provided in these Bylaws. Ownership shall be determined according to the records of the Clerk and Recorder of Flathead County, Montana provided, however, that an executor, administrator, guardian or trustee may vote in person or by proxy with respect to any dwelling or Unit owned or held by him, her or it in such capacity, whether or not ownership shall have been transferred to his, her or its name by a duly recorded conveyance.

Section 4. Except as otherwise provided in the Bylaws, the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum. If, however, a quorum shall not be present or represented at any meeting, the Members entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum is present.

Section 5. At all meetings of Unit Owners, each Unit Owner may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Unit Owner of its Unit. While every proxy shall be revocable, the authority contained therein, unless otherwise limited by its terms, shall be deemed to continue in effect until revoked in writing or until the recording of a conveyance by the Unit Owner of its Unit. Whenever a Unit is owned by two or more persons or entities, the Unit Owners' voting interest may be exercised by any one of the Unit Owners present in the absence of protest by the other Unit Owners.

ARTICLE III

Section 1. The Association shall administer the operation of MC Estates Condominium, approve the annual budget, establish and collect assessments and arrange for the management of the project pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority vote of Owners attending any meeting of the Association (whether in person or by proxy) at which a quorum is present.

Section 2. The Association shall convene an organizational meeting no later than 120 days after the Declaration has been filed with the Clerk and Recorder of Flathead County, Montana.

Section 3. The Association shall convene its annual meeting at the time and place specified in the written notice provided to Members of the Association as provided in Section 5 of this Article.

Section 4. Any two (2) Members of the Board of Directors or the management agent, by written request, may call a special meeting at any time.

Section 5. The Association shall deliver written notice of any annual or special meeting to each Unit Owner no less than ten (10) days prior to the date of the meeting. The notice shall specify the time, date, place and purpose of the meeting. The Association shall deliver the notice to each Unit Owner personally by leaving the notice at the Unit Owner's usual place of business or by mailing it, postage prepaid, addressed to the Unit Owner at his, her or its last known address as reflected by the Association's records. If notice is given pursuant to the provisions of this Section, the failure of any Unit Owner to receive actual notice of the meeting shall in no way invalidate the meeting or any proceedings conducted at the meeting.

Section 6. The Association shall transact no business at a special meeting except as stated in the notice unless by consent of two-thirds (⅔) of the Board of Directors present, either in person or by proxy.

Section 7. The order of business at all meetings of the Association shall be as follows:

a. Proof of Notice of Meeting or Waiver of Notice.

b. Determination of quorum.

c. Reading of Minutes of preceding meeting.

d. Reports of officers.

e. Reports of committees.

f. Appointment of Directors, if applicable.

g. Unfinished business.

h. New business.

i. Adjournment.

ARTICLE IV

Section 1. The affairs of the Association shall be governed by a Board of Directors composed of three (3) persons.

Section 2. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not by law or by these Bylaws directed to be exercised or done by the Unit Owners.

Section 3. In addition to duties imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall have the following powers and duties:

a. To enforce the provisions of the Declaration and Bylaws by appropriate action.

b. To provide for management of the Property by contracting with a suitable and capable manager or management company for operation and maintenance of the Property.

c. To impose, charge and collect assessments as allowed by the Bylaws and the Declaration.

d To delegate authority to the manager for the routine conduct of business, subject at all times, however, to ultimate authority residing in the Board of Directors.

e. To prepare an annual budget in order to determine the amount of the assessments payable by the Unit Owners to meet Common Expenses and to allocate and assess common charges among Unit Owners according to their respective interests in the General Common Elements.

f. To impose, charge and collect special assessments whenever necessary in order to meet increased operating or maintenance expenses or because of emergency.

g. To take appropriate legal action to collect delinquent assessments and to impose, charge and collect penalties and charge interest in accordance with these Bylaws.

h. To defend, in the name of the Association, any and all lawsuits wherein the Association is a party defendant or the Property is at issue.

i. To enter into contracts and agreements necessary to carry out the duties set forth in these Bylaws.

j. To establish a bank account for the Association and to keep records and accounts according to generally accepted accounting practices.

k. To establish rules and regulations for conduct, behavior and use of the General Common and Limited Common Elements.

l. To make repairs, alterations, additions and improvements to the General Common and Limited Common Elements consistent with managing MC Estates Condominium in the best interest of the Unit Owners.

Section 4. The Members of the Board of Directors shall serve staggered terms of two (2) years, with the terms of two (2) Members of the Board of Directors expiring in even years and the term of one (1) Member of the Board of Directors expiring in odd years. The Directors shall hold office until their successors have been appointed and hold their first meeting.

Section 5. A Director may be removed by a vote of the Unit Owners of at least fifty-one percent (51%) of the undivided interests in the General Common Elements. Vacancies on the Board of Directors, however, must be filled in accordance with Article IV, Section 7 of these Bylaws.

Section 6. No Director shall receive remuneration for services performed by him or her for the Association in any other capacity unless the Board of Directors unanimously adopts a resolution authorizing the remuneration before the services are undertaken.

Section 7. If a vacancy occurs in the Directors, the remaining Directors shall appoint another Director to then and there fill the vacancy for the remainder of the term. However, if a Director is removed pursuant to Article IV, Section 5 of these Bylaws, the Unit Owners then voting shall, at the time of removal, appoint a new Director by majority vote.

Section 8. The Board of Directors shall hold their first meeting immediately following the annual meeting of the Association and, provided that a majority of the Board of Directors is present, no notice shall be necessary to the newly appointed Directors in order to legally constitute such a meeting.

Section 9. The Board of Directors may hold regular meetings at such time and place as shall be determined from time to time by a majority of the Directors provided, however, that the Board of Directors shall hold at least two (2) regular meetings during each fiscal year. The Board of Directors shall give notice of its regular meetings to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day named for the meeting.

Section 10. The Chairman of the Board of Directors may call special meetings on three (3) days notice to each Director given personally or by mail, telephone or telegraph stating the time, date, place and purpose of the meeting. The President or Secretary of the Board of Directors shall call special meetings in a like manner and on a like notice upon the written request of at least two (2) Directors. All Directors' meetings shall be held within Flathead County, Montana.

Section 11. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of the meeting, and the waiver shall be deemed equivalent to the giving of notice. Furthermore, attendance by a Director at any meeting of the Board of Directors shall constitute waiver of notice by him or her of the time and place of the meeting. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required, and any business may be transacted at such meeting.

Section 12. A majority of the Directors shall constitute a quorum of the Board of Directors for the transaction of business at any meeting. If, however, a quorum is not present or represented at any meeting, the Directors present at the meeting shall have the power to adjourn the meeting from time to time without notice other than an announcement at the meeting until a quorum shall be present or be represented. If a quorum shall be present or be represented at the meeting following such adjournment, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. The Board of Directors may require that officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds, with the premiums on such bonds to be paid by the Association.

Section 14. In the event there is a deadlock in voting of the Board of Directors, the Members of said Board shall mutually agree upon the appointment of a mediator who shall decide the deadlocked issue. The mediator's decision shall be binding upon the Board of Directors.

ARTICLE V

Section 1. The Board of Directors, at its annual meeting, shall elect the following three (3) officers: Chairman, Vice-Chairman and Secretary/Treasurer and may elect any assistants the Board of Directors may deem necessary. The officers shall be Directors.

Section 2. The officers of the Association shall hold office at the pleasure of the Board of Directors, and in the event of a vacancy, the Board of Directors shall elect a successor at any regular meeting or at any special meeting called for that purpose.

Section 3. The Chairman shall preside at all meetings of the Association and of the Board of Directors. The Chairman shall have general supervision over the affairs of the Association and its officers and all of the powers and duties usually vested in the office of president or chairman of an association including, but not limited to, the power to appoint committees from among the Unit Owners from time to time as the Chairman may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 4. The Vice-Chairman shall act for the Chairman in the event of the absence or disability of the latter and shall also perform any other duties as from time to time may be imposed upon him or her by the Board of Directors.

Section 5. The Secretary/Treasurer shall keep all books and records of the Association and of the Board of Directors and shall record all Minutes of meetings of both. The Secretary/Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Secretary/Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in any depositories as the Board of Directors may from time to time designate.

ARTICLE VI

Section 1. The Board of Directors shall approve assessments against the Unit Owners, and the Unit Owners shall pay the assessments to the Association in accordance with the following provisions:

a. The Board of Directors shall approve assessments for the repair, replacement, general maintenance, management and administration of the General Common and Limited Common Elements and for payment of insurance premiums. The Board of Directors shall base and compute the assessments on the percentage interest that each Unit Owner has in the General Common Elements as provided in the Declaration.

b. The Unit Owners shall pay any assessments imposed and charged in the proportions set forth in the provision of the Declaration authorizing the assessment.

c. The Board of Directors may maintain separate accounts for operating expenses and for reserves. The Board of Directors shall, however, account for the funds collected from each Unit Owner separately and shall pay the Common Expenses in the same proportion in which the Board of Directors collected the assessments. The Board of Directors shall maintain the following records:

   i. Common Expense Records - to which shall be credited collections for assessments for all Common Expenses including liability and hazard insurance premiums and payments received for defraying costs of the use, reconstruction and repair of Common Elements.

   ii. Alteration and Improvement Accounts - to which the Board of Directors shall credit all sums collected for alteration and improvement assessments.

   iii. Emergency Account - to which the Board of Directors shall credit all sums collected for emergencies.

d. All Unit Owners shall be obligated to pay assessments for Common Expenses in monthly installments. The Board of Directors shall impose, charge and collect assessments for Common Expenses for each fiscal year (January 1 through December 31) reasonably required for the proper management, maintenance and operation of the Common Elements. The annual assessments shall be due and payable in twelve (12) equal consecutive monthly payments due on the first day of each month. However, the Board of Directors, in its sole discretion, may provide for collection of installments in quarter annual

increments. The total of the assessments shall be in the amount of the estimated Common Expenses for the year including a reasonable allowance for contingency and reserves less the amounts of unneeded Common Expense account balances. If an annual assessment is not made as required, a payment in the amount required in the last prior assessment shall be due upon each assessment payment date until changed by a new assessment.

e. The Board of Directors shall impose, charge and collect other assessments in accordance with the provisions of the Declaration to be paid at the time determined by the Board of Directors.

f. The Secretary/Treasurer shall maintain records showing assessments made against Unit Owners. The Secretary/Treasurer shall make the records available for inspection by Unit Owners at all reasonable times. The records shall show the amounts of all assessments paid and unpaid. The Secretary/Treasurer may issue certificates as to the status of a Unit Owner's assessment account to any person or entity the Unit Owner may request in writing, and the certificates shall limit the liability of any person or entity to whom it is addressed other than the Unit Owner.

g. Unit Owners and their grantees shall be jointly and severally liable for all unpaid assessments due and payable at the time of a conveyance without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor. Unpaid portions of assessments which are due shall be secured by a lien upon the Unit as provided in the Declaration upon the filing of a claim in accordance with the provisions of Section 70-23-607 of the Montana Code Annotated.

h. Any portion of an assessment paid more than ten (10) days after the date when due shall bear interest at the rate established from time to time by the Board of Directors, but in no event shall the interest rate exceed the maximum rate permitted by Montana law. The Board of Directors shall apply all payments first to interest due and then to the earliest assessment due. The Board of Directors shall credit the Common Expense account with all interest collected.

Section 2. Maintenance and Repair.

a. Every Unit Owner must perform promptly all maintenance and repair work within its own Unit which, if omitted, would affect the project in its entirety or in any part belonging to other Unit Owners. Each Unit Owner shall be responsible for the damages and liabilities caused by its failure to act.

b. Each Unit Owner shall bear the cost of all the repairs of internal installations to the Unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps and all other accessories and appliances belonging to the Unit.

c. Each Unit Owner shall reimburse the Association for any expenditures incurred in repairing or replacing any Common Element damaged by the willful or negligent acts of that Unit Owner or its officers, employees, licensees, renters, lessees and invitees to the extent such expenditures are not covered by the proceeds of insurance carried by the Association.

d. No major repairs and/or remodeling shall be conducted during the period commencing June 1 through September 30 of any year unless otherwise approved by the Board of Directors in advance of any such activity.

Section 3. No Unit Owner shall make any structural modifications or alterations to its Unit without previously making a request therefor to the Board of Directors in writing through the management agent or the Chairman of the Association if no management agent is employed. The Board of Directors shall have the obligation to answer within thirty (30) days after receiving notice. The Board, in its discretion, may allow or disallow this request. Failure by the Board of Directors to answer within the stipulated time shall mean that there is no objection to the proposed modification of alteration.

Section 4. The managing agent and any person authorized by the Board of Directors shall have the right to enter each Unit in case of any emergency originating in or threatening the Unit or the Property whether or not the Unit Owner or occupant is present at the time. Every Unit Owner and occupant, when so required, shall permit other Unit Owners or their representatives to enter its Unit at reasonable times for the purpose of performing authorized installations, alterations or repairs to the Common Elements therein provided, however, that each Unit Owner shall request entry in advance and that each Unit Owner shall enter only at a time convenient for the other Unit Owner.

Section 5. Rules of Conduct. [Reserved]

Section 6. The Board of Directors may adopt, delete or amend the Rules of Conduct relating to the details of the operation of MC Estates Condominium and the use of Units, Common Elements and Limited Common Elements at any regular meeting or at any special meeting called for that purpose.

ARTICLE VII

Section 1. No Director or officer of the Association shall be liable for acts or defaults of any other officer or Member or for any loss sustained by the Association or any Member thereof unless the loss has resulted from his or her own willful misconduct or negligence.

Section 2. Every Director, officer and Member of the Association shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including attorneys' fees) actually and necessarily incurred by or imposed upon him or her in connection with any claim, action, suit, proceeding, investigation or inquiry of whatever nature in which he or she may be involved as a party or otherwise by reason of his or her having been a Director, officer or Member of the Association whether or not they continue to be a Director, officer or Member of the Association at the time of incurring the cost, expense or liability. This provision shall apply except in relation to matters as to which he or she shall be finally adjudged in any action, suit, proceeding, investigation or inquiry to be liable for willful misconduct or negligence towards the Association in the performance of his or her duties or, in the absence of a final adjudication, any determination of liability by the opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition, and not in limitation of, all rights to which every Director, officer and Member of the Association may be entitled as a matter of law and shall inure to the benefit of their legal representatives.

ARTICLE VIII

The Association may establish, from time to time, the fiscal year of the Association.

ARTICLE IX

Section 1. The Association may amend these Bylaws in a duly constituted meeting for such purpose. No amendment shall take effect unless approved by seventy-five percent (75%) of the Unit Owners and until a copy of the Bylaws, as amended and certified by the presiding officer and Secretary of the Association, is recorded in the office of the Clerk and Recorder of Flathead County, Montana provided, however, that the contents of these Bylaws shall always contain those particulars which are required to be contained herein by the Montana Unit Ownership Act, Title 70, Chapter 23, Montana Code Annotated.

Section 2. In the event of any conflict between these Bylaws and the provisions of the Montana Unit Ownership Act, the latter shall govern and apply.

ARTICLE X

Section 1. Each person or entity who may become a Unit Owner of any Unit does hereby irrevocably appoint Marina Cay Estates, LLC as such Owner's agent to execute such Amendment or Amendments to the Declaration of Condominium for MC Estates Condominium and these Bylaws as Marina Cay Estates, LLC, in its sole discretion, desires for purposes of exercising its reservation of development rights relative to the property the subject of said Declaration as such development rights are specifically set forth in said Declaration and the Future Development Agreement attached thereto as Exhibit D. The agency created hereby is non-revocable and constitutes a power coupled with an interest until such time as Marina Cay Estates, LLC completes the construction of all condominium Units planned to be constructed on the Subject Property. The agency hereby created shall be binding upon the heirs, executors, personal representatives, administrators, successors and assigns of all Unit Owners of all Units within MC Estates Condominium.

IN WITNESS WHEREOF, the Directors of **MC ESTATES CONDOMINIUM OWNERS ASSOCIATION, INC.** have executed and certified and adopted these Bylaws as of the 21 day of May, 2007.

Frederick J. Sterhan, Director

Attest:

Paul A. Sandry

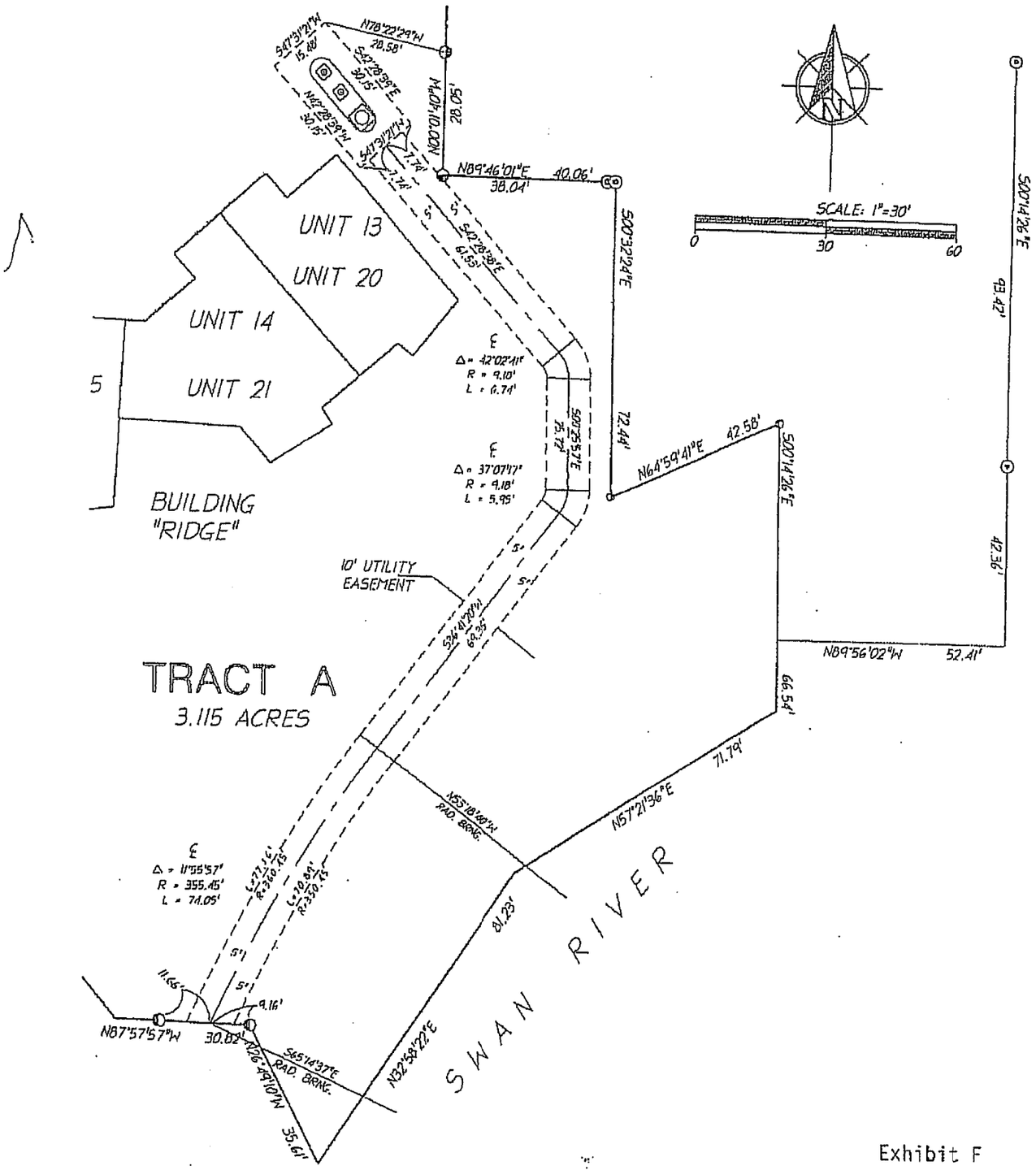

UNIT 13
UNIT 20
UNIT 14
UNIT 21
5
BUILDING "RIDGE"
TRACT A
3.115 ACRES
10' UTILITY EASEMENT
SCALE: 1"=30'
0
30
60
N78°22'29"W 28.58'
S47°31'21"W 15.48'
S42°28'39"E 30.15'
N42°28'39"W 30.15'
S47°31'21"W 7.74'
N00°01'40"W 28.05'
N89°46'01"E 38.04'
40.06'
S42°28'38"E 61.53'
S00°32'24"E
72.44'
N64°59'41"E 42.58'
S00°14'26"E
93.42'
42.36'
N89°56'02"W 52.41'
66.54'
71.79'
N57°21'36"E
81.23'
N32°58'22"E
SWAN RIVER
N87°57'57"W 30.82'
N26°49'10"W 35.61'
S65°14'37"E RAD. BRNG.
N55°18'00"W RAD. BRNG.
Δ = 42°02'41" R = 9.10' L = 6.74'
Δ = 37°07'17" R = 9.18' L = 5.95'
Δ = 11°55'57" R = 355.45' L = 74.05'
L=77.16' R=360.45'
L=70.89' R=350.45'
11.66'
9.16'
5'

Exhibit F

SECRETARY OF STATE
STATE OF MONTANA
BRAD JOHNSON

Montana State Capitol
PO Box 202801
Helena, MT 59620-2801
(406)444-3665
http://www.sos.mt.gov

JOHNSON BERG MCEVOY & BOSTOCK PLLP
PO BOX 2038
KALISPELL MT 59903-3038

RE: MC ESTATES CONDOMINIUM OWNERS ASSOCIATION
ARTICLES OF INCORPORATION
Filing Date: July 28, 2006 ymf
Filing Number: D159254-700925

July 31, 2006

Dear Sir or Madam:

I've approved the filing of the documents for the above named entity. The document number and filing date have been recorded on the original document. This letter serves as your certificate of filing and should be maintained in your files for future reference.

Pursuant to your request, I have deducted $20.00 from your prepaid account to cover the costs of this transaction.

Thank you for giving this office the opportunity to serve you. If you have any questions in this regard, or need additional assistance, please do not hesitate to contact the Business Services Bureau professionals at (406) 444-3665.

Sincerely,

Brad Johnson
BRAD JOHNSON
Secretary of State

AUG 0 2 2006

4067569436



520684

700925
STATE OF MONTANA
FILED
JUL 2 0 2006
SECRETARY OF STATE

ARTICLES OF INCORPORATION

OF

MC ESTATES CONDOMINIUM OWNERS ASSOCIATION, INC.

The undersigned incorporator, in order to form a nonprofit corporation pursuant to Section 35-2-114 through 35-2-1402, inclusive, of the Montana Code Annotated, does hereby voluntarily adopt and certify the following Articles:

ARTICLE I - NAME - DESIGNATION

The name of the corporation is MC ESTATES CONDOMINIUM OWNERS ASSOCIATION, INC. The corporation shall be a mutual benefit corporation.

ARTICLE II - DURATION

This corporation formed shall have perpetual existence, unless dissolved in accordance with Montana law.

ARTICLE III - PURPOSES

The purposes for which this corporation is formed are:

a) The primary and specific purpose is to further promote the interests and welfare of the Owners of MC Estates Condominium, a condominium development situated in Bigfork, Flathead County, Montana, and to operate, maintain and improve the Common Elements, or Limited Common Elements, and any other equipment or facilities appurtenant to the development for the benefit of said Owners.

b) The general purposes are to provide all types of services, facilities and improvements deemed useful, beneficial and helpful to said Owners; to enforce restrictions, liens, charges and covenants pertaining to said MC Estates Condominium Owners Association, Inc.; to purchase, lease, construct, contract for, develop or otherwise acquire such property, real or personal, tangible or intangible, as may be necessary or convenient to carry out said primary objectives and purposes; to care for and maintain all property owned by it or under its control; to borrow or raise money or contract indebtedness by giving any form of obligation and security therefor; to appoint such committees as may be necessary or convenient in carrying out the said primary objectives and purposes; to make and collect charges and assessments by which to further said primary objectives and purposes; to enter into, make or perform contracts of any kind with any person, firm, association, corporation, municipality, county, state, body, politic or government conducive to the attainment of any of the objectives or purposes of the corporation.

RECEIVED TIME JUL. 21. 11:11AM PRINT TIME JUL. 21. 11:23AM

c) To have and exercise all rights and powers and to do any and all things that a corporation can do for the benefit of its Members pursuant to the Montana Nonprofit Corporation Act and such other Montana laws as may be applicable, as same may be amended from time to time, or otherwise.

ARTICLE IV - NONPROFIT

This corporation shall adopt Bylaws which shall control and regulate the internal affairs of the corporation, including a provision for the distribution of assets on dissolution or final liquidation, and this corporation shall maintain a membership with such class or classes of Members as shall be set forth in said Bylaws. This corporation shall not have nor issue any shares of stock. No dividends shall be paid and no part of the income, profit or net earnings of the corporation shall be distributed to or otherwise inure to the benefit of its Members, Directors or officers or other private persons. This corporation may pay compensation in a reasonable amount to its Members, Directors or officers, or other employees, for services rendered; may confer benefits upon its Members in conformity with its purposes; and, upon dissolution or final liquidation, may make distribution to its Members as may be permitted by the Bylaws and the laws of the State of Montana. No such payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit, and it is the intention and overriding purpose to establish and qualify this corporation as an exempt organization for income tax purposes as that term is defined in Section 501(c) of the United States Internal Revenue Code, as replaced or amended.

ARTICLE V - REGISTERED OFFICE AND AGENT

The address of the initial registered office and the name of the initial registered agent at such address are:

Frederick J. Sterhan
180 Vista Lane
PO Box 2618
Bigfork, Montana 59911

ARTICLE VI - DIRECTORS

The initial Board of Directors shall be three (3) in number. These initial Directors shall serve until new Directors are elected pursuant to the MC Estates Condominium Owners Association Bylaws.

ARTICLE VII - INCORPORATOR

The name and address of the incorporator of this corporation are:

Frederick J. Sterhan
180 Vista Lane
PO Box 2618
Bigfork, Montana 59911

IN WITNESS WHEREOF, the undersigned duly authorized incorporator and registered agent has hereunto set his signature this 21 day of July, 2006.

Frederick J. Sterhan
Incorporator and Registered Agent

STATE OF MONTANA)
) ss.
County of Flathead)

This instrument was acknowledged before me on the 21 day of July, 2006, by **Frederick J. Sterhan as both the Incorporator of and Registered Agent for MC Estates Condominium Owners Association, Inc.**

V. GAY PLYMPTON NOTARIAL SEAL STATE OF MONTANA

V. Gay Plympton (printed name)
Notary Public for the State of Montana
Residing at Kalispell
My Commission expires 10/1/2009

RECEIVED TIME JUL. 21. 11:11AM PRINT. TIME JUL. 21. 11:23AM