

**AMENDMENT TO DECLARATION
FOR
CREST VIEW CONDOMINIUM**

THIS AMENDMENT TO DECLARATION ("Amendment") is made July ____, 2008, by NHB, LLC, a Montana limited liability company, PO Box 11530, Bozeman, Montana 59719 ("Declarant").

RECITALS

- A. The Declaration for Crest View Condominium dated June 16, 2008 ("Declaration") was recorded June 20, 2008, in the records of Gallatin County, Montana, under Document No. 2303423.
- B. The Condominium is located on a tract of Land described as:

Lot 5, Block 3 of the Bull Thistle Addition to Belgrade, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder of Gallatin County, Montana. [Plat Reference: J-48]
- C. As of the date of this amendment, Declarant owns all of the Condominium Units. No Unit or interest therein has been sold or transferred to a third party.
- D. Pursuant to Section 12.2 of the Declaration, Declarant desires to amend the Declaration to add provisions further protecting the lien interests of Mortgagees in compliance with lending guidelines of the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), and the Federal Housing Administration ("FHA").

AMENDMENT

- 1. **Definitions.** Unless the context expressly provides otherwise, the following definitions shall pertain throughout this Amendment and in the interpretation this Amendment and the Declaration:
 - (a) "Eligible Mortgagee" means the bona-fide holder, insurer or guarantor of a Mortgage in a Unit which has notified the Association, in writing, of such Eligible Mortgagee's name and address, and that such Eligible Mortgagee holds a Mortgage in a Unit, with the identifying number or street address of such Unit. Such notice shall be deemed to include a request that

such Eligible Mortgagee be given the notices, and conferred the other rights, as described in Sections 12.3 and 12A and other provisions of the Declaration, as amended.

- (b) Unless the context requires otherwise, capitalized terms in this Amendment shall have the meanings given them in the Declaration.

2. **Amendment to Section 12 – Consent Requirement**. Section 12 of the Declaration is amended to add the following Section 12.3:

12.3 Consent of Eligible Mortgagees.

- (a) *Consent Requirement*. Notwithstanding the provisions of Section 12.1 or any other provision of this Declaration or the Bylaws, no material amendment of this Declaration or the Bylaws may be made by the Association or the Unit Owners without the additional, written consent of Eligible Mortgagees holding Mortgages on Units that represent at least fifty-one percent (51%) total number of Member Votes (based upon Allocated Interests) that are subject to Mortgages held by Eligible Mortgagees. An amendment to this Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any amendment or change to any provision of this Declaration that establishes, governs or regulates any of the following shall be considered material:

- (i) Voting rights;
- (ii) Reductions in the requirements for reserves for maintenance, repair, and replacement of Common Elements;
- (iii) Responsibility for maintenance and repairs;
- (iv) Reallocation of interests in the Common Elements or Limited Common Elements, or rights to their use, except that, when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only Eligible Mortgagees holding Mortgages in such Units must approve such action;
- (v) Redefinition of any Unit boundaries, except that when boundaries of only adjoining Units are involved, then only those Unit Owners and the Eligible Mortgagees holding Mortgages in such Unit or Units must approve such action;
- (vi) Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium;
- (vii) Hazard or fidelity insurance requirements;
- (viii) Imposition of any restrictions on the leasing of Units;
- (ix) Imposition of any restriction on the right of a Unit Owner to sell, transfer or otherwise convey such Owner's Unit;
- (x) Restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in the Unit Ownership Act, this Declaration, the Bylaws, and any other Condominium documents;

- (xi) Abandonment, partition, subdivision, encumbrance, sale or other transfer of the Common Elements by act or omission; and
 - (xii) Any provision of this Declaration which is for the express benefit of Eligible Mortgagees, or the holders, insurers or guarantors of any first Mortgage that is secured by a Unit.
- (b) *Additional Consent Requirement for Terminating Condominium Regime.* Notwithstanding Subsection 12.3(a) to the contrary, any action withdrawing, abandoning or terminating the submission of the Property to the Unit Ownership Act for any reason other than substantial destruction or condemnation of the Units or Common Elements must be consented to in writing by Eligible Mortgagees holding Mortgages on Units that represent at least fifty-one percent (51%) of the votes of Units (based upon Allocated Interests) that are subject to Security Interests held by Eligible Mortgagees. If the Unit Ownership Act requires the consent of a percentage of Eligible Mortgagees greater than that set forth in this Subsection, the Unit Ownership Act's requirement shall apply.
- (c) *Implied Consent of Eligible Mortgagees.* Notwithstanding the contrary requirements of obtaining the written consent of Eligible Mortgagees in Subsection 12.3(a), a proposed amendment shall be deemed approved by a Mortgagee if the Mortgagee fails to object or consent to a written proposal for an amendment within sixty (60) days after receipt of notice of the written proposal by such Eligible Mortgagee, provided such notice was delivered by certified or registered mail, with a "return receipt" requested.

2. **Additional Mortgagee Protection.** The Declaration is further amended to add a new Section 12A as follows:

SECTION 12A ADDITIONAL MORTGAGEE PROTECTIONS.

12A.1 **Notice of Actions.** The Association shall give prompt written notice to each Eligible Mortgagee of:

- (a) Any condemnation or any casualty loss which affects either a material portion of the Condominium, or the Unit in which there is a Mortgage held by such Eligible Mortgagee;
- (b) Any delinquency in the payment of assessments or other charges owed by a Unit Owner whose Unit is subject to a Mortgage held by such Eligible Mortgagee, which delinquency remains uncured for a period of sixty (60) days;
- (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- (d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as set forth in this Declaration or the Bylaws; and
- (e) Any judgment rendered against the Association.

12A.2 **Priority – Lien Rights.** Except as specifically provided in this Declaration, no provision of this Declaration shall be construed to grant to any Unit Owner or to any other Person any

priority over any lien rights of an Eligible Mortgagee pursuant to its Mortgage in the case of distributions of insurance proceeds or condemnation awards.

- 4. **Ratification.** Except as modified, altered or amended by the provisions of this Amendment, the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to Declaration for Crest View Condominium to be made and executed.

NHB, LLC, a Montana limited liability company.

by: _____
Benjamin E. Nistler, Manager

ACKNOWLEDGEMENT

STATE OF MONTANA)
 : ss.
County of Gallatin)

This instrument was acknowledged before me on July ____, 2008, by Benjamin E. Nistler as manager of NHB, LLC, a Montana limited liability company.

Printed Name: _____
NOTARY PUBLIC for the State of Montana
RESIDING AT _____, Montana
My Commission Expires _____, 20__

[Seal]