

After recording, please return to:
Candace L. Kimmet
Karell Dyre Haney PLLP
175 North 27th Street, Suite 1303
Billings, MT 59101

STATE OF MONTANA }
County of Yellowstone } SS

The attached instrument was filed / recorded in
my office on the following date: 6-22-2017,
at 4:30 O'clock PM under document Number
3817704 :

JEFF MARTIN
County Clerk & Recorder

By: _____

[Signature]

**FIRST AMENDMENT TO THE BYLAWS OF
JOSEPHINE COTTAGES OWNERS ASSOCIATION**

THIS FIRST AMENDMENT TO THE BYLAWS OF JOSEPHINE COTTAGES OWNERS ASSOCIATION (this "First Amendment") dated June 22, 2017 amends the Bylaws of Josephine Cottages Owners Association recorded with the Clerk and Recorder for Yellowstone County on May 21, 2009 under Document No. 3508300 (the "Bylaws") relating to the following real property in Yellowstone County, Montana more particularly described as follows:

Lots 2 and 3, Block 2, of Josephine Crossing Subdivision, Yellowstone County, Montana, according to the official plat thereof on file and of record in the office of the Clerk and Recorder of said County, under Document No. 3402833.

NOW THEREFORE, the Bylaws are hereby amended as follows:

1. Insurance.

- (A) Section 8(a) of the Bylaws is hereby deleted in its entirety and replaced with the following:

"The Association shall insure the common element improvements, specifically the sprinkler system, against loss or damage by special perils in an amount representing the full insurable value thereof, less a deductible in an amount to be determined by the Board."

- (B) Section 8(i) of the Bylaws is hereby deleted in its entirety and replaced with the following:

"The Board shall from time to time, as it deems necessary, review the adequacy of limits of coverage of insurance policies obtained by the Association, shall obtain a valuation from an insurance company or other knowledgeable person or business of the full replacement value of the covered improvements, without deduction of depreciation for the purposes of determining the amount of property insurance required under this section, and report its findings and opinion regarding insurance to the members at an annual meeting."

- (C) Section 8(k) of the Bylaws is hereby deleted in its entirety and replaced with the following:

“(k) Each unit owner shall obtain the following insurance policies:

- (1) **Public Liability and Property Insurance.** Each unit owner shall obtain public liability and property damage insurance for liability for personal injuries to, or the death of, any person, or damage to property resulting from the unit ownership, use or occupancy of that owner’s unit, naming the Association as an additional insured.
- (2) **Special Perils Coverage.** Each unit owner shall insure the owner’s unit, including, but not limited to, the exterior of the building, the roof, windows, fencing and all other items which are attached to and/or incorporated into the unit, are for the exclusive use of that unit’s owner, and are not covered by the insurance required to be obtained by the Association hereunder, against loss or damage by special perils, naming the Association as an additional insured, in an amount not less than the full replacement value thereof. All elements of the unit which are repaired or replaced after a loss shall conform in style, quality and appearance as it existed prior to the loss.
- (3) **Owners’ Required Insurance Generally.** Unit owners must provide the Association with proof of the insurance required to be obtained by the owners hereunder upon (i) initial purchase of such insurance and (ii) 5 days’ after a receipt of a written request by the Board therefore. All policies obtained by unit owners shall satisfy the requirements of subsections 8(f), 8(h) and 8(j).
- (4) **Optional Insurance.** Unit owners shall not be prohibited from carrying insurance in addition to those policies required in subsection 8(k)(1) and (2); provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by a unit owner. Insurance purchased by the Association shall not cover personal items, such as furniture or clothing inside the units. Unit owners must insure their own personal property if they wish such insurance coverage.”

(D) Section 8(l) of the Bylaws is hereby deleted in its entirety and replaced with the following:

“Insurance payments for a casualty loss insured by the Association shall be applied by the Board to repair or replace the damaged property. If such insurance proceeds exceed the replacement cost, excess proceeds shall be credited to the accounts of all owners. Any repairs or replacements after a loss shall conform in style, quality and appearance as it existed prior to the loss.”

2. **Property Loss.** The following sentence is hereby deleted from Section 9 of the Bylaws: “Insurance payments for a property loss insured by the Association shall be applied by the Board, or its designated Trustee, to repair or replacement of the damaged property except in the event of a total loss of all units and a unanimous decision of all owners not to rebuild.”

3. **Maintenance of Units and Common Elements.**

- (A) The first sentence of Section 11(a) of the Bylaws is hereby deleted in its entirety and replaced with the following:

“Every unit owner shall be responsible for all maintenance, replacement and repairs to their own respective unit, interior and exterior, including the front porch, deck, and fencing that serves their unit.”

- (B) The following sentence is hereby deleted from Section 11(b) of the Bylaws: “The Association shall also be responsible for maintenance and repair of the exterior of the buildings, except as otherwise provided above.”

4. **Defined Terms.** Except as otherwise provided in herein, all capitalized terms used herein shall have the meanings ascribed to them in the Declaration of Unit Ownership for Josephine Cottages, recorded with the Clerk and Recorder for Yellowstone County on May 21, 2009 under Document No. 3508299, as amended by the First Amendment to the Declaration of Unit Ownership for Josephine Cottages recorded with the Clerk and Recorder for Yellowstone County on January 25, 2011 under Document No. 3577807 and the Second Amendment to Declaration of Unit Ownership for Josephine Cottages recorded with the Clerk and Recorder for Yellowstone County on October 22, 2013, under Document No. 3687792.

5. **Ratification.** Except as specifically amended herein, the terms and conditions of the Bylaws are hereby ratified.

[Signature page to follow]

CERTIFICATION

The undersigned, being the President and Secretary of Josephine Cottages Owners Association, a Montana nonprofit corporation, do hereby certify that the amendments to the Bylaws contained in the foregoing First Amendment, were duly approved effective July 1, 2017, by 75% of the unit owners of Josephine Cottages entitled to vote pursuant to a written ballot, in accordance with the Section 16 of the Bylaws governing the amendment thereof.

JOSEPHINE COTTAGES OWNERS ASSOCIATION

By: Linda Byam
Linda Byam, Its President

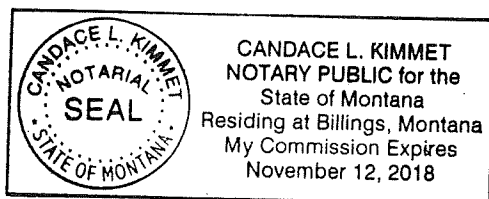
By: Phyllis Kindelman
Phyllis Kindelman, Its Secretary

STATE OF MONTANA)
 : ss.
County of Yellowstone)

This instrument was acknowledged before me on this 22nd day of June, 2017, by Linda Byam, as President of **JOSEPHINE COTTAGES OWNERS ASSOCIATION** and Phyllis Kindelman, as Secretary of **JOSEPHINE COTTAGES OWNERS ASSOCIATION**.

[Official Stamp]

Candace L. Kimmet
Candace L. Kimmet



CONSENT OF LENDER

The undersigned beneficiary of various Deeds of Trust secured by Unit No.[s] **5217, 5219, 5239, 5301** of Josephine Cottages, located on the following described real property, hereby consents to this First Amendment to Bylaws of Josephine Cottages Owners Association (the "First Amendment"), and to the recordation of the First Amendment:

Lots 2, 3 and 4, Block 2, of the Josephine Crossing Subdivision, in the City of Billings, Yellowstone County, Montana, according to the official plat thereof on file and of record in the office of the Clerk and Recorder of said County, under Document No. 3402833.

YELLOWSTONE BANK

By: *Garrett Scott*

Its: VICE PRESIDENT

STATE OF MONTANA)

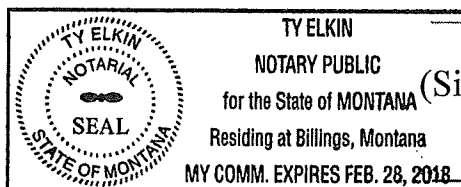
:SS

County of Yellowstone)

This record was acknowledged before me on MARCH 23RD, 2017 by

GARRETT SCOTT as VICE PRESIDENT of **YELLOWSTONE BANK**

[Official Stamp]



[Signature] (Signature of notarial officer)

President
Title of officer (if not shown in stamp)

CONSENT OF LENDER

CR

The undersigned beneficiary of various Deeds of Trust secured by Unit No.[s] 5211, 5213, of Josephine Cottages, located on the following described real property, hereby consents to this First Amendment to Bylaws of Josephine Cottages Owners Association (the "First Amendment"), and to the recordation of the First Amendment:

Lots 2, 3 and 4, Block 2, of the Josephine Crossing Subdivision, in the City of Billings, Yellowstone County, Montana, according to the official plat thereof on file and of record in the office of the Clerk and Recorder of said County, under Document No. 3402833.

FIRST INTERSTATE BANK

By: Cindy Reiss

Its: Regional Mortgage Manager

STATE OF MONTANA)

:SS

County of Yellowstone)

This record was acknowledged before me on March 28, 2017 by

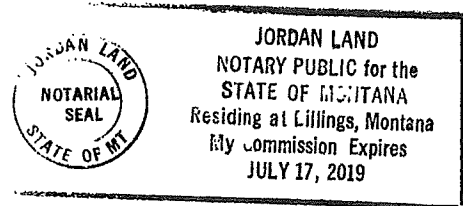
Cindy Reiss as Regional Mortgage Manager of **FIRST INTERSTATE BANK**

[Official Stamp]

[Signature]

(Signature of notarial officer)

Notary
Title of officer (if not shown in stamp)



CONSENT OF LENDER

The undersigned beneficiary of various Deeds of Trust secured by Unit No.[s] 5231, of Josephine Cottages, located on the following described real property, hereby consents to this First Amendment to Bylaws of Josephine Cottages Owners Association (the "First Amendment"), and to the recordation of the First Amendment:

Lots 2, 3 and 4, Block 2, of the Josephine Crossing Subdivision, in the City of Billings, Yellowstone County, Montana, according to the official plat thereof on file and of record in the office of the Clerk and Recorder of said County, under Document No. 3402833.

BILLINGS FEDERAL CREDIT UNION

By: 

Its: Pres/CEO

STATE OF MONTANA)

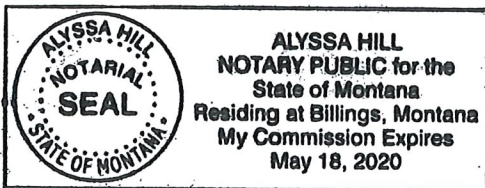
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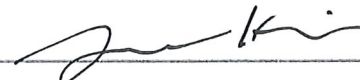
County of Yellowstone)

This record was acknowledged before me on March 28, 2017 by

Pres/CEO as Tom Boos of **BILLINGS FEDERAL CREDIT UNION**

[Official Stamp]




(Signature of notarial officer)

ASR
Title of officer (if not shown in stamp)

CONSENT OF LENDER

The undersigned beneficiary of various Deeds of Trust secured by Unit No.[s] 5201, 5209, 5215, 5221, 5227, 5243, 5249, 5255, 5261, 5303, 5307, 5309, 5311, 5317, 5257 of Josephine Cottages, located on the following described real property, hereby consents to this First Amendment to Bylaws of Josephine Cottages Owners Association (the "First Amendment"), and to the recordation of the First Amendment:

Lots 2, 3 and 4, Block 2, of the Josephine Crossing Subdivision, in the City of Billings, Yellowstone County, Montana, according to the official plat thereof on file and of record in the office of the Clerk and Recorder of said County, under Document No. 3402833.

Western Security Bank

By: Jerry Simonson

Its: Vice President

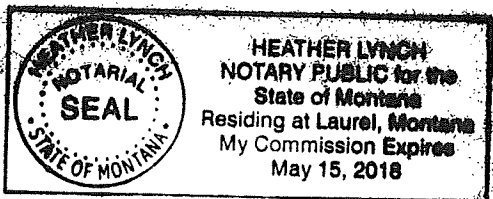
STATE OF MONTANA)

:SS

County of Yellowstone)

This record was acknowledged before me on March 24th, 2017 by

Jerry Simonson as Vice President of Western Security Bank



[Signature]
(Signature of notarial officer)

Customer Service
Title of officer (if not shown in stamp)