

## FOUNDER'S RESOLUTION

PERTAINING to the MASTER DEED RESTRICTIONS and  
DECLARATION OF EASEMENTS, COVENANTS and RESTRICTIONS  
for the RESIDENTIAL NEIGHBORHOOD of

HELLGATE MEADOWS PHASES 1, 2, and 3

THIS FOUNDER'S RESOLUTION is made this 20<sup>th</sup> day of May, 2010 by N & E Ventures I, LLC, a Montana limited liability company, known as the "Founder" for purposes of the Governing Documents of the Hellgate Meadows Phases 1 and 2, and Hellgate Meadows Phase 3, recorded subdivision plats of Missoula County, Montana.

### RECITALS

WHEREAS, the Master Deed Restrictions and the Declaration of Easements, Covenants and Restrictions for the Residential Neighborhood for Hellgate Meadows are recorded in Book 685, Page 361, Document No. 200220233 and Book 685, Page 363, Document No. 200220234, records of Missoula County, respectively (collectively referenced for purposes of this document as the "Governing Documents");

WHEREAS, during the Development Period as defined by the Governing Document, the Founder is granted certain rights with respect to the administration of the Hellgate Meadows Residential Neighborhood Association, including the authority to appoint the members of the Board of Directors for the Hellgate Meadows Residential Neighborhood Association, Inc., a Montana nonprofit corporation;

WHEREAS, because Founder continues to own more than five lots within Hellgate Meadows Phases 1, 2, and 3 the Development Period remains in effect;

WHEREAS, Section 6.7(c) and Section 14.4 of the Declaration of Easements, Covenants and Restrictions for the Residential Neighborhood provides that the Founder may voluntarily surrender all or a portion of its reserved rights to appoint and remove officers and members of the Board of Directors before the end of the Development Period and Section 7.1 of the Master Deed Restrictions authorizes the Founder to assign any portion of its rights at any time to the Residential Neighborhood Association; and

WHEREAS, the Founder desires to surrender its rights to appoint the officers and members of the Board of Directors for the Residential Neighborhood Association, but retain all other rights reserved to the Founder in the Governing Documents;

NOW THEREFORE, the Founder declares as follows:

1. Pursuant to Section 6.7(c) and 14.4 of the Declaration of Easements, Covenants and Restrictions for the Residential Neighborhood and Section 7.1 of the Master Deed Restrictions, the Founder surrenders all rights and authority to appoint the members and officers of the Board of Directors of the Hellgate Meadows Residential Neighborhood Association, Inc.
2. By this Resolution, the Board of Directors of the Hellgate Meadows Residential Neighborhood Association, Inc. is granted all the duties, powers and obligations set forth in Articles VI through XII of the Declaration of Easements, Covenants and Restrictions for the Residential Neighborhood, but not the authority and duty to administer the Design Code and the Hellgate Meadows Architectural Review Board as provided in Article V or any other rights which are specifically reserved to the Founder (such as the rights pertaining to adding additional property in Section 2.2 and others). Included in the Association's duties shall be the sole responsibility of maintain the Mail House located in the Village Core park as depicted on the subdivision plat for Hellgate Meadows Phases 1 and 2.
3. By this resolution, Founder grants the Hellgate Meadows Residential Neighborhood Association, Inc. the right to administer the Association's current banking account at First Security Bank (Account No. 9063171) and to replace the former officers' authority and signatures with the officers of their choosing.
4. It is the Founder's intent to permit the Hellgate Meadows Residential Neighborhood Association, Inc. to make decisions with respect to the Design Code pertaining to those portions of the Residential Neighborhood which have already been built (Lots 40-145). To that end, Founder intends to create and appoint a committee of the Hellgate Meadows Architectural Review Board comprised of members of the Hellgate Meadows Residential Neighborhood Association, Inc. and the Village Architect to administer certain aspects of the architectural review for the completed portions (Lots 40-145) of the Residential Neighborhood. The purpose of such action is to permit the Hellgate Meadows Residential Neighborhood Association Inc. to be involved as much as possible in administering the completed portion of the Residential Neighborhood while reserving to the Founder the ability to appoint the members of the Hellgate Meadows Architectural Review Board and govern the architectural review responsibilities for all portions of the Residential Neighborhood which have not been built or lands which may be added to the Residential Neighborhood in the future pursuant to Section 2.2 of the Master Deed Restrictions. The purpose of this Section 3 is informational only and is not intended to relinquish or surrender any rights reserved to the Founder with respect to the Hellgate Meadows Design Code and the Hellgate Meadows Architectural Review Board.
5. Nothing in this Resolution should be interpreted to affect any of the Founder's rights pertaining to the Master Deed Restrictions or the Village Core Declaration of Easements,

Covenants and Restrictions (Recorded in Book 685, Page 363, Document 200220235, records of Missoula County) and all matters pertaining thereto.

6. Other than the rights pertaining to appointment and removal of the officers and members of the Board of Directors for the Hellgate Meadows Residential Neighborhood Association, Inc., any dispute or interpretation regarding the rights surrendered by the Founder under this Resolution shall be resolved in favor of such rights being retained by the Founder.

IN WITNESS THEREOF, the Founder and Hellgate Meadows Residential Neighborhood Association, Inc. affirm this Resolution as of the date first stated above.

FOUNDER:  
N & E Ventures I, LLC  
By Neighborhoods By Design, LLC,  
its managing member.

HELLGATE MEADOWS RESIDENTIAL  
NEIGHBORHOOD ASSOCIATION, INC

By Robert G. Brugh, Managing Member

By Kevin Broughton, President

STATE OF MONTANA )  
 : SS.  
County of Missoula )

This instrument was acknowledged before me on this 21st day of May, 2010 by Robert G. Brugh as Authorized Member of Neighborhoods By Design, LLC.

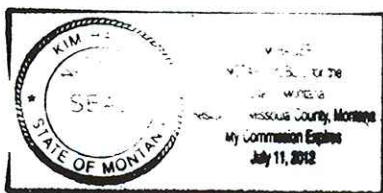


LISA W. DELANO  
NOTARY PUBLIC-MONTANA  
Residing at Missoula, Montana  
My Comm. Expires Jul. 23, 2011

Printed Name: LISA W. DELANO  
Notary Public for the State of Montana  
Residing at \_\_\_\_\_  
My Commission expires: 7/23/2011

STATE OF MONTANA )  
 : SS.  
County of Missoula )

This instrument was acknowledged before me on this 20 day of May, 2010 by Kevin Broughton as President of Hellgate Meadows Residential Neighborhood Association, Inc..



Printed Name: Kim Hager  
Notary Public for the State of Montana  
Residing at Missoula, CO.  
My Commission expires: July 11, 2012