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**SECOND AMENDMENT TO DECLARATION FOR THE GRAN CIELO MASTER
SUBDIVISION AMENDING PROPERTY RESTRICTIONS RELATED TO LEASING**

This Second Amendment to the Declaration of Covenants, Conditions and Restrictions For Gran Cielo Master Subdivision (Amendment) is hereby made this 29 day of June 2022, and entered into by Bozeman Haus, LLC, the Declarant. This Amendment amends the following:

Document Title	Date Recorded	Document No.
Declaration of Covenants, Conditions and Restrictions For Gran Cielo Master Subdivision	August 25, 2020	2697022
First Amended Declaration of Covenants, Conditions and Restrictions For Gran Cielo Master Subdivision	December 12, 2020	2712468

The purpose of this Second Amendment to the Declaration is to amend property use restriction language related to Owners' right to **Lease**.

RECITALS

WHEREAS, the First Amended Declaration of Covenants, Conditions and Restrictions For Gran Cielo Master Subdivision dated the December 12, 2020 (the "Covenants"), which governs the Gran Cielo Master Subdivision, more particularly described as set forth on Exhibit A, attached

hereto an incorporated herein by reference, was recorded in the Office of the Gallatin County Clerk and Recorder on December 12, 2020 filed at Document Number 2712468;

WHEREAS, fewer than seventy-five percent (75%) of the maximum number of residential units permitted by the Plat and Condominium Plans have been conveyed to a Person other than the Declarant, meaning the Declarant Control Period has not terminated;

WHEREAS, the Declarant may unilaterally amend the Covenants during the Declarant Control Period;

WHEREAS, except as specifically amended by this Second Amendment to the Covenants, the Covenants shall remain in full force and effect as written, and

WHEREAS, Declarant has approved the following amendment.

NOW THEREFORE, THE DECLARATION IS AMENDED AS FOLLOWS:

Amendment 1, Article 8, Section 5, entitled "Leasing" shall be amended in its entirety to read as follows:

8.5 **Leasing.** Owners may Lease their Lots to others for residential purposes in a manner consistent with this Community Declaration except as may be prohibited in a Supplemental Declaration or a Condominium Declaration.

(a) Definitions:

(i) A "Lease" is allowing a person(s) to occupy all or any part of a Lot for a monetary consideration or its equivalent.

(ii) A "Long-Term Lease" is a Lease that is for thirty (30) days or longer.

(iii) A "Short-Term Lease" is a Lease that is for less than thirty (30) days.

(iv) A "Dwelling" is defined as any home on the Lot providing complete, independent living facilities for one (1) or more person(s), including provision for living, sleeping, cooking and sanitation.

(v) A "Accessory Dwelling Unit" or "ADU" is defined as a Dwelling that is smaller in area and subordinate in Use to the Principal Dwelling, whether attached or detached.

(vi) "Use" is defined as any purpose for which a Structure or Lot may be designed, arranged, intended, maintained or occupied for any activity, occupation or residence.

(vii) "Principal" is defined as the primary Use of a Lot.

(viii) "Living" is defined as Owner occupation of a Dwelling for 6 months

or more each year.

(b) Long-Term Leases are allowed as follows:

(i) The entire Principal Dwelling is allowed to be Leased as a Long- Term Lease.

(ii) ADU's are allowed to be Leased as a Long- Term Lease.

(c) Short-Term Leases are allowed as follows:

(i) The entire Principal Dwelling is NOT allowed to be Leased as a Short Term Lease if there is no ADU on the Lot.

(ii) Bedrooms within the Principal Dwelling are allowed to be Leased as a Short-Term Lease so long as the Owner is Living within the Principal Dwelling at the time of the Lease and is physically present on the property during the period of each Short-Term Lease term. An Owner seeking to Short-Term Lease individual bedrooms within the Principal Dwelling must properly register with the City of Bozeman and provide a copy of the license they receive to the Association.

(iii) The entire Principal Dwelling is allowed to be Leased as a Short-Term Lease so long as the Owner is living in the ADU on the Lot. Owners seeking to lease their entire Principal Dwelling must properly register with the City of Bozeman and provide a copy of the license they receive to the Association. If an Owner that Short-Term Leases his entire Principal Dwelling is to be physically absent from the ADU for greater than two (2) weeks, he must employ a property manager, properly licensed in the state of Montana to manage the Short-Term Leased Principal Dwelling.

(iv) ADU's are allowed to be Leased as a Short-Term Lease so long as the Owner is living in the Principal Dwelling on the Lot. Owners seeking to lease their ADU must properly register with the City of Bozeman and provide a copy of the license they receive to the Association. If an owner that Short-Term Leases his ADU is to be physically absent from the Principal Dwelling for greater than two (2) weeks, he must employ a property manager, properly licensed in the state of Montana to manage the Short-Term Leased ADU.

(d) Owner must, at Owner's expense, provide all Long-Term Lessees with copies of the Covenants, Bylaws and Rules and Regulations. Should the Association create a "short form" of the Governing Documents for posting, Owners who have Short-Term Leases must post the

Short Form on or near the Leased property's entry way door. Leases must specify that lessees/occupants must comply with all provisions of the Governing Documents. Long-Term Leases must include the names of every person who will occupy the leased unit, license plate number and make and model for all tenant vehicles, and a signed statement from each occupant certifying that they have read and agree to abide by such rules, policies, regulations, covenants and declarations.

(e) Long-Term Leases must be in writing. All leases shall provide that the lessee(s) shall be subject to the provisions of the Covenants, Bylaws, and the Rules and Regulations of the Association. Should the Association create a Lease information sheet (which may include but is not limited to lessee's names, phone numbers, emails, pets and vehicle information), all Owner's with Long Term Leases must fill out the Lease information sheet and return it to the Association within five days of entering into a Long-Term Lease.

(f) The Association is not responsible for leases negotiated by any of its members, nor is it responsible for its members' advertisements seeking lessees. It is the responsibility of individual owner/lessors to comply with local, state and federal laws relative to the leasing process.

(g) Housesitters and/or caretakers are defined as persons or single families temporarily residing in and responsible for complete units during temporary absences of the owners or lessees. Housesitters and caretakers are allowed to occupy a Unit. They are subject to the provisions of the Bylaws and Covenants, including the Rules and Regulations of the Association.

(h) In the event a lessee fails to comply with the Governing Documents (including Rules and Regulations), or becomes a public nuisance, the Association, after notification to the Owner, shall initiate action against the Owner, offending lessee or occupant. Such proceedings shall be taken in accordance with Association rules, policies, regulations, covenants and declarations. Specifically, should the lessees be in violation of the Governing Documents, the Owner by purchasing a Property within the Association, grants the Association the right to evict all lessee from the Property for violation of the Covenants. The prevailing party in all such proceedings shall be entitled to an award of reasonable attorney's fee and related costs.

