

FIRST AMENDMENT
TO
DECLARATION
OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS FOR

ELK HIGHLANDS

This Amendment (the "Amendment") to the Declaration of Covenants, Conditions, Restrictions and Easements for Elk Highlands (the "Declaration") is made this ~~24th~~ day of May, 2005, by ELK HIGHLANDS, INC., a Montana corporation (sometimes called the "Company" in this Declaration).

RECITALS:

- A. On September 3, 2004, the Declaration was recorded at the office of the Clerk and Recorder of Flathead County, Montana at reception number 200424712330.
- B. In Section 21.2. of the Declaration, the Company reserved the right to modify the declaration.
- C. Pursuant to Section 21.2.2. of the Declaration, notice of the proposed modification was served on all Owners and less than eighty percent (80%) of the Owners objected to the proposed modification.

NOW THEREFORE, pursuant to the powers reserved by the Company in the Declaration:

1. *Certification.* The Company hereby certifies that the notice prescribed by Section 21.2.2. of the Declaration was provided to the Owners and that less than eighty percent (80%) of the Owners objected to the proposed modification of the Declaration within thirty (30) days of mailing of the notice.

2. *Modification.* Section 7.40 of the Declaration is hereby modified to read:

Section 7.40. *Rental and Leasing.* The Owner of a Lot will have the right to rent or lease his Lot and residence located thereon, subject to the following conditions:

7.40.1. The lease or rental agreement shall be specifically subject to the Elk Highlands Documents, and any failure of a tenant to comply with the Elk Highlands Documents will be a default under the lease or rental agreement.

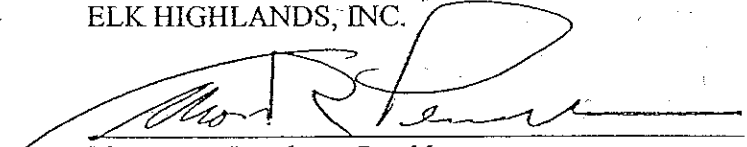
7.40.2. The Owner shall be liable for any violation of the Elk Highlands Documents committed by the Owner's tenant, without prejudice to the Owner's right to collect any sums paid by the Owner on behalf of the tenant.

All other provisions of the Declaration not herein amended or in conflict herewith, are hereby ratified and reaffirmed.

200514415501

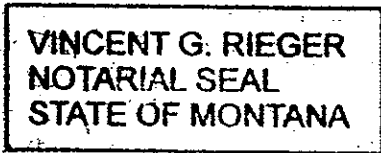
IN WITNESS WHEREOF, an authorized officer of Elk Highlands, Inc. has signed this Amendment on the Date shown above.

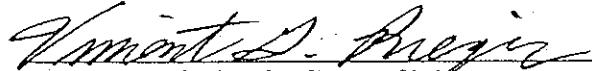
ELK HIGHLANDS, INC.


Thomas R. Penaluna, President

STATE OF MONTANA)
) ss
County of Flathead)

This instrument was acknowledged before me on this 24th day of May, 2005, by Thomas R. Penaluna as President of Elk Highlands, Inc.




Notary Public for the State of Montana
Residing at Kalispell, Montana
My commission expires: April 1, 2008

STATE OF MONTANA)
) ss.
County of Flathead)

Recorded at the request of the Law Office of Vincent G. Rieger, P.C. this 24 day of May, 2005, at 3:50 clock m. and recorded in the records of Flathead County, State of Montana.

Fee \$ 12 Pd.


Flathead County Clerk and Recorder

Reception No. 20051441550 
Deputy

After recording please return to:

Vincent G. Rieger
Law Office of Vincent G. Rieger, P.C.
4 Meridian Court
Kalispell, MT 59901