

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
GRASSY MOUNTAIN RANCH

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DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
GRASSY MOUNTAIN RANCH

THIS DECLARATION is made this 10 day of May, 1995, by YELLOWSTONE BASIN PROPERTIES, INC., a Montana Corporation, with its principal place of business at 1119 North 7th, Bozeman, Montana, 59722-3027, hereinafter called the "Developer".

RECITALS

YELLOWSTONE BASIN PROPERTIES, INC. owns property located in Township 7 North, Range 5 East, Meagher and Broadwater Counties, Montana set forth in the attached Exhibit A. [Exhibit A is the existing legal description of the real property.] These Covenants, Conditions and Restrictions ("CCRs") will apply to Final (subdivision) Plats as approved by and filed in the respective Counties encompassing the real property set forth in the attached Exhibit A. These CCRs will not apply to real property in Exhibit A which is not subdivided.

NOW THEREFORE, Developer hereby declares the Tracts set forth in the Final Plats within the real property described above, shall be held, sold and conveyed subject to the following Covenants, Conditions and Restrictions (hereinafter called "CCRs" or "Declarations") and these Declarations will bind all grantees, heirs, successors and assigns of the owners and any future owners of all Tracts appearing on the Final Plats.

DEFINITIONS

- 1. Accessory Building.** A building, such as a garage, barn, or tack shed, detached from a dwelling and used for purposes which are incidental and subordinate to a residential, agricultural or permitted commercial uses.
- 2. Agricultural Use.** The practice of the science or art of cultivating the soil, growing fruits, vegetables or crops and raising or grazing of domestic livestock or poultry, for personal use, but specifically excluding a feedlot or a commercial poultry farm.
- 3. Association.** The terms "Association" or "Owners Association" shall mean and refer to the GRASSY MOUNTAIN RANCH OWNERS' ASSOCIATION, INC., A Montana nonprofit corporation, its successors and assigns. This nonprofit corporation shall be a legal entity under Montana Law and have the right to sue and be

sued under applicable State and Federal Law. Approval by the Association shall mean approval by the Association Board of Directors, or a committee appointed by the Association Directors, unless approval of Owner members is specifically required.

4. **Commercial Use.** Any enterprise or enterprises of any kind for a profit.

5. **Declaration.** The term "Declaration" shall mean and refer to these enabling Declaration of Covenants, Conditions and Restrictions, including lawful amendments. The term "CCRs" refers to this Declaration.

6. **Developer.** The Declarant is the "Developer", Yellowstone Basin Properties, Inc. a Montana Corporation, its successors and assigns, with its principal place of business at 1119 North 7th, Bozeman, Montana, 59772-3027.

7. **Developer's Enforcement Responsibility Date.** This is the date on which the Board of Meagher County Commissioners allows the sole responsibility for the CCRs to pass to the Association from the Developer under the provisions set forth in Paragraph 8.3.

8. **Dwelling.** A single family residence, designed for and used as permanent living quarters having sleeping, cooking and complete sanitary facilities.

9. **Guest House.** A building for use as temporary living quarters by guests of owner or a dwelling which is clearly incidental or subordinate to a dwelling situated on the same tract of land. The guest house may have light cooking facilities including a refrigerator, but may not be used as a permanent dwelling.

10. **Industrial Use.** The processing, manufacture, production, sale or bulk storage of non-agricultural raw materials. Wood working, crafts, art work, sculpture, and small home businesses enclosed in a single accessory building next to the dwelling are not considered industrial uses and such activities are intended to be permitted commercial uses.

11. **Junk Area.** The use of land for the wrecking, dismantling and/or storage of junk, including, but not limited to, garbage, inoperable motor vehicles and scrap materials of every sort.

12. **Mobile Home.** A detached residential dwelling unit manufactured at a factory, is not in accordance with the standards of the Uniform Building Code, and is designed for

transportation on its own chassis to a building site for occupation as a dwelling with or without a permanent foundation.

13. **Mortgage.** The term "Mortgage" shall mean and refer to a mortgage, trust indenture, deed of trust or any other security arrangement encumbering a Tract.

14. **Mortgagee.** The term "Mortgagee" shall mean and refer to the mortgagee under a mortgage, the beneficiary of a deed of trust, contract seller, or beneficiary under a Montana Trust Indenture.

15. **Owner.** The term "Owner" shall mean and refer to the record owner, including Tracts owned by the Developer, whether one (1) or more persons or entities, of fee simple title to any Tract which is a part of the Property and is subject to this Declaration, including contract purchasers who have a possessory interest pursuant to their contract to purchase, but excluding contract sellers or mortgagees or persons having such interest merely as security for the performance of an obligation. Owner(s) shall include an owner or owners of any subdivided Tract.

If the Developer or any Tract owner sells a Tract, the Seller will still be considered Owner of the Tract, until a deed, notice of purchaser's interest, or abstract of contract for deed, containing the address of the new owner, is recorded with the County Clerk & Recorder and a copy of the recorded document delivered to the Association. A Contract Seller or Vendor is jointly and severally responsible along with the Vendee or Purchaser for performance of these CCRs, including the payment of dues and assessments.

16. **Property.** The term "Property" shall mean and refer to Final Plats approved and filed within the property described in the attached Exhibit "A".

17. **Recreational Vehicle.** A vehicle, with self-contained sanitary facilities, designed for use as a temporary dwelling for travel, recreation and vacation use; provided, that a recreational vehicle occupied on a Tract for longer than sixty days (60) in any one year shall be deemed to be a mobile home.

18. **Residential Use.** The occupying of a dwelling for living purposes.

19. **Signs.** Any man-made structure, object, device, or part thereof, situated out of doors, or prominently visible from outside the building on which it is situated, which identifies,

advertises, displays or otherwise attracts attention to either itself or some other object, person, institution, organization, business, product, service, event, activity, location, thing or happening of whatever nature, and by any means, including words, letters, numerals, figures, designs, symbols, fixtures, colors, mottos, illumination, projection, contrast, conspicuous and the like.

20. Single Family. One or more persons living together as a single, non-profit, house-keeping unit, as distinguished from a group occupying a hotel, motel, club, fraternity or sorority, commune and the like.

21. Subdivision. A division of land, or land so divided, resulting in the creation of two or more tracts of land out of a single, larger tract in order that title to, possession or occupancy of the tract(s) so created may be sold, rented, leased or otherwise conveyed or transferred and shall include any re-subdivision.

22. Tract. The term "Tract" or "Lot" shall mean and refer to any plot of land which is or has been made subject to this Declaration or other Declarations which requires the Tract Owner to be a member of the Association and is shown as a separate lot or tract upon any recorded Final Plat of any portion of the property described in the attached Exhibit "A".

23. Turn-over date. The "turn-over date" is the date on which the Developer (YBP) elects, at its discretion, to turn over certain responsibilities to the homeowners' association. This date shall be no earlier than the date on which 80% of the lots are sold and all improvements, including roads, are completed.

SECTION 1. OWNERS' ASSOCIATION: Each Owner of a Tract within this development will be required to belong to the Owners' Association.

SECTION 2. SIZE OF TRACTS: All Tracts shall be twenty acres or more in size, including private road and utility easements.

2.1. Subdivision of Tract. No Tract may be subdivided into Tracts less than twenty (20) acres in size. Only those Tract Owners owning a Tract which is forty (40) acres or more are eligible to subdivide. Nothing herein guarantees any Owner that further subdivision will be allowed by the governing bodies of Meagher or Broadwater Counties or the State of Montana.

2.2. **Mortgage or Lien.** No Tract may be subdivided by a purchaser from the Developer within 3 years of purchase. No Tract may be subdivided so long as Yellowstone Basin Properties, Inc. or its successors and assigns holds a lien, trust indenture or mortgage on such Tract, without the express written consent of the mortgagee or its assigns. All delinquent dues and assessments must be paid before a Tract may be subdivided.

2.3. **Requirements of subdivision.** A Tract Owner, desiring to subdivide its Tract, must meet all subdivision, environmental, health and sanitarian requirements of the governing agencies having jurisdiction, including the Counties of Meagher and Broadwater and the State of Montana.

SECTION 3. ACCESS ROADS AND EASEMENTS:

3.1. **Road Access.** Tract Owners will have ingress and egress on the roads shown on the approved and filed Final Plats subdividing the land described in the Attached Exhibit A.

★ 3.2. **Common Utilities.** The Developer hereby grants and reserves utility easements to and across each Tract as follows: common utilities, including telephone and power, may be placed in the road rights of way shown on the Final Plats or in a strip of land thirty feet (30') on either side of the center line of any roads shown on the Final Plats or along any Tract boundary line as shown on the Final Subdivision Plat.

3.3. **Utility hookups.** All individual utility hookups from service lines to each Tract and any utility lines between Tracts must be buried.

3.4. **Obstructions.** No gates or obstructions shall be placed upon or block any access road unless approved by the Association and by all Tract Owners using the road for access to their Tract. Any Owner may place, at Owner's expense, a cattle guard on a road easement if the cattle guard is approved by the Association and a gate is installed on one side of the cattle guard for livestock, horses, or for persons using the road. Approved cattle guards in any access road must be placed where such road passes through such Tract Owner's boundary.

3.5. **Set Backs.** All dwellings and other buildings, not including access roads, fences, corrals, and utilities, must be set back at least 50 feet from the front Tract boundary line, and 30 feet from the side and rear Tract boundary line. No structures can be erected or septic tanks, septic systems, or drain fields can be installed within 300 feet of any riparian

area or flowing stream. All vegetation, except for weeds, within 300 feet of any riparian area must be left in its natural state. The riparian area set backs will be delineated on the final plats.

3.6. Roads and Driveways. All roads and driveways within the subdivision will be open at all times to persons and vehicles providing public services, including but not limited to the fire and sheriff's department, ambulance, county sanitarian, delivery companies and electrical, plumbing and building inspectors and the agents and invitee of a Tract Owner. If a main road is locked, the Association must give a lock key or combination to the lock to the Sheriff for distribution and use by an Owner or other persons who have a lawful right to use the roads.

3.7. Building Envelopes on certain Tracts. Certain Tracts will be restricted as to the location of buildings and limitations on the construction of fences to help protect elk migration patterns. On these special Tracts, a building envelope on each Tract will be provided. The terms of these additional restrictions will be filed as a supplement to these CCRs at the time of filing the Final Plat and enforced along with these CCRs, by the Developer, the Association, the Architectural Committee or an Owner.

SECTION 4. GRAZING RIGHTS AND OTHER INCOME FROM THE PROPERTY:

4.1. Reservation of Grazing Rights. Yellowstone Basin Properties, or the Association after the "turn-over date", may lease or assign the grazing and farming rights on any unfenced Tracts. Yellowstone Basin Properties, Inc., ("YBP") reserves the grazing and farming rights on unfenced Tracts until the "turn-over date". On the "turn-over date", all grazing, farming rights, and other agricultural rights are to automatically revert to the Association. The requirement to fence in livestock does not apply to the Developer, or the Association.

4.2. Grazing Proceeds and Income from the Property. Dues, grazing and farm income, and other income received from any source by the Association, must be spent to comply with the Meagher County Conditions for Plat Approval including road maintenance, weed control, fire protection and exterior fence maintenance, enforcement of these CCRs, building and construction approval, and the administration of the Association and its obligations, (hereinafter called "duties and obligations of the Association"). Income of the Association may not be distributed to Tract Owners. Nothing herein will prevent a Tract Owner from being an employee or independent contractor for the Association.

4.3. Turn-over to the Association. Until the "turn-over" date YBP will operate the Owners' Association and be responsible for complying with the Meagher County Conditions for Plat Approval and carrying out all duties and obligations of the Association, including road maintenance, weed control, fire protection, and exterior fence maintenance, approval of building and construction plans, and enforcement of the these Declarations.

4.3.1. Enforcement Funds. On the turn-over date, YBP shall deposit any balance of revenues from grazing and dues into an account for the homeowners association and shall ensure that a balance of at least \$25,000.00 free of delinquent obligations, rests in that account.

4.4. Fence in Livestock. Any Tract Owner (except the Developer or Association) must fence in their livestock. The Developer, the Association, and the Tract Owners shall not be required to participate in or pay for the construction of partition fences between Tracts. Tract Owners desiring to fence their land must bear the expense of fencing unless they can arrange to have their neighbor(s) voluntarily participate in the construction of partition fences. Fences bordering lands outside of the Property described in Exhibit "A" must be maintained pursuant to State law by the Association. The Association may require Tract Owners to help maintain any fence between the Owner's Tract and the outside neighbor's property bordering the land described in the attached Exhibit "A".

4.5. Trespass. No Owner may bring an action for trespass of livestock unless that Owner has a lawful and maintained fence around the perimeters of the Owner's Tract.

4.6. Water Rights. The Owners' Association is the record holder of Stock Water rights. Stock Water rights will be used by the livestock grazing the unfenced Tracts. No Tract Owner is entitled to utilize stock water rights on any Tract, except their own. Developer or the Owners' Association or their Lessees may utilize stock water on any unfenced Tracts.

4.6.1. State Permitting Process. No Owner or their agent may permanently block, stop, or divert a stream or spring from its historical path. Any pond constructed on a Tract must be in accordance with State Law, following the State of Montana permitting process. Any such pond must perpetuate the historical flow of the water and not interfere with historical water rights. Application for a permit to divert or store water must be made by application

for a permit to the Montana Department of Natural Resources and Conservation (DNRC) or its successor agency.

4.6.2. Domestic Wells. Domestic Well Logs and Completion Forms must be filed with the applicable government agencies following completion. (These forms are usually furnished by the well driller.)

SECTION 5. GENERAL RESTRICTIONS ON ALL PROPERTIES:

5.1. Owner's Livestock. Except for Developer or the Association as provided above, any animals kept by an Owner must be kept within the boundaries of the Owner's Tract. No Tract Owner may operate a hog farm, livestock feed lot, or commercial poultry farm or conduct any other activities that cause an accumulation of manure on any Tract. Corrals, a barn, and livestock facilities near the Owner's dwelling are allowed, so long as manure is not allowed to accumulate. No Owner may allow animals, dogs or other household pets to run at large.

5.2. No Mining, Drilling or Quarrying. Except as herein set forth, no mining, quarrying, tunneling, excavating for any substances within the earth, including, minerals, gravel, sand, rock, and earth shall ever be permitted on the surface of any Tract shown on a filed Subdivision Tract except in connection of construction permitted under these CCRs.

5.2.1. Water Wells. Owners may drill one or more water wells on their Tract for the purpose of providing water to the improvements constructed on the Tract and for irrigation and stock water purposes.

5.2.2. Oil and Gas Drilling. Oil and gas drilling may occur on the Property so long as any well site is at least 600 feet from any dwelling or residential site location and so long as the surface Owner is compensated for any and all damages. The Association reserves the right to negotiate reasonable covenants and conditions in any oil and gas lease to protect the roads and the subdivision; and the Association may suggest to Tract Owners leasing their Tracts for oil and gas exploration, covenants and conditions that should be inserted into any oil and gas lease for the protection of the surface estate and the environmental condition of the Owners' property.

5.2.3. Gravel Pits. The Developer may operate lawful gravel pits on any Tract the Developer owns during construction of roads on the Property. These pits must be

opened, used and reclaimed in accordance with applicable Montana Laws and regulations.

5.3. Residential Density. Except for Tract 1 consisting of approximately 239 acres, the Tracts shall be used primarily for single family residential purposes. Each Tract shall contain no more than one (1) dwelling, however each dwelling may also have an appurtenant, non-commercial guest house. Accessory buildings are also allowed.

5.4. Commercial Uses. No Tracts within the Property shall ever be occupied or used for any commercial, business, or industrial purposes, except as set forth in 5.4.2.

5.4.1. Normal Agricultural Uses. Normal agricultural uses and activities, including the raising of horses or cattle in a husband-like manner for the purpose of selling to a third party; or agricultural uses such as the production and sale of any crop produced on any Tract shall be permitted, but said agricultural uses shall be restricted in accordance with paragraph 5.1 herein.

5.4.2. Commercial Businesses. Small commercial businesses conducted in the dwelling or in an accessory building next to the dwelling are permitted. Such allowed commercial businesses include activities such as wood working, crafts, studios, offices for professional or consulting businesses and similar type family businesses that do not have non-family employees. However, nothing in this Paragraph 5.4 shall be deemed to prevent: (a) Developer or its duly authorized agent from using any Tract owned by Developer as a sales office, sales model, property management office or rental office; or (b) any Owner or his duly authorized agent from renting or leasing any residential building for residential uses from time to time, subject to all of the provisions of this Declaration.

Any questions or variances regarding the above specified uses can be decided by the Association, but any such variances must be consistent with the intent of these CCRs.

5.5. Tract 1 Dude Ranch. Tract 1 may be operated as a commercial dude ranch or resort including recreational and hunting outfitting.

5.6. Restrictions on Signs. Signs are not allowed, except a sign no larger than nine square feet identifying the architect and the prime contractor during the course of construction, and a

sign no larger than nine square feet for the Owner to advertise his home or Tract for sale. No signs or advertising devices, including, but without limitation, commercial, political, informational, or directional signs or devices, shall be erected or maintained on any of the Property, except signs approved in writing by the Association as to size, materials, color, and location: (a) as necessary to identify ownership of the Tract and its address; (b) as necessary to give directions; (c) necessary to advise of rules and regulations; (d) necessary to caution or warn of danger; and (e) as may be required by law.

5.6.1. **Sign for Dude Ranch on Tract 1.** Tract 1 shall be allowed a sign no larger than thirty-six square feet identifying the ranch business and any other related matter.

5.6.2. **Address.** An Owner living on a tract must maintain the address of their residence on a sign visible from the subdivision road which sign may include the name of the Owner.

5.7. **Water and Sewer.** A Tract Owner assumes the responsibility of supplying and developing the water and sewage facilities for his Tract. Wells, water systems, and septic systems must be drilled, installed, and maintained at all times in accordance with the applicable rules and regulations of public agencies having regulatory authority over such facilities, (Presently the County Sanitarian. No structure may be constructed on a Tract until the Owner has determined that a lawful septic tank may be installed and the Owner has potable water or the Owner has affirmatively elected to use a cistern for their water supply.

5.8. Utility Lines.

5.8.1. **Primary Feeder Lines.** Primary feeder lines for utilities, including power and telephone, will be buried if feasible.

5.8.2. **Individual Utility Hookups.** Individual utility hookups, including power and telephone, to dwellings and related buildings must be buried, if allowed by the power company or Co-op servicing the area.

5.8.3. **Antennas and Dishes.** Dwellings may have television and radio antennas and dishes.

5.9. Refuse and Junk Prohibited. Owners shall not dump or store refuse, junk, or garbage on any Tract or on any portion of the Property, nor shall Owners build, maintain, operate, or construct, or in any way cause or permit to be placed upon a Tract, any structure, facility, or condition that will cause the accumulation or existence of animal waste, junk, or a condition causing noxious or offensive odors or smoke. Garbage must be disposed of, at the Tract Owner's expense, in an approved governmental solid waste disposal facility or collected by a licensed solid waste disposal company.

5.10. Completion of Construction. Construction of any building or other structure on a Tract must become completed within eighteen (18) months from the date of start of construction, or it will be considered a nuisance, and may be removed or otherwise abated by the Association, at the sole cost and expense of the Owner of the Tract on which such building or other structure is situated. The Association may set shorter or longer periods of time for good cause shown.

5.11. Timber. There may be no clear cutting of timber, except in the area necessary to build a dwelling and authorized out-buildings. Timber growing on a Tract may be used by an Owner for the Owner's personal firewood, or for fencing materials on the Tract.

5.11.1 The Developer reserves the right to cut timber for roadways and for thinning timber on Tracts prior to that Tract's sale by the Developer. There shall be no timber cutting on any Tract by the Developer following sale of that Tract.

5.12. Design of Homes. Homes, garages and all buildings must be of new material and construction. No used buildings may be moved onto any tract. Homes, garages, and outbuildings constructed on the Property shall have an exterior color in earth or wood tones. Metal roofs must be non-reflective material. See, Section 7. Architectural Committee Section.

5.13. Minimum Square Footage. The primary dwelling constructed on each Tract must have at least 1000 square feet of living space on the main floor exclusive of patios, porches or garages. Any questions or variances from this standard must be answered or approved by the Association and the Developer.

5.14. Moveable Living Conveniences and Mobile Homes. Except as provided in 5.14.1, no trailers, mobile homes, or other moveable living conveniences shall be lived in upon the property. This restriction does not prevent pre-built homes on permanent

foundations that meet United States Federal Housing specifications as non-mobile, permanent, residential homes. Nothing herein is intended to prohibit the Tract Owner or Tract Owner's guests from parking or using recreational vehicles on said property next to a permanent dwelling on a temporary basis. This provision does not prevent the Owner of a Tract from storing a recreational vehicle on the Tract.

5.14.1. **Recreational Vehicles.** Each Tract Owner may live in a recreational vehicle for up to 60 days in any calendar year so long as health and sanitary laws regulating sewage and waste disposal are followed by the Tract Owner using the recreational vehicle. No recreational vehicle may be stored or left on a Tract unless it is next to a permanent dwelling. No sewer waste may be dumped or deposited on any Tract unless it is in an approved septic tank.

5.15. **Maintenance of Property.** Each Owner shall maintain his Tract and improvements in good repair and appearance at all times. No Owner may overgraze their premises or allow manure to accumulate. Each Tract Owner shall be responsible for control and removal of noxious weeds on their Tract. In the event a Tract Owner does not remove noxious weeds on their Tract the Developer prior to the "turn-over date" and Owners' Association, or its agents, after the turn-over date, or the applicable government authority (currently the county weed board) may enter the Tract and take whatever steps necessary to remove noxious weeds at the expense of the Tract Owner.

5.16. **No Noxious or Offensive Activity.** No noxious or offensive activity shall be carried on upon any portion of the Property, nor shall anything be done or placed on any portion of the Property which is or may become a nuisance to others.

5.17. **No Hazardous Activities.** No activities shall be conducted on any portion of the Property and no improvements may be constructed on any portion of the Property which are or might be unsafe or hazardous to any person or property.

5.18. **No Annoying Lights, Sounds or Odors.** No light shall be emitted from any Tract or other portion of the Property which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any Tract or other portion of the Property which is unreasonably loud or annoying including, but without limitation, speakers, horns, whistles, bells, or other sound devices; and no odors shall be emitted from any Tract or other portion of the Property which are noxious or offensive to others.

5.19. **Rules and Regulations.** No owner shall violate the rules and regulations for the use of the Tracts and the Property as adopted from time to time by the Association. No such rules or regulations shall be established which violate the intention or provisions of this Declaration or which shall unreasonably restrict the use of any Tract by the owner thereof.

5.20. **Dues to Association.** The Association must charge dues to Owners to meet the duties and obligations of the Association. Any such dues or charges are a personal obligation of the Tract Owner. Each Tract Owner must pay dues to the Association. The Association may file a lien against the Owner's Tract for any dues or charges that are delinquent. Until the "turn-over date", the Developer is exempt from paying dues on Tracts still owned by the Developer. Following the "turn-over date" the Developer will pay dues on all Tracts owned by the Developer.

5.20.1. **Annual Dues.** To cover the costs of meeting the Association's obligations, annual dues for each Tract shall be \$100.00 per year until changed by the Board of Directors of the Association. The Board of Directors shall prepare a proposed annual budget setting forth the expected annual dues for the upcoming year, which proposed budget shall be presented to the members for discussion and voting at the annual meeting of the members of the association.

5.20.2. **Snow Removal.** The Association has no obligation to plow snow on the access roads or the County Road. Nothing herein will prevent the Owners living in the area from reaching a mutual agreement to share the costs of snow plowing.

SECTION 6. CREATION OF FIRE DISTRICT. The Developer has Petitioned the County of Meagher and the County of Broadwater to create a Fire District on the Property set forth in the attached Exhibit "A". The Developer, on behalf of the fire district which the Developer is creating and which is part of the subdivision approval process, has agreed with the County of Meagher that the Fire District will contract with Meagher County, for a period of ten (10) years, to provide fire prevention and fire suppression services to the Fire District. The Fire District shall be subject to the laws of the State of Montana governing Fire Districts.

SECTION 7. ARCHITECTURAL COMMITTEE

7.1. **Committee.** There will be an Architectural Committee.
The Architectural Committee shall be appointed by the Board of

Directors of the Association and consist of at least three (3) persons. Until the "turn-over date" the Developer or persons appointed by the Developer, will perform all the functions of the Architectural Committee. After the "turn-over date" and prior to the Enforcement Responsibility Date, the Developer is entitled to appoint a person to the Architectural Review Committee. Members of the Architectural Committee or the persons appointed by the Developer need not be Tract Owners.

7.2. Purpose. The Committee may make such reasonable rules and by-laws and adopt such procedures, as it deems necessary to carry out its functions, which rules, by-laws and procedures may not be inconsistent with the provisions of these covenants.

7.3. Committee Review. No building, construction (including driveway construction), reconstruction, alteration, remodeling, landscaping, parking, fence, wall or other improvement shall be placed, constructed, erected, repaired, restored, reconstructed, altered, remodeled, added to or maintained on any lot until building drawings, plans and specifications, and such other information as the Committee may reasonably require, including without being limited to, colors, building materials and models, have been submitted to, and approved by, a majority of the Committee in writing; nor may the same be commenced until the Committee shall have issued a permit allowing for such improvements. All contractors and agents of an Owner are subject to this provision and all other applicable provisions of these CCRs.

7.4. Applicable Construction Codes. The Committee shall require that all construction be built in compliance with applicable government Codes in effect at the time of construction. All driveways and gravel areas must be constructed in accordance with the standards of the Association.

7.5. Setbacks. The Committee has the right to provide additional setbacks for any structure as in the Committee's discretion best suits the requirements of the site.

7.6. Authority to Approve. The Committee shall have the authority to reject the materials, designs, and colors submitted with plans or the plans themselves, if they are not compatible, or are inappropriate, with the rest of the subdivision.

7.7. Variances. The Committee shall have the authority to grant variances to the house locations, building codes, setback requirements, minimum height, and where, in its sole discretion, it believes the same to be appropriate and necessary and where

the same will not be injurious to the subdivision or the environment. The Committee may not grant variances to any requirement set by Meagher County or any local, state or federal agency.

7.8. Substantial Compliance. All improvements, construction, reconstruction, alterations, remodeling or any activity requiring the approval of the Committee must be completed in substantial compliance with the plans and specifications initially approved by the Committee and for which permits have been issued.

7.9. Enforcement. The Committee, acting in the name of the Association, shall have the power, authority, standing and right to enforce these covenants in any court of law or equity when it reasonably believes the same have been violated and as more particularly set forth in Section 8.

7.10. Revocation. The Association or Committee shall have the authority to revoke or suspend building permits and/or order the suspension or cessation of any construction or work in violation of these covenants or of any permit issued by the Committee.

7.11. Fees. The Association may require reasonable fees to be paid with the filing of plans and specifications and the issuance of building permits to defray its expenses and the expenses of inspections and enforcement of the provisions of these covenants.

7.12. Landscape Plan. Simultaneously with the filing of any initial building plans for any lot, the owner thereof must also submit to the Committee a landscape plan. This landscape plan must set forth in detail the landscaping to be installed, placed or planted on such lot, including paths, walks, shrubs, trees, rocks, walls or any feature to be incorporated into a landscape design or plan, and such landscape plan must be approved before any building permit is issued. The landscaping provided for in the landscaping plan must be completed within two (2) years of the completion of the construction authorized by the building permit. The minimum requirement for the landscaping plan must be a plan to reseed all disturbed areas following construction and providing for weed control.

7.13. Committee Guidelines. The Committee shall be governed by the following guidelines in its consideration of plans and specifications submitted for its approval:

7.13.1. Residential Development. It must recognize that this subdivision is designated for a residential development for outdoor enthusiasts and all improvements in the subdivision must harmoniously combine, and not be inconsistent with, the development of the project which will serve said purpose.

7.13.2. Suitability. In considering any plans and specifications, the Committee shall examine the suitability of the same to the site, including the materials of which it is to be constructed, as well as the relationship of the same to the neighborhood and the adjacent properties.

7.13.3. Aesthetic Values. No plans or specifications shall be approved which will be so similar or dissimilar to other improvements or structures that monetary or aesthetic values of other Tracts or the subdivision will be materially impaired.

7.13.4. Compliance. All plans or specifications shall be in full compliance with all of the terms and provisions of these covenants, except for any variances, which have been granted by the Committee for such plans and specifications.

7.14. Liability. The Committee, the individual members of the Committee, the Association, or the Developer may not be held liable to any person for any damages which may result from the Committee's action taken pursuant to these covenants, including, but not by way of limitation, damages which may result from correction, amendment, change or rejection of plans, the issuance, suspension, or enforcement of building permits, or any delays associated with such action on the part of the Committee.

SECTION 8. ENFORCEMENT AND MISCELLANEOUS PROVISIONS:

8.1. Declaration Attaches to the Land. These Covenants, Conditions, and Restrictions, and Easements shall run with the land and shall be binding upon the present owners and all subsequent owners of any Tract.

8.2. Amendment of Declarations. These Declarations may be amended by a majority vote of the Tract Owners. Each Tract shall have one vote. No amendment of these Declarations may change or increase the obligations or rights of Yellowstone Basin Properties, Inc. or Tract 1 ("Dude Ranch") without its express written consent, as the case may be. No amendment of these

81
2/166

2/164

82 + 1 = 83

Declarations may diminish a Tract Owner's right of ingress and egress.

8.2.1. **Approval of County.** Any amendment of this Declaration must be approved by the Board of Meagher County Commissioners.

8.3. **Obligations for enforcement.** The Developer is responsible to the County of Meagher for enforcement of the CCRs and applicable laws and regulations for a period of ten (10) years, after which time the Developer may be relieved from the obligations of this condition upon evidence satisfactory to the Board of County Commissioners that there exists a viable owners' association with sufficient resources to assume the subdivider's obligations for the enforcement of the CCRs. Following the "turn-over date", the Association is responsible for the Enforcement of those elements of the CCRs specifically turned over by the Developer.

8.4. **Enforcement.** The provisions of this Declaration, or any lawful amendments, may be enforced by the Association, by the Developer prior to the Enforcement Responsibility Date, and by any Tract Owner by using either an action for damages arising out of a violation, an action to abate a nuisance, an action to restrain a threatened or prospective violation or restrain a continuing violation, or any other remedy permitted by law or equity. In any action for the enforcement of the Declarations, if the relief prayed for is granted in whole or in part, the person or entity bringing the action shall be entitled to recover necessary court costs for the action, including reasonable attorney's fees.

8.5. **Annexation.** This Declaration shall apply to all Final Plats filed involving the Property described in the attached Exhibit "A". This Declaration will not apply to real property which has not been subdivided.

8.6. **Severability.** Should any provision of this Declaration be void or become invalid or unenforceable in law or equity by judgment, or court order, the remaining provisions hereof shall be and remain in full force and effect.

SECTION 9. MORTGAGE PROTECTION. A breach of any of these Covenants, Conditions and Restrictions contained herein shall not render invalid the lien, encumbrance of any mortgage, or security interest on any Tract if such mortgage, lien, or security interest is made in good faith and for value. Further any lien

for unpaid dues is junior and subject to any valid mortgage, encumbrance, or security interest in any Tract.

IN WITNESS WHEREOF, YELLOWSTONE BASIN PROPERTIES, INC. HAS SIGNED THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ON THE DATE SET FORTH IN THE ACKNOWLEDGEMENT.

YELLOWSTONE BASIN PROPERTIES, INC. a Montana corporation

By: Jerome J. LaLonde Jerome J. LaLonde, President

STATE OF MONTANA) : ss. County of Sweet Grass)

This instrument was acknowledged before me on the 10th day of MAY, 1995, by Jerome J. LaLonde, President of Yellowstone Basin Properties, Inc.

Shirley W. Bergquist Notary Public for the State of Montana Residing at Big Timber, Montana My Commission Expires: 1/20/98

130856

STATE OF MONTANA COUNTY OF BROADWATER

I hereby certify that the within instrument was filed in my office on the 8 day of Aug 1995 at 10 minutes past 4 o'clock p.m. and entered on page 117 of book 34 of Micro Records of Broadwater County, state of Montana.

Elaine Drowley County Clerk and Recorder By Christina Mans Deputy

Fees \$ 132.00

sn.wp51\client\ybp\triple\grassy5.ccr

F40 934

BOOK 36 PAGE 138

EXHIBIT A

REAL PROPERTY

MEAGHER COUNTY, MONTANA

Township 7 North, Range 5 East, M.P.M., Meagher County, Montana.

Section 11: All that portion lying in Meagher County.

Section 13: N $\frac{1}{2}$ NW $\frac{1}{4}$.

Section 14: All that portion lying in Meagher County.

Section 22: That portion of SE $\frac{1}{4}$ lying in Meagher County.

Section 23: All that portion lying in Meagher County.

Section 25: All.

Section 26: All.

Section 27: All that portion lying in Meagher County.

Section 35: All.

Township 7 North, Range 6 East, M.P.M., Meagher County, Montana.

Section 30: All.

BROADWATER COUNTY, MONTANA

Those portions of the following described lands situate in Broadwater County.

Township 7 North, Range 5 East, M.P.M., Broadwater County

Section 11: All.

Section 14: All.

Section 22: SE $\frac{1}{4}$.

Section 23: All.

Section 27: All.

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103829

STATE OF MONTANA }
County of Meagher } ss.

I hereby certify that the within instrument was filed for record in this office on the 23 day of May 1995 at 11:35 o'clock A.M. and was duly recorded in Book F40 of Misc p. 913-934

Fee \$ 132.00 BELLAMAK G. HUBB County Recorder

Carol Anderson Deputy

F42-723

ADDENDUM TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
GRASSY MOUNTAIN RANCH

Pursuant to Section 3.7, of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GRASSY MOUNTAIN RANCH, recorded May 23, 1995 under Document No. 103829, records of Meagher County, Montana, and recorded August 8th, 1995, under Document No. 130856, records of Broadwater County, Montana; YELLOWSTONE BASIN PROPERTIES, INC., a Montana Corporation, with its principal place of business at 1119 North 7th, Bozeman, Montana 59772-3027, hereinafter called the "Developer", makes this Addendum to the "Declaration of Covenants, Conditions and Restrictions for Grassy Mountain Ranch" as follows:

The Plat of Grassy Mountain Ranch, Phase III, was filed for record on the 6th day of March, 1996, records of the County Clerk & Recorder of Meagher County, Montana Book F42, Page 722, Instrument No. 104880.

Certain Lots on the Plat of Grassy Mountain Ranch, Phase III have building envelopes, including Lots 123, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 148, 150 and 151.

The following covenants, conditions and restrictions apply to all Lots containing building envelopes:

1. All buildings and improvements must be located within the building envelope for each Lot as the building envelope is outlined on the Plat of Grassy Mountain Ranch, Phase III. No improvements, except boundary fences between Lots, may be constructed outside the building envelope on each Lot. On Lots containing building envelopes, boundary fences must be no more than four feet (4') in height, unless the fence is within the building envelope. If a fence is within the building envelope the Covenants, Conditions and Restrictions shall continue to apply.

2. Well development, underground laying of pipes, water lines and septic drain fields may be constructed outside the building envelope, however any structures, tanks, or buildings served by these facilities must be within the building envelope.

3. No cross fences of any kind may be constructed on any of the Lots containing building envelopes, except fences constructed within the area of the building envelope.

F42-724

4. Except as modified in this Addendum all of the original Covenants, Conditions and Restrictions of Grassy Mountain Ranch, and any lawful amendments thereto shall apply to all Lots in Grassy Mountain Ranch, Phase III, including the Lots containing building envelopes.

IN WITNESS WHEREOF, YELLOWSTONE BASIN PROPERTIES, INC. HAS SIGNED THIS ADDENDUM ON THE DATE SET FORTH IN THE ACKNOWLEDGEMENT.

YELLOWSTONE BASIN PROPERTIES, INC.
A Montana Corporation

By:

[Signature]
Daniel C. Koscher, Vice-President

STATE OF FLORIDA)
County of PALM BEACH) ss.

This instrument was acknowledged before me on the 14 day of FEBRUARY, 1996, by Daniel C. Koscher, as Vice-President of Yellowstone Basin Properties, Inc.

[Signature]
Notary Public for the State of _____
Residing at _____
My Commission Expires: _____



Notary Public, State of Florida
JEFFREY C. LORENZ
My Comm. Exp. Nov. 11, 1997
Comm. No. CC 329696

INDEXED

104881

MICROFILMED

Recorded in Meagher County this 6 day of March, 1996, at 8:35 o'clock A m., In Book F42, pages 723-724. Fee \$ 12.00
BELLAMAE O. LIND Recorder
Carol Anderson Clerk

133679

Broadwater
County

39 740

AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS TO PROVIDE CONSENT TO AMENDMENTS BY
BROADWATER COUNTY COMMISSIONERS

This amendment of Covenants, Conditions and Restrictions of
Grassy Mountain Ranch is hereby amended by Bluegreen of Montana,
a corporation and successor of Yellowstone Basin Properties, Inc.

The Declaration of Covenants, Conditions and Restrictions of
Grassy Mountain Ranch were recorded in Broadwater County, Montana
August 8, 1995, page 117 et.seq., Book 34 of Micro records of
Broadwater County; and in Meagher County May 23, 1995, in Book
F40 Misc pages 913 et.seq.

Paragraph 8.2.1 provides any amendment of this Declaration
must be approved by the Board of Meagher County Commissioners.

Paragraph 8.2.1 is amended to read:

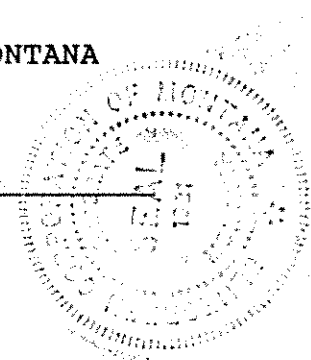
"Any amendment of this Declaration must be approved by the
Boards of Meagher and Broadwater County Commissioners."

The Declarant agrees to place this requirement in the Bylaws
of the Association with the provision this Bylaw provision cannot
be amended without the consent of the Board of County
Commissioners of both Meagher and Broadwater Counties, and record
this Amendment in both Meagher and Broadwater Counties. The
Declarant, Bluegreen of Montana, agrees to forward a copy of this
Amendment to the Board of County Commissioners of Meagher County
for their approval.

Dated the date set forth in the acknowledgment.

BLUEGREEN CORPORATION OF MONTANA

By: Patrick Rondeau
Patrick Rondeau, President



STATE OF FLORIDA)
County of PALM BEACH) : ss.

This instrument was acknowledged before me on the 27 day
of February, 1997, by Patrick Rondeau, President of
Bluegreen Corporation of Montana.

Jeffrey C. Lorenz
Notary Public for the State of _____
Residing at _____
My Commission Expires: _____

Notary Public, State of Florida
JEFFREY C. LORENZ
My Comm. Exp. Nov. 11, 1997
Comm. No. CC 329606

10/25/2014



10/25/2014



Amendment
Declaration of Covenants

Grassy Mountain Ranch