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**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS**

REMINGTON RANCH PROPERTIES

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS (the "Covenants") is made this 15th day of OCTOBER, 1997, by the undersigned owners of the real property described herein.

WITNESSETH:

WHEREAS, the undersigned are the owners of the following described real property situated in Carbon County, Montana:

Lot 18A, Lot 18B, Lot 18C, Lot 18D, and Lot 18E of Creekside Estates at Remington Ranch, Section I, Subdivision Plat No. 1620 11th Amended, Carbon 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. 282965.

WHEREAS, situated on said real property are certain sixty foot (60') wide easements and rights-of-way, which provide access, ingress and egress to the Property subject to these Covenants; and

WHEREAS, the undersigned propose that said Property be developed, sold, improved and maintained pursuant to a common set of standards and plan of development, and desire to place covenants, restrictions and conditions upon said Tracts for the benefit of the owners of all of said lands.

NOW, THEREFORE, the undersigned hereby declare that all of the property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns and shall insure to the benefit of each owner thereof.

**ARTICLE I
DEFINITIONS**

1.1 "Architectural Review Committee" or "Architectural Committee" shall mean the Architectural Review Committee appointed by the Board of Directors of the Association whose

function is to review the plans, specifications, designs and locations of structures and other improvements to be constructed or erected on any Tract.

1.2. "Association" shall mean Remington Ranch Master Association, Inc., a Montana nonprofit corporation, and its successors and assigns.

1.3. "Board of Directors" or "Board" shall mean the duly elected and qualified members of the Board of Directors of the Association.

1.4. "Covenants" shall mean this Declaration of Covenants, Conditions, Restrictions and Easements for the Property, as it may from time to time be amended or supplemented.

1.5. "Common Facilities" shall mean those areas which are to be improved, repaired and maintained by the Association for the benefit of all Owners, including without limitation (i) the areas within the Main Access Road Easements, and (ii) the areas within the Fire Suppression Ponds, all of which are described in Section 3.1 below, together with all driveways, culverts, roads, streets, improvements, and landscaping on or serving the foregoing properties (including without limitation the log entry gate or structure located at the main entry to the Property from Montana Highway No. 78), and all fixtures and appurtenances used therewith or attached thereto, and all tangible and intangible personal property at any time owned or controlled by the Association for the common use and benefit of the Owners.

1.6. "Declarants" shall mean Remington Montana Company and Red Lodge West LLP, and their successors and assigns if the rights, obligations and duties of such Declarants under these Covenants and the Bylaws of the Association have been expressly assigned to such successors or assigns in writing, and shall not mean a buyer or successor Owner of any Tract sold or conveyed by Declarants unless accompanied by said express written assignment.

1.7. "Guidelines" shall mean design guidelines which may from time to time be adopted and published by the Architectural Review Committee to set forth procedures for review of plans and standards and criteria which the Architectural Review Committee expects to follow in reviewing proposed developments within the Property.

1.8. "Improvement" or "Improvements" shall mean and include (i) the construction, improvement or alteration of any buildings, outbuildings, roads, driveways, walkways, parking areas, fences, screening walls and barriers, retaining walls, stairs, railings, artifacts, decks, water lines, wells, sewers, electrical and gas distribution facilities, (ii) any hedges, windbreaks, plantings (except those in specific confined gardens or planters), grasses, lawns, planted trees and shrubs, and landscaping of every type and kind, (iii) any poles, signs, loading areas and all other structures and installations of every type and kind, whether above or below the land surface, (iv) any grading, levelling or reconfiguration of the natural or physical characteristics of a Tract, and (v) any subdivision, resubdivision, split, alteration or reduction in size of any Tract in any way or manner whatsoever. The foregoing Improvements shall not include interior remodeling or redecoration of a building or structure on a Tract, provided that such remodeling or redecoration does not affect the exterior appearance of any such building or structure.

- 1.9. **"Mortgage"** shall mean a Mortgage, Deed of Trust or Trust Indenture.
- 1.10. **"Mortgagee"** shall mean a Mortgagee under a Mortgage, as well as a Beneficiary under, or holder of, a Deed of Trust or Trust Indenture.
- 1.11. **"Occupant"** shall mean a lessee or licensee of an Owner, or any other person or entity other than an Owner in lawful possession of a Tract with the permission of the Owner.
- 1.12. **"Owner"** shall mean any person or entity which is the record owner of fee simple title of any Tract, including buyers under a contract for deed, but excluding any entity or person who holds such interest as security for the payment of an obligation, other than a contract seller, Mortgagee, or other security holder in actual possession of a Tract.
- 1.13. **"Property"** shall mean and refer to all of the real property, whether known or designated as a lot, tract or parcel, within the exterior boundary of original Certificate of Survey No. 1620, Carbon County, Montana, according to survey thereof on file and of record in the office of the Clerk and Recorder of Carbon County, Montana, and any amendments, modifications, subdivisions or changes heretofore or hereafter made with respect to said original Certificate of Survey No. 1620.
- 1.14. **"Record", "recorded" or "recordation"**, shall mean, with respect to any document, the recordation of said document in the office of the Clerk and Recorder of Carbon County, Montana.
- 1.15. **"Road or Roads"** shall mean any street, highway, road, or thoroughfare within or adjacent to the Property and shown on any recorded subdivision plat, or record or survey, whether designated thereon as street, avenue or road.
- 1.16. **"Tract"** shall mean a fractional part of the Property as depicted or subdivided as a lot, tract or other parcel on surveys or subdivision plats recorded from time to time in the office of the Clerk and Recorder of Carbon County, Montana.

ARTICLE II SUBJECT PROPERTY

The undersigned hereby declare that all of the Property more particularly described above is, and shall be, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred in whole or in part, subject to these Covenants. All of the covenants, conditions and restrictions set forth herein are declared and agreed to be in furtherance of a general plan for the subdivision, improvement, maintenance and sale of the Property and are established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and every part thereof. All of the covenants, conditions and restrictions shall run with all of the Property for all purposes and shall be binding upon and inure to the benefit of the undersigned and all Owners, Occupants, and their successors in interest as set forth in these Covenants.

ARTICLE III RECIPROCAL EASEMENTS AND PROPERTY RIGHTS

3.1. Reciprocal Easements Created by Declarants. Declarants heretofore created and reserved, or may hereafter create or reserve, for the benefit of all Owners, the following reciprocal easements on the affected Tracts in the Property, which shall be for the benefit of the Tracts, and the Owners thereof, their heirs, personal representatives, successors and assigns, and said Tracts shall be servient to the easements hereby created and reserved, and said easements shall be deemed appurtenant to the Tract benefited thereby, as follows:

(a) **Main Access Road Easements.** Easements and rights-of-way over, along, on and across a portion of those certain sixty foot (60') access easements depicted on Certificate of Survey No. 1620 and amendments thereto, being those portions of Remington Ranch Road, Willow Creek Crossing, Meadowood Road, Meadow Circle and 29th Street more particularly shown and depicted on **Exhibit B** attached hereto and by this reference made a part hereof (the "Main Access Road Easements"), for the purposes of constructing, installing, maintaining, repairing, relocating, resurfacing and replacing the main roads for access, ingress and egress to and from the Tracts in the Property to Montana Highway No. 78, 20th Street and Cemetery Road adjacent to the Property.

(b) **Fire Suppression Ponds.** An easement for the purposes of constructing, installing, operating, maintaining, repairing, and replacing ponds on Tracts within the Property for purposes of retaining and storing water to be used for suppression of fires within the Property, as such ponds are or may be hereafter established (the "Fire Suppression Ponds"), the approximate location of which are shown and depicted on **Exhibit B** attached hereto and by this reference made a part hereof.

The foregoing easements and rights-of-way shall inure to the benefit, specifically, of each of the Tracts described in or affected by the easement, and shall be deemed to run with the land, and shall further inure to the benefit of the present and future Owners of said Tracts, and all of said future Owners, their heirs, personal representatives, successors, and assigns, and said Tracts and Owners shall be subject to the aforesaid easements. Subject to the restrictions set forth in these Covenants and the Guidelines that may be adopted from time to time by the Architectural Review Committee, said easements shall and may be used in common by the Owners of said Tracts, and their permittees, without any segregation of said easements because the same is located over and on any particular Tract or Tracts, and the Owners and permittees of the Owners shall have the right of ingress and egress on the lands described in the particular easements, regardless of whether or not such Owners or permittees are using such easements on land owned by such Owner, or on lands owned by the other Owners.

3.2. Owner's Easement of Enjoyment of Common Facilities. Every Owner shall have a right and easement of enjoyment in and to the Common Facilities which shall be appurtenant to and shall pass with the title to every Tract, subject to the following provisions:

(a) The right of the Association to provide reasonable restrictions on the use of the Common Facilities for the overall benefit of its members;

(b) The right of the Association to suspend the voting rights of any Owner for any period during which any assessment against his Tract remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Facilities to any public agency, authority, utility, person, corporation or other entity for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds of the members agreeing to such dedication or transfer has been recorded.

3.3. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Facilities to the members of his immediate family, his tenants, or contract purchasers who reside on the property.

3.4. Reservation of Easement by Declarant. The Declarants do hereby reserve an easement and right-of-way for any irrigation ditches or canals and for all courses, channels and beds of any streams, creeks, ponds or rivers which cross, flow or traverse any Tract in the Property, together with the right of ingress and egress to operate, repair, construct, maintain and replace the foregoing.

3.5. Right of Access. The Association or its delegated representatives, or the Declarants, shall have the irrevocable right to have access to each Tract from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement on any Tract of the Common Facilities accessible therefrom. All maintenance, repairs, and replacements of the Common Facilities shall be the common expense of all of the Owners, provided, however, if such damage is caused by a negligent or tortious act of any Owner, members of his family, his agent, employee, invitee, licensee, or tenant, then such Owner shall be responsible and liable for all such damage.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

4.1. Membership. The Declarants and every Owner of a Tract which is subject to assessment shall be members of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Tract which is subject to assessment.

4.2 Class of Members. The Association shall have one (1) class of voting membership and, except as otherwise provided herein or in the Covenants, the membership, voting and other rights, interests and privileges of each member shall be equal. Each member shall be eligible for benefits that the Board of Directors shall determine from time to time.

4.3 Voting Rights. The member or members shall be entitled to one (1) vote of each Tract owned. The vote for any Tract owned by more than one person shall be exercised as such co-

owners may among themselves determine, but in no event shall the vote with respect to any Tract exceed the total of one (1) vote per Tract.

ARTICLE V ASSESSMENTS

5.1. Creation of the Lien and Personal Obligation of Assessments. The Declarants and the undersigned, for each Tract owned within the Property, hereby covenant, and each subsequent Owner of any Tract by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them but the foregoing shall not affect or impair the assessment lien on such Owner's Tract as provided in Section 5.8 below.

5.2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents of the Properties, and for the establishment, improvement and maintenance of facilities enhancing the use and enjoyment of the Common Facilities and of the homes situated upon the Property, including, but not limited to the payment of taxes and insurance on Common Facilities, maintenance, repair and replacement of roads and easements, snow removal from roads, easements and parking areas maintained by the Association, mowing or cutting the easements areas maintained by the Association, maintenance of buildings or structures constructed on the Common Facilities, control and abatement of noxious and other weeds on Common Facilities or the Property, and the cost of labor, equipment, materials, management and supervision.

5.3. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, resurfacing, repair or replacement of a capital improvement upon the Common Facilities, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose. Nothing stated herein shall restrict the right of the Association to provide for the repayment of the special assessment over a term of months or years subsequent to the date of such assessment, and upon terms and conditions it deems appropriate, including the collection of interest on the deferred balance.

5.4. Notice and Quorum for Any Action Authorized Under Section 5.3. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.3 shall be sent to all members not less than fifteen (15) days and no more than fifty (50) days in advance of the

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meeting. At the first such meeting called, the presence of members of proxies entitled to cast thirty-three (33) percent of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than fifty (50) days following the preceding meeting.

5.5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Tracts, and may be collected on a monthly basis.

5.6. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Tracts on the first day of the month following the recordation of these Covenants, and shall be assessed on a calendar year basis. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Tract at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Tract have been paid.

5.7. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum, but in no event to exceed the maximum rate permitted under Montana law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property in the same manner as a mortgage on real property, and the Association shall be entitled in any such foreclosure proceedings to recover its costs, expenses and reasonable attorney's fees. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Facilities or abandonment of his Tract.

5.8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage, but shall not be subordinate to a second or junior Mortgage. Sale or transfer of any Tract shall not affect the assessment lien whether such lien arises prior to such sale or transfer, or thereafter becomes due. However, the sale or transfer of any Tract pursuant to foreclosure proceedings of such first Mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer, but shall not relieve such Tract from liability for any assessments thereafter accruing or becoming due or from the lien thereof.

ARTICLE VI

PROTECTIVE COVENANTS; ARCHITECTURAL CONTROL

6.1. Purpose. The following protective covenants are designed to provide a uniform plan for the development and maintenance of the Property. The intent of the undersigned in establishing

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these covenants is to create and maintain a residential and ranch area with an atmosphere and charm entirely compatible with the natural environment of the existing Tracts, and further to provide every practical and legal means to safeguard and protect the interests of all Owners and the stability of this development.

6.2. Requirement of Review by Architectural Committee. No Improvements shall be made to any Tract until a survey or plat showing the configuration of the subdivided, resubdivided, split, altered or reduced Tract, or a site plan and specifications showing the design, location, material and color of any Improvements, shall have been submitted to a Architectural Review Committee consisting of three members appointed by the Board of Directors of the Association, and approved in writing by the Architectural Committee. In considering applications, the Architectural Committee will regard compatibility with site characteristics as the primary and foremost design objective. The improvements shall not dominate its surroundings, but rather should be subservient to them. The total mood should be one of relaxation, embodying the environment. The provisions of this Article VI shall not be applicable to any Tracts owned by Declarants, but shall be immediately applicable to any Tract sold and conveyed by a Declarant to a third party, including without limitation sales by contract for deed.

6.3. Membership of Architectural Committee. At least two of the three members of the Architectural Review Committee shall be members of the Association or members of Declarant, and it is suggested that at least one of the members have professional qualifications in the area of architecture, design or land planning. Notwithstanding the foregoing, (i) so long as Remington Montana Company owns any Tract within the Property, it shall be entitled to appoint one (1) member of the Architectural Review Committee, (ii) so long as Red Lodge West LLP owns any Tract within the Property, it shall be entitled to appoint one (1) member of the Architectural Review Committee, and (iii) the remaining member or members, if any, shall be appointed by the Board of Directors of the Association.

6.4. Guidelines. The Architectural Review Committee may publish guidelines from time to time which will set forth the procedures and criteria for review of Improvements to be made to or constructed or installed on any Tract. Failure to follow procedures or criteria set forth in the current published Guidelines shall form an adequate basis for rejection of the submitted site plan and specifications or other documents; provided, however, that this requirement shall not be construed as preventing the Architectural Review Committee, at their option, from waiving or amending the Guidelines at any time or with respect to any application.

6.5. Approval or Disapproval by Architectural Committee. The Architectural Review Committee shall approve or disapprove in writing any application for Improvements within thirty (30) days after the detailed site plan and specifications have been submitted to it. In the event the Architectural Review Committee fails to approve or disapprove such design, location, construction, and materials within said thirty (30) day period, approval shall not be required and this Article shall be deemed to have been fully complied with. Any plans, specifications and proposals so approved, either expressly in writing or by the expiration of the thirty (30) day period hereinabove provided, shall then permit the Owner to commence construction in accordance with said plan, but any deviation from said plan which in the judgment of said Architectural Committee is a substantial

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detriment to the appearance of the structure or of the surrounding area shall be corrected to conform with the plan as submitted. Any structure to be erected in accordance with approval so given must be commenced and completed within eighteen (18) months of approval, or new approval must be obtained. If any structure is begun and is not completed within eighteen (18) months of the commencement of construction, and in the judgment of the Architectural Review Committee is of offensive or unsightly appearance, then the said Architectural Committee or the Directors of the Association, at the option of either, may take such action as may be necessary in its judgment to improve the appearance so as to make the property harmonious with other properties, including (i) razing or removal of the incomplete structure, (ii) completion of the exterior of the structure, installation of screening or covering of the structure, or (iii) any combination thereof or similar operations, and the amount of any expenditures made in so doing shall be a lien on the property and may be enforceable by an action at law. The Architectural Review Committee may act by a majority of its members and any authorization or approval made by the Architectural Committee must be signed by a majority of the members thereof.

6.6. Contractors. The Architectural Review Committee shall have the right to disapprove the choice by an Owner of any construction contractor for the Improvements on any Tract. The grounds for such disapproval shall be only one or both of the following: (a) a reasonable belief that the contractor is not financially responsible, and (b) nonconformance by the contractor with approved plans when previously undertaking Improvements on any Tract. These Covenants establish no duty upon Declarant or the Architectural Review Committee to investigate the financial responsibility of construction contractor or the performance by the contractor of Improvements, and these Covenants vest no right in Owners, any contractor, or other third party as against Declarants, the Owners, the Architectural Review Committee or the Association with respect to approval or disapproval of construction contractors.

6.7. Restoration of Tract. Upon completion of the construction on any Tract, the Owner shall to the greatest extent possible restore the Tract to the conditions which existed prior to such construction (taking into account such construction) so that the Tract and Improvements shall be in harmony with the surrounding unimproved property. The Owner must complete said restoration within forty-five (45) days following completion of construction on any Tract; provided that such forty-five (45) period shall be extended by number of days that local weather conditions make such restoration impractical or unfeasible. In the event restoration is not completed within said time period, Declarant or Association may complete said restoration at the expense of the Owner.

ARTICLE VII MINIMUM BUILDING AND USE RESTRICTIONS

7.1. Building Restrictions. No structure which fails to meet the following minimum standards shall be erected, placed or allowed to remain on any Tract, and the Architectural Review Committee shall have no power to approve any structure failing to at least meet these minimum standards:

(a) Any building or residence erected on any Tract shall be of new construction, and no mobile homes, trailers, old buildings or manufactured homes shall be placed or moved onto said Tracts.

(b) No basement or structure on any Tract may be used for dwelling purposes until after its area, as defined by the foundation, has been completely enclosed according to the plans and until it has been substantially completed, with sanitary facilities and utilities permanently installed. No tent, shack, or other outbuilding erected on a Tract shall at any time be used as a residence, temporarily or permanently.

(c) All water, electricity and sewer lines, and other utility lines or facilities constructed incident thereto, shall be placed and installed underground. Propane tanks shall be screened from view by a structure approved by the Architectural Review Committee.

(d) No trailers or other living convenience shall be kept on said Tracts before, or after construction of a residence, nor shall any trailer or other living convenience be used for temporary living quarters at any time. No trailers, boats, snowmobiles or other mobile devices shall be situated or parked on any Tracts unless properly housed in a garage or screened from view of Roads, Common Facilities and adjoining Tracts.

(e) No trash, debris, organic or inorganic waste shall be permitted to accumulate on any Tract or in any Road adjacent thereto, but shall be promptly and efficiently disposed of, and no vacant or other Tract shall be used as a dump ground or burial pit. The only allowable outside trash or refuse cans or containers shall be those which are Screened from View by a structure approved by the Architectural Review Committee. Outside incinerators shall not be permitted. Nothing stated herein shall preclude a central trash collection facility situated on the Common Facilities with the approval of the Association.

7.2. Use Restrictions. The following use restrictions shall be applicable to all Tracts:

(a) The Association shall be and is hereby authorized to construct and install, and thereafter repair, resurface and maintain, the access roads on the Common Facilities for the benefit of the Owners within the Property; provided, however that the design and location of such access roads must be approved by the Declarant. The use of such access roads, including without limitation parking on or adjacent to the access roads, shall be governed by such rules and regulations of the Association as, in the discretion of the Board of Directors, may be necessary.

(b) No owner or owners shall permit noxious weeds or other undesirable plants to grow or spread upon his Tract. In the event any Owner fails to control or eliminate the growth or spreading of such noxious weeds and undesirable plants, the Association shall be entitled to take such action as is necessary to eradicate or control such weeds and plants at the expense of the Owner or Owners of the Tract, and the full amount of any costs and expenses shall be due and payable within thirty (30) days after the Owner is billed therefor.

(c) Except in connection with agricultural operations on a Tract or Tracts, no external burning of refuse or other materials shall be permitted on any Tract and the design and location of all barbecue pits, sites or units must be approved by the Architectural Review Committee. No Owner shall do any act or permit the continuance of any condition that creates an unnecessary or unreasonable risk of fire.

(d) The Owners or Occupants of any Tract shall at all times conduct their use and activities in a manner that will preserve the integrity of the springs, ponds, streams and creeks within the Property, including the prevention of any degradation of water quality, any reduction or increase in the flows of the springs, creeks, streams or ponds, or any damage to the streambeds or banks. Further, the Owner or Occupants shall not conduct or permit the conduct of any activities which encourage or facilitate the discharge of any liquid, solid or gas into such waterways or the polluting of such waterways. The Association is authorized to adopt rules and regulations designed to preserve the integrity and quality of said springs, ponds, streams and creeks, and each Owner or Occupant shall abide by said rules and regulations so adopted. However, nothing contained in these Covenants shall be deemed or construed to prevent normal and customary irrigation of Tracts within the Property.

(e) No noxious or offensive activities shall be carried on, nor shall anything be done on any Tract which may become an annoyance or nuisance to the other Owners in the Property.

(f) In order to prevent collections of mailboxes on Roads, each Owner needing or desiring a mailbox or postal depository with respect to a Tract shall obtain and maintain post office box in the City of Red Lodge.

(g) Pastures and similar land within the Property shall not be grazed or overgrazed in such manner as would be contrary to good and prudent agricultural practices, or that would cause dusty conditions or excessive soil erosion.

(h) All water pumps shall be wired separately from the electrical wiring in any structure so that even if electrical power in such structure is disconnected or damaged, the water pump can be operated to fight structural, brush, grass and forest fires in the Property.

(i) All woodburning fireplaces and stoves, whether located indoors or outdoors, must be equipped with chimney spark arrestors meeting U.S. Forest Service specifications.

7.3. Exterior Maintenance. Each Owner shall provide exterior maintenance upon his Tract and any structures thereon; including painting and repairing the structures; maintaining the grounds to preclude weeds, underbrush, and other unsightly growths; and not permitting refuse piles or other unsightly objects to accumulate or remain on the grounds. In providing such exterior maintenance, the Owner shall utilize color and landscaping schemes that are harmonious with the surrounding area and consistent with generally accepted concepts for desirable residential developments. In the event any Owner shall fail or neglect to provide such exterior maintenance, the Association shall notify such Owner in writing specifying the failure and demanding that it be remedied within thirty (30) days. If the Owner shall fail or refuse to provide such exterior maintenance within the thirty

(30) day period, the Association may then enter such Tract and provide required maintenance at the expense of the Owner. The full amount shall be due and payable within thirty (30) days after the Owner is billed therefor. Such entry on the Tract by the Association shall not be deemed a trespass.

ARTICLE VIII GENERAL PROVISIONS

8.1. Enforcement. Violation of any restrictions, conditions, covenants or agreements herein contained shall give to the Association, acting through its directors, the right to enter upon the property, and to summarily abate and remove at the expense of the Owner any erection, thing, or condition that may be in, or upon said Tract contrary to the provisions hereof without being deemed guilty of trespass. The result of every act or omission whereby any restrictions, condition, covenant or agreement is violated in whole, or in part, is hereby declared to be and constitute a nuisance, and every remedy allowed by law against a nuisance, either public or private, shall be applicable against every such result. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by cumulative and not exclusive. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

8.2. Costs of Enforcement. In the event the Association employs an attorney because of a violation by an Owner of one or more of the provisions of these Covenants, or if the Association commences an action for the enforcement of these Covenants or of the lien for assessments and the Association is wholly or partially successful in such action, the offending Owner shall be obligated to pay, on demand, all costs, charges and expenses, including reasonable attorney's fees, incurred by the Association.

8.3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

8.4. Amendment. Except those provisions requiring unanimous consent, any provision herein may be amended or revoked and additional provisions added, at any time by a written instrument recorded in the office of the Clerk and Recorder of Carbon County, Montana, duly signed and acknowledged by the owners of record of not less than seventy percent (70%) of the Tracts subject to these Covenants; provided, however, that so long as Declarants own any Tract within the Property, any such amendment shall require the additional written consent of all such Declarants owning Tracts.

8.5. Term. The provisions of these Covenants shall be binding for a term of twenty-five (25) years from the date of these Covenants, after which time the Covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the owners of seventy percent (70%) of the Tracts has been recorded, agreeing to revoke or terminate these Covenants; provided, however, that so long as Declarants own any Tract within the Property, any such amendment shall require the additional written consent of all such Declarants owning Tracts.

8.6 Other Covenants. The Declarants recognize that Tracts within the Property are or may be subject to other Written declarations of covenants, conditions, restrictions and easements from time to time (the "Other Declarations"), provided that is such Other Declarations contain similar or identical provisions as contained in these Covenants, then such similar or identical provisions must be at least as restrictive as those set forth in these Covenants. These Covenants are intended to supplement any such Other Declarations and nothing contained herein shall be deemed of construed to relieve an Owner or Occupant from compliance with such Other Declarations. In the event of a conflict between the terms of these Covenants and the Other Declarations, the terms, conditions and provisions of these Covenants shall control.

8.7 Counterparts. These Covenants may be executed in several counterparts of counterpart signature pages, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned, being the Declarants herein, have executed these Covenants as of the day and year first above written.

William R. Palmer
William R. Palmer

Marilyn M. Palmer
Marilyn M. Palmer

James R. Palmer
James R. Palmer

Frieda R. Palmer
Frieda R. Palmer

STATE OF MONTANA)
 :SS
County of Carbon)

State of Montana, } ss.
County of Carbon, }

This instrument is # 283052 was filed in my
office this 17 day of October 1997
at 10:02 o'clock A. M.

Roger D. Newman
County Clerk & Recorder
By Dinda M. Sedwala
Fee \$ 72.00

On this 15th day of October, 1997, known to me, a Notary Public for the State of Montana, I have hereunto set my hand and affixed my Official Seal the day and year in this certificate first above written.

Barbara Herschert
Residing at Red Lodge, Montana. My Commission expires April 10, 1999.

