

VALLEY GROVE SUBDIVISION
PROTECTIVE COVENANTS AND RESTRICTIONS

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WHEREAS, Cook-Lehrkind Investments, A Montana Partnership, of 2504 West Main Street, Bozeman, Montana, hereinafter referred to as the "developer" or "developers", are the owners in fee simple of those certain lands more particularly described in Exhibit A attached hereto and made a part hereof by reference as if set forth below in its entirety and hereinafter referred to as the "premises" or the "subdivision"; and

WHEREAS, the developer, by and through the within protective covenants hereby creates and imposes certain covenants, restrictions, limitations, and regulations as to the use of the said premises, which premises have been subdivided and platted into blocks and lots according to the plat thereof known as Valley Grove Subdivision, and which plat has been duly filed of record with the office of the Clerk and Recorder, Gallatin County, Montana, and the same is hereinafter referred to as the "plat";

NOW, THEREFORE, the developer does hereby establish, dedicate, declare, publish, and impose upon the premises the following protective covenants which shall run with the land and shall be binding upon and be for the benefit and value of the developers and all persons claiming under them, their grantees, successors and assigns and shall be for the purpose of maintaining a uniform and stable value, character, architectural design, use, and development of the premises and to all improvements placed or erected thereon unless otherwise specifically excepted and shall have perpetual existence unless terminated by law or amended as herein provided.

1. USE & BUILDING & IMPROVEMENT COVENANTS

A. Residential Lots

1. The lands described in Exhibit A have been or shall be surveyed into residential lots for single-family residences, except the two park tracts shall be used for recreational purposes or for fire protection facilities.

2. No building or improvement shall be placed, constructed, or altered on any single-family residential lot except to provide for a single-family dwelling, an attached or detached private garage, a storage shed, and improvements such as landscaping, trees, hedges, fences, and other like or similar improvements normally placed or installed in and around the yard of a single-family residence. Any plans for a dwelling on any lot shall provide for off-street parking for at least two vehicles, which must include any garage at a minimum size of 22 feet by 22 feet for two vehicles.

3. All property owners, lessees, tenants, visitors, and guests shall have the right of access and use of the park areas which shall be dedicated to the public.

4. Each dwelling unit shall be constructed so as to include not less than 1100 square feet of living space on the foundation level, exclusive of open porches, patios, carports, garages, or basements. Measurements shall be between inside wall coverings.

5. No building, structure, alteration, or improvement shall exceed 25 feet in height as measured from the average level of finished grade.

6. No building or structure shall be erected, placed, constructed, or remodeled so as to be less than 25 feet from the front lot line, less than 15 feet from the side lot lines, or less than 25 feet from the rear lot line, except that corner lots shall have a 25-foot setback requirement from the side lot line contiguous to a road. In addition, improvements shall be subject to the construction set-back, greenbelt buffer zone and maintenance easement along Aajker Creek and any other building restrictions or conditions shown on the subdivision plat.

7. There shall be no continuous parking on any street of any vehicle for more than 24 hours. After notice to the owner or as posted on the vehicle, the Homeowners' Association may have the vehicle towed away and impounded until the costs for such action have been paid.

8. No junk vehicles shall be parked on the street nor retained or parked on any lot. A junk vehicle is one which can not be driven away under its own power.

9. There shall be no buried or above-ground fuel tanks.

10. No commercial use may be made of any lot except that home occupations or hobby-businesses may be conducted out of a residence by the owner or tenant if the following conditions are met:

a) the business use shall be clearly incidental and secondary to the residential use of the lot;

b) the business use shall be entirely inside a dwelling, garage, or storage shed, including any storage of materials or equipment;

c) the business use shall not occupy more than 400 square feet, total, of the residence, garage, and storage shed combined;

d) no non-resident employees shall be allowed, nor shall excessive traffic, noise, or pollution generation be permitted;

e) the business use does not constitute a nuisance to neighboring property owners.

The Architectural Committee will determine if these criteria are met and whether or not the home occupation or hobby-business will be allowed.

11. Prior to or at the time of any improvements or construction on any residential lot, the owner must install at his or her expense a 20-foot-wide driveway together with a 15-inch-diameter, at least 20-foot-long, 16-gauge galvanized steel culvert in such driveway.

12. All residences must be substantially completed within one year of the commencement of construction. Substantial completion shall mean that the exterior of the structure is complete and that the siding and roofing have been attached according to the plans approved by the Architectural Committee. Commencement of construction shall mean the date excavation for the foundation begins.

13. No dusk-to-dawn ranch-type yard lights shall be allowed on any lot.

14. Exterior siding on all structures shall be of subdued colors unless otherwise approved by the Architectural Committee.

15. Building materials shall be of standard or better quality and shall be approved for residential construction by the appropriate agencies.

B. Recreation Areas

1. The developer does hereby grant to the Valley Grove Homeowners' Association forever the tracts designated as Parks on the subdivision plat, the combined area of which is 3.015 acres; provided that the maintenance of said park areas shall be undertaken by the Valley Grove Homeowners' Association, which shall have the right to establish reasonable rules and regulations for the use of the parks for recreational areas and for fire protection facilities.

2. Optional use of the park tracts by the Valley Grove Homeowners' Association as recreational areas and for fire protection facilities may include the placing, construction, and remodeling of buildings, structures, and improvements related or pertaining to such uses including, but not limited to, playgrounds, parks, clubhouses, tennis courts, swimming pools, parking, water wells, pipelines, pumping stations for water supply, maintenance and storage buildings, storage facilities for fire protection, shelter and comfort stations, health clubs, together with easements for the installation of any such pipes, lines, wires, or access for such improvements as shall be necessary, together with such other easements as the Valley

Grove Homeowners' Association may hereafter designate, but in no event shall such construction or such easements be inconsistent with these covenants or detract from the use and development of the remainder of the premises.

2. EASEMENTS

A. Easements for drainage, electricity, natural gas, telephone, lighting, water sewer, cable television, and all other utilities or any other service or utility shall be and is hereby reserved over the lands described herein for the benefit of the owners of the lots and their successors and assigns, and such easements shall be appurtenant to each lot. Notwithstanding the provisions of this paragraph, easements for roads shown on the plat will be deeded to the public.

B. All utilities, pipe, and service lines shall be buried.

C. Easement areas may be landscaped by property owners so as to enhance their appearance so long as the landscaping does not interfere with the use of the area as an easement.

D. After installation, all easement areas must be restored, at the expense of the utility or service entity doing the work, to as near the condition that existed previous to such work as possible. At the discretion of the Architectural Committee or the owner, a bond may be required of the utility or service entity to ensure compliance with this provision.

3. ARCHITECTURAL COMMITTEE

A. There is hereby created an Architectural Committee, hereinafter referred to as "Committee" or "Architectural Committee", which shall consist of three owners. The Committee shall be appointed by the Board of Directors of the Homeowners' Association. The Committee shall act by majority vote.

B. Each member of the Committee shall serve until he or she resigns or is replaced by the Board of Directors of the Homeowners' Association.

C. The Committee may adopt such design review criteria, reasonable rules and adopt such procedures as it deems necessary to carry out its functions, which rules and procedures may not be inconsistent with the provisions of these covenants.

D. No building, construction, landscaping, parking, fence, wall, or other improvement shall be commenced, placed, constructed, erected, repaired, restored, reconstructed, altered, remodeled, added to, or maintained on any lot or area until site plans, building plans and specifications, floor plans, elevations, and such other information as the Committee may reasonably require, including without being limited to, colors and building materials have been submitted to and

approved by a majority of the Committee and a written building permit is issued to the applicant. The Committee may conditionally approve the plans, subject to the lot owner complying with the Committee's requirements.

E. No mobile homes or modular construction shall be allowed and all construction shall be new on the site, e.g. previously built homes may not be moved into the subdivision and placed on a new foundation.

F. The Committee shall require that all construction and improvements comply with prevailing standards of sound and proper construction.

G. The Committee shall have the authority to reject materials and/or designs submitted with plans, or the plans themselves, if they are not in compliance with these covenants or prevailing standards of design and construction.

H. A lot owner may apply for a variance from the Covenants in cases of minor deviations from the Covenants or in the case of unusual circumstances or hardship. The Committee may recommend to the Board of Directors variances to the building and improvement covenants or minor variances to the other covenants when, in its discretion, it believes the same to be necessary because of unusual circumstances and hardship, or where the same will be a minor variation from the covenants. A written application for a variance must be made to the Committee. The Committee shall recommend to the Board of Directors, granting or denial of the variance. However, the Board of Directors must approve any variance by a majority vote. If a variance is not recommended by the Committee, the lot owner may appeal the decision to the Board of Directors

I. All improvements, construction, re-construction, alterations, re-modeling, 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. All such construction must be completed within 1 year from the date construction is commenced.

J. The Committee of the Board of Directors shall have the power, authority, standing, and right to enforce the Committee's decision in any court of law or equity when it reasonably believes the same have been violated and shall have the authority to revoke or suspend building permits and/or order suspension or cessation of any construction or work in violation of these covenants or of any permit issued by the Committee.

K. The Committee may require reasonable fees to be paid with the filing of plans and specifications and the issuance of building permits.

L. The Committee shall be governed by the following general

guidelines in its consideration of plans and specifications submitted for its approval:

1. A landscape plan must be provided for each residence constructed on a lot.
2. In considering any plans or specifications, the Committee shall examine the suitability of 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 to the adjacent properties.
3. All plans and specifications shall be in full compliance with all of the terms and provisions of these covenants except for any variances which may be granted by the Committee for such plans and specifications.
4. All plans and specifications must be acted upon by the Committee within 30 days of the day they are submitted or they will be deemed to have been approved; provided, however, that the improvements must still comply with the applicable provisions of these covenants.
5. The committee may adopt reasonable written guidelines for improvement of the lots, notify the lot owners of the guidelines and make the written guidelines readily available to the lot owners. From then on, the written guidelines shall be effective and binding upon each lot owner.

M. The Committee or the individual members thereof may not be held liable by any person for any damages which may result from Committee action, or lack of action, taken pursuant to these covenants, including, but not limited to, damages which may result from correction, amendment, change, or rejection of plans, the issuance of building permits, or any delays associated with such action on the part of the Committee.

4. HOMEOWNERS' ASSOCIATION

A. A Homeowners' Association is hereby established, known as Valley Grove Homeowners' Association, hereinafter referred to as the "Homeowners' Association" or "Association", for the purpose of promoting, developing, maintaining, and operating the subdivision and the area, and performing the duties and responsibilities posed upon the Association in accordance with those Covenants and the laws and regulations of the State and County of Gallatin, and assessing for the costs and expenses of its duties and responsibilities, including water rights, recreational facilities, and fire protection facilities as may be more specifically designated; as well as all road maintenance, grading, graveling, snow removal, and/or surfacing. All owners of real property within the subdivision shall be members of such Homeowners' Association and shall be bound by

the provisions of the Articles of Incorporation (if any) and the By-laws of such Association. Lot-owners shall have one vote per lot on any issue to come before the Association. The Homeowners' Association may be incorporated as a Not-For-Profit Corporation under the laws of the State of Montana by the Directors.

B. The Homeowners' Association shall be governed by a Board of Directors elected each year at that annual meeting by a majority of members present or voting by proxy, one vote for each lot. The Board shall have the powers and duties necessary to enforce and carry out the Association's functions as set forth in these covenants and as set forth in the Articles of Incorporation (if any) and the By-laws of the Homeowners' Association. The Association, through its Board, shall have the authority to make such charges and assessments to the members for the costs of operating and maintaining the subdivision facilities, including roads, water supply facilities, fire protection facilities, recreational facilities, and other amenities, and as are reasonably necessary to carry out its responsibilities and duties. The Association shall have the power to levy assessments, which assessments may be in two classes: Capital Assessments and Operating Assessments.

C. Such Assessments shall be levied by the Board of Directors of the Association against the owners and the lots within the Valley Grove Subdivision. Assessments shall be billed at such times as the Directors shall determine, and notice of the amounts shall be mailed to each property owner. The assessments shall be assessed against each homeowner equally and against each vacant lot owner equally. It shall be in the Board's sole discretion whether or not to set a different rate for lots with a home and for vacant lots. All assessments become due 30 days after the date of mailing. The Association has the authority to impose reasonable charges for interest, not to exceed the legal rate of 10% per annum, and penalties for overdue payments. Assessments must be based upon an annual budget prepared and submitted to the membership in advance of or at the annual or special meeting, and the budget must have the approval of a majority of the members present and voting in person or by proxy. No increase may be made in the budget without the prior approval of a majority of the membership votes present or represented by proxy at an annual or special meeting. Unpaid assessments, upon notice thereof being duly filed of record with the Clerk and Recorder of Gallatin County, shall be a lien against the parcel of real property against which said unpaid assessment was made. Such lien may be foreclosed upon in like manner as a mortgage on real property, which foreclosure proceeding may include the addition of interest, court costs, expenses, and reasonable attorney's fees.

D. As provided in sub-paragraph 5 B below, the central water system for the subdivision will be transferred to the Homeowners' Association. The Homeowners' Association shall be

required to accept the water system and assume complete ownership, control, responsibility, and management.

5. WATER AND SEWAGE

A. All improvements or structures designed for occupancy or use by humans shall be connected with domestic water facilities constructed or installed by the developer. Separate septic tanks and drain fields shall be installed by the lot owners for each residence. At such time as central domestic sewer system becomes available, lot owners may elect to hook on to that system.

B. The Homeowners' Association shall manage, operate, and maintain the domestic water system to be installed by the developer. All lot owners shall hook up to the domestic water system when a residence is constructed on a lot.

1. Each home will purchase a water meter from the Homeowners' Association. The meter will include a remote readout.

2. Monthly water rates shall be set by the Board of Directors of the Homeowners' Association. Such fee shall include a provision for establishment of a reserve fund for replacement, maintenance, and emergencies.

3. The rates may be increased or decreased by the Board to regulate water use. A reserve fund of at least \$5000 shall be established and maintained. This reserve fund shall be a separate water supply maintenance fund and shall be used only for the repair and maintenance of the water system. Each year the Board of Directors shall determine and establish a sufficient assessment against each of the owners of the lots in such amounts as shall be adequate to properly fund a reserve fund for the anticipated repair and maintenance of the water system.

4. The Board may direct the operator to shut off water service to a home when a bill is 2 months past due, or for non-compliance with irrigation restrictions.

5. The initial contact person designated for communication with the Department of Health and Environmental Science and other governmental agencies to assure compliance with the water supply system shall be initially Gene E. Cook of 2504 West Main, Suite E, Bozeman, Montana 59715, (406) 586-0302. The Board of Directors may designate another contact person by a majority vote. If the Contact person is changed, the Department of Health and Environmental Sciences and other governmental agencies having control over the compliance with water system requirements shall be notified immediately in writing of the name, address and phone number of the new contact person.

6. Responsibilities for monitoring and reporting in accordance with ARM 16.2.20 and any amendments thereto will be performed by the Homeowners Association.

C. Sufficient water rights for creation and maintenance of a pond in the park area will be transferred to the Homeowners' Association.

D. The Association, through its Board of Directors, shall administer the water rights for the subdivision, including both domestic water and irrigation water for all lots and the parks. The Association shall have the authority to charge a fee for the hook up and usage of the water and to make assessments for the costs and expenses of installing and maintaining the water system including pumps, lines, pipes, electricity, wiring, sprinklers, and any and all other parts, equipment or material used in the subdivision water system, both for domestic water use and for irrigation.

E. Water acquisition directly from the creek is prohibited other than water for the maintenance of the fire protection fill site pond. The Association has the right to construct a central irrigation system to serve the subdivision if they determine that the system would be desirable. The Board of Directors shall review and approve all individual and central irrigation water systems. The Board shall have the right to institute water restrictions on the domestic water system to maintain pressure in the system. Non-compliance with the restrictions shall be grounds for the Board to institute fines or water shut off. The Homeowners' Association shall pay any applicable water use assessment for use of water rights for the pond.

F. In accordance with Department of Health requirements, per letter dated November 18, 1992:

a) the water system will be used, operated, and maintained to assure adequate supply of safe and potable water for benefit of present and future owners of properties connected thereto;

b) there [will be] a separate water supply maintenance fund used only for the repair and maintenance of the water system;

c) a contact person will be designated for communication with DHES and other governmental agencies to assure compliance with water system regulations; and

d) responsibilities for monitoring and reporting in accordance with Title 16, Chapter 2, Sub-Chapter 20, ARM, and any amendments thereto, will be performed.

G. The State and County requirements set forth herein or by law or regulation may not be amended without the written

approval of the appropriate governmental authority.

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6. TRASH AND GARBAGE

A. No trash, waste, garbage, litter, junk, or refuse shall be thrown, dumped, or left on any portion of the premises and no burning of same shall be permitted. No incinerator or other device for burning of trash or garbage shall be installed or used except as may be approved by the Committee. Each owner or lessee shall provide suitable receptacles for the containment and collection of trash and garbage, which must be enclosed or screened. Nothing contained herein shall be construed to prohibit or deny the installation of wood-burning fireplaces or stoves.

7. SIGNS

A. All signs, billboards, posters, displays, advertisements, or any structures relating thereto are prohibited unless they shall have received approval of the Committee prior to installation or use; which restrictions shall also include signs for identification of streets, residences, and directional or location markers or signs.

B. Each home must be clearly labeled with the address assigned to it by the U.S. Postal Service.

8. ANIMALS

A. No livestock, poultry, or other animals, except dogs, cats, birds, or other small in-house pets, are allowed in the subdivision. Kennels, or other facilities for the keeping or retention of animals, shall be restricted to areas so designated by the Committee.

B. All dogs, cats, and other pets shall be strictly controlled by their owners so as not to annoy or interfere with the use of the subdivision by other owners and to prevent the interference or harassment of wild birds or animals in the subdivision or on surrounding or adjacent properties. Dogs, cats and other pets shall be kept tethered or confined on the owner's property and shall not be permitted to roam free at any time. If an animal becomes a nuisance, hazard, or threat to other persons or animals in the subdivision or to wild animals, the Committee may order the owner of such animal to remove the animal from the subdivision.

C. The commercial breeding, care, raising, or keeping of any animal is forbidden.

9. ENVIRONMENT

A. Every attempt shall be made to preserve and protect the environment indigenous to the area. All areas not utilized as

sites for improvements, where disturbed by construction or any human activity, shall be returned as quickly as possible to their natural condition and replanted with native plant life except where otherwise utilized for lawns, gardens, or exterior living areas. Every building site must include a landscape plan for approval by the Committee and must provide for the planting of grasses, trees, shrubs, and other landscape features serving to enhance the appearance of the site. Landscape improvements must be installed within the planting season immediately following exterior completion of the residence; and in no event shall the time from commencement of construction to installation of landscaping exceed two years.

10. MINING

A. No mining, quarrying, excavation, oil drilling, or like development shall be allowed in or on the premises except for such excavation as may be necessary in connection with the construction or placing of improvements thereon in accordance with the terms and restrictions of these covenants.

11. TEMPORARY STRUCTURES

A. No temporary structures, trailers, campers, tents, shacks, or similar structures shall be used at any time on the premises for temporary or interim habitation purposes except for construction and then only with the prior approval of the Committee and for a period not to exceed 7 months. Trailers, boats, mobile homes, snowmobiles, campers, motorcycles, or other similar articles may be kept or stored on the premises so long as they are not used for habitation on the premises other than for construction as set forth above. Recreational vehicles, visitors, or campers, may be parked on a lot and occupied by visitors or guests for a period not to exceed 2 weeks or 14 consecutive days in any 6 month period.

12. NUISANCE

A. No noxious or offensive use or activity shall be carried on within the subdivision nor anything done or permitted on or in the premises which shall constitute a public nuisance.

13. LAWN CARE AND WEED CONTROL

A. Every lot owner shall be responsible for the care of his or her lot, including weed control. If a residence is constructed on a lot, the landscaping shall be installed within a reasonable length of time considering the season. Once installed, the landscaping, i.e. lawn, trees, shrubs, etc., shall be cared for and not allowed to deteriorate or become unsightly and detract from the neighborhood.

B. Both improved and unimproved lots shall be kept free of

weeds. If the lot must be cleared of weeds and the owner fails to do so after notice from the Committee or any persons in the subdivision, the remedies set forth in Section 15 below may be invoked.

C. Weeds shall be controlled in the parks by the Homeowners' Association. The Homeowners' Association shall have the authority to levy assessments to cover the cost of such control as it deems necessary.

14. CONSTRUCTION

A. All construction on or in the premises shall be diligently prosecuted to completion and, except for recreation construction in the parks, shall in any event be completed within 12 months of commencement unless specific written extension is granted by the Committee. No construction material shall at any time be placed or stored so as to impede, obstruct, or interfere with pedestrian or vehicular traffic, and no construction materials shall be placed or stored on residential lots or for a period in excess of 30 days following substantial completion of construction as shall be determined by the Committee.

15. COVENANTS REQUIRED BY GALLATIN COUNTY

A. The control of County-declared noxious weeds shall be the responsibility of the Homeowners Association.

B. All park areas shall be maintained by the Homeowners Association.

C. All fences bordering agricultural lands shall be maintained by the Homeowners Association.

D. All structures shall be built in compliance with the Uniform Building Codes.

E. All public roads shall be maintained by the Homeowners Association. A plan for the long-term road maintenance and road maintenance while construction of the subdivision occurs shall be adopted by the Board of Directors of the Association.

F. Lot owners are placed on notice that adjoining land adjacent to the subdivision is agricultural and is used for customary farming and agricultural operations; and the lot owners affirm neighboring landowner's right to farm and use their land for the customary and usual agricultural purposes prevalent in the adjacent areas.

G. All houses shall display house numbers clearly for emergency identification.

H. No amendment or variance to these covenants set forth in

this paragraph 15 shall be effective until approved by the County Commissioners of Gallatin County.

16. ENFORCEMENT

A. In the event of any violation or threatened violation of these covenants, any owner of real property in the subdivision, or the Association, may enforce these covenants by legal proceedings in a court of law or equity, including the seeking of injunctive relief and damages. In connection with such legal proceedings or as a separate remedy, the Association may enter upon the property in question and remove, remedy, or abate the violation or threatened violation after first having given proper notice and a reasonable opportunity for the violator to take action himself or herself to comply with these covenants or to show cause why he is not in violation of the same, as set forth in sub-paragraph 16 B and C below.

B. Notice as required in sub-paragraph 16 A above shall be in writing and shall be served on the person or entity concerned and shall specify the violation or threatened violation, identifying the property, demand compliance with the terms and conditions of these covenants, and state the action which will be taken under sub-paragraph 16 A above if the violation is not abated, remedied, or removed. If such notice cannot be personally served after a reasonable effort to locate the person or entity to be served, service may be had by posting a copy of such notice at a conspicuous place on the property which is the subject of the violation and mailing a copy of the notice by Certified Mail, return receipt requested, to the last known address and/or the address of record of the violator.

C. Such written notice must also set forth a time, date, and place for a hearing before the Board of Directors or a Committee Appointed by the Board of Directors where the owner shall have an opportunity to appear to deny the statements set forth in such notice and to show cause why he or she is not in violation of these covenants. The Committee members shall be lot owners. Such hearing shall be set at a reasonable time subsequent to the date of service of the notice to the property owner charged with such violation. Such hearing shall be presided over by an independent hearing officer appointed by the Board of Directors who shall not be a property owner in the subdivision. Following such hearing, the hearing Committee shall rule on whether a violation of these covenants is found. Each Committee member, including the hearing officer, shall have one vote and a majority shall rule. If a violation has been found to have occurred, the Committee shall give the property owner a time within which to remedy such violation, not to exceed 90 days. If not so remedied within the specified time, then the self-help abatement or litigation provisions set forth herein may be

invoked and pursued.

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D. Actual costs, expenses, and reasonable attorney's fees incurred in connection with any hearing or correcting, remedying, abating, preventing, or removing any violation or threatened violation of these covenants established either through litigation, entry, or self-help following a hearing as provided in sub-paragraph 16 C above, shall constitute a claim by the owner or Association initiating such action against the owner of the property which is the subject of such violation or threatened violation. No costs shall be incurred by an owner if no violation is found and in such event the Association or person bringing such charge shall pay for the costs and fees for such hearing and action. If a violation is found to have occurred, the Association or owner making such claim may file a lien against the subject property in the amount of and for the collection of the costs by filing a verified statement of the lien with the office of the Clerk and Recorder, Gallatin County, Montana. Such lien statement must set forth the names of the claimant, a description of the property, the amount of the claim, the date of the claim, and a brief statement of the manner in which the costs and expenses constituting the claim were incurred. Once filed, the lien shall remain of record as a claim against the property until paid in full or foreclosed in the manner otherwise provided for by law for liens and encumbrances on real property subject to rights or redemption.

E. Failure or delay in enforcement of a covenant or a violation thereof shall not be deemed a waiver of the right to enforce such covenant or any other covenant.

17. COMPLIANCE

A. The owners, residents, lessees, and tenants of the property in the subdivision shall be in compliance with the laws, rules, and regulations of the City of Belgrade and Gallatin County or other municipal or governmental entity having jurisdiction over the subdivision.

18. AMENDMENT

A. Subject to the provisions of paragraph 5G & 15, these covenants, or any portion thereof (except the provision of 2.A. which shall not be amended without 100% of the votes of the members affected), may be amended, abandoned, terminated, modified, or supplemented at any time by the written consent or approval, duly signed, by the owners of 75% of the votes of the lot owners within the boundaries of the subdivision, based on one vote per lot. Such modification or amendment shall be effective upon the recording of a Certification by the President and Secretary of the Board of Directors that 75% of the votes of the lot owners have voted in favor of the modification or amendment and stating the amendment in writing

in the Certification. The Certification shall be under each and notarized and recorded with the Clerk and Recorder of Gallatin County. A copy of the recorded modification or amendment shall be mailed to each lot owner at his or her last known address.

19. SEVERABILITY

A. A determination of invalidity of any one or more of the covenants or conditions hereof by judgement, order, or decree of court shall not affect in any manner the other provisions hereof, which shall remain in full force and effect.

DATED this 5th day of July, 1994.

COOK-LEHRKIND INVESTMENTS,
A MONTANA PARTNERSHIP

BY: Gene E Cook
Gene E. Cook, Partner

BY: Carl Lehrkind III
Carl Lehrkind III, Partner

STATE OF MONTANA)
 : ss
County of Gallatin)

This instrument was acknowledged before me on the July of 1994, by Gene E. Cook and Carl Lehrkind as partners of Cook-Lehrkind Investments.



Linda J. Allen
Notary Public for the State of Montana
My Commission Expires: August 5, 1994

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