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**AMENDED AND RESTATED DECLARATION
OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
NORTON RANCH**

**Norton Properties, LLC and
Norton Ranch Homes, LLC**

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**AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "Restated Declaration"), made effective upon its recording in the Official Records of Gallatin County, Montana, is executed on the date hereinafter set forth by NORTON PROPERTIES, LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "Declarant").

WITNESSETH

WHEREAS, Declarant created a planned residential community known as *Norton Ranch* (the "Subdivision") by recording the following instruments:

- (a) The plat of *Norton East Ranch Subdivision Phase 1*, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana; and
- (b) The Norton East Ranch Subdivision Phase 1 Declaration of Covenants and Restrictions, recorded on February 16, 2011, as Document Number 2382596 in the Official Records of Gallatin County, Montana (the "Original Declaration"); and

WHEREAS, Declarant desires to replace the Original Declaration with this Restated Declaration.

NOW, THEREFORE, Declarant hereby declares that the property described on attached Exhibit A (the "Property") shall be held, sold, hypothecated, and conveyed subject to the covenants, conditions, and restrictions declared below, which shall be deemed to be covenants running with the land and imposed on and intended to benefit and burden each lot and other portions of the Property in order to maintain within the Property a community of high standards. Such covenants shall be binding on all parties having any right, title or interest therein or any

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part thereof, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE 1 - DEFINITIONS

1.1 “Additional Property”

“Additional Property” shall mean any additional property annexed to the Subdivision and made subject to the terms of this Restated Declaration.

1.2 “Alleys”

“Alleys” shall mean the streets within the Subdivision designed as “Alley” on the Plat.

1.3 “Annual Assessments”

“Annual Assessments” shall mean Base Assessments, Reserve Account Assessments, and any Specific Assessments which may be levied by the Association in each of its fiscal years pursuant to the terms of Article 3.

1.4 “ARC”

“ARC” shall mean the architectural review committee established pursuant to the terms of Section 7.1.

1.5 “Association”

“Association” shall mean the Norton Ranch Community Association, a Montana nonprofit corporation, established for the purposes set forth herein.

1.6 “Base Assessments”

“Base Assessments” shall mean the assessments imposed upon all Lots for services rendered or expenses incurred by the Association pursuant to the terms of Section 3.2.

1.7 “Board”

“Board” shall mean the Board of Directors of the Association.

1.8 “Builder”

“Builder” shall mean any individual or company who purchases one or more Lots for the purpose of constructing Units for resale to consumers in the ordinary course of its business.

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1.9 “Bylaws”

“Bylaws” shall mean the Bylaws of the Association, as amended from time to time. A copy of the Bylaws is attached hereto as **Exhibit B**.

1.10 “City”

“City” shall mean the City of Bozeman, Montana.

1.11 “Common Areas”

“Common Areas” shall mean those portions of the Property owned or leased by the Association for the common use and benefit of the Owners. The “Common Areas” include those areas designated as “open space” on the Plat, but specifically excludes Lots. The initial Common Areas are described on attached **Exhibit C**.

1.12 “Common Maintenance Areas”

“Common Maintenance Areas” shall mean the Common Areas, and shall also mean any areas within public rights-of-way or located on adjacent property that the Association is required to maintain pursuant to the terms of this Restated Declaration, or which the Board deems necessary, desirable or appropriate for the Association to maintain for the common benefit of the Owners, including (but not limited to) the Parks.

1.13 “Conversion Date”

“Conversion Date” shall be the date upon which the Class B membership ceases to exist and is converted to Class A membership. Such date shall be the date which is the earlier of (i) the date at which seventy-five percent (75%) of the total Lots anticipated to be created within the Subdivision have been conveyed to Class A members; (ii) ten (10) years after conveyance of the first Lot to a Class A member; or (iii) upon written election of Declarant.

1.14 “Declarant”

“Declarant” shall mean Norton Properties, LLC, an Oregon limited liability company, and Norton Ranch Homes, LLC, an Oregon limited liability company, and their respective successors and assigns, who are designated as such in writing by the applicable Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to the Lots acquired by such successor or assign.

1.15 “Design & Construction Guidelines”

“Design & Construction Guidelines” shall mean the design and construction guidelines adopted by the ARC or Declarant pursuant to Section 7.2, as amended or modified from time to time.

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1.16 “Directors”

“Directors” shall mean the members of the Board.

1.17 “Future Development Lot”

“Future Development Lot” shall mean any Lot intended to be developed or further subdivided to accommodate additional housing products, including (but not limited to) single family, apartments, townhomes, condominiums and other housing types permitted by the City. The initial Future Development Lots are described on attached **Exhibit D**.

1.18 “Governing Documents”

“Governing Documents” shall mean this Restated Declaration and the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, all as may be amended from time to time.

1.19 “Improvement”

“Improvement” shall mean every structure or improvement of any kind, including, but not limited to, a Unit, landscaping, patios, decks, fences and walls (including retaining walls), driveways, sidewalks, fixtures, storage shelters, pools, hot tubs, athletic facilities and other products of construction efforts (including exterior painting, alterations, and reconstruction).

1.20 “Lot”

“Lot” shall mean each plot of land indicated as such on the Plat. The term “Lot” specifically includes a Future Development Lot (unless otherwise indicated), but excludes Common Areas and Common Maintenance Areas.

1.21 “Mortgagee” and “First Mortgagee”

“Mortgagee” shall mean the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. “First Mortgagee” shall mean a holder of a Mortgage with priority over all other Mortgages.

1.22 “Owner”

“Owner” shall mean Declarant and every record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

1.23 “Parks”

“Parks” shall mean those tracts identified as “Parks” on the plat of *Norton East Ranch Subdivision Phase 1*, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana. The Plat dedicates the Parks to the City, but the Association will maintain the Parks as Common Maintenance Areas.

1.24 “Plat”

“Plat” shall mean the plat of *Norton East Ranch Subdivision Phase 1*, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana, and any additional plats that may be annexed to the Subdivision as Additional Property.

1.25 “Property”

“Property” shall mean the real property described on the attached **Exhibit A**, plus such Additional Property as may be made subject to this Restated Declaration, but excluding any real property removed from the jurisdiction of this Restated Declaration.

1.26 “Reserve Account Assessments”

“Reserve Account Assessments” shall mean assessments established pursuant to the terms of Section 3.3.

1.27 “Restated Declaration”

“Restated Declaration” shall mean this Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for Norton Ranch, and any amendments or supplements thereto made in accordance with its terms.

1.28 “Rules and Regulations”

“Rules and Regulations” shall mean the rules and regulations adopted by the Association from time to time in accordance with Article XII of the Bylaws.

1.29 “Special Assessments”

“Special Assessments” shall mean any special charges established pursuant to the terms of Section 3.5.

1.30 “Specific Assessments”

“Specific Assessments” shall mean the charges imposed upon some, but less than, all Lots for services rendered or expenses incurred pursuant to Section 3.4.

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1.31 “Subdivision”

“Subdivision” shall mean *Norton Ranch*, as the same may be modified, expanded or contracted pursuant to the terms of this Restated Declaration.

1.32 “Turnover Meeting”

“Turnover Meeting” shall mean the meeting of the Owners called to turn over control of the Association to the Class A members, as further described in the Bylaws.

1.33 “Unit”

“Unit” shall mean any attached or detached residential dwelling intended for occupancy by a single family, including (but not limited to) a detached single family home, an apartment located within a multifamily building, an attached townhouse and a condominium unit.

ARTICLE 2—ASSOCIATION

2.1 Membership. The Declarant and every other Owner of a Lot by virtue of ownership of such Lot shall be a member of the Association. Membership in the Association shall be appurtenant to and shall not be separated from ownership of any Lot. Transfer of ownership of a Lot shall automatically transfer membership in the Association. Without any other act or acknowledgment, Owners shall be governed and controlled by the Governing Documents. There shall be two (2) classes of membership in the Association, Class A membership and Class B membership, as described in Section 2.2.

2.2 Voting Rights. The Association shall have two (2) classes of voting membership:

2.2.1 Class A Membership.

Class A members shall be all Owners with the exception of Declarant, provided that Declarant shall become a Class A member from and after the Turnover Date. Each Class A member is entitled to the *greater* of (a) one (1) vote for each Lot owned or (b) one (1) vote for each Unit constructed on each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they among themselves determine; provided, however, that the Owners of that Lot shall not cast more votes than the number of votes allocated to the Lot by the preceding sentence. If the co-Owners of a Lot cannot agree upon the vote for the Lots, then the vote of the Lot shall be disregarded in determining the particular matter at issue.

2.2.2 Class B Membership

The Class B member shall be Declarant, provided that the Class B membership shall terminate and become converted to Class A membership on the Conversion Date. The

Class B member is entitled to the *greater* of (a) three (3) votes for each Lot owned or (b) three (3) votes for each Unit constructed on each Lot owned.

2.3 Suspension. All voting rights of an Owner shall be suspended during any period in which such Owner is delinquent in the payment of any assessment duly established pursuant to Article 3 or is otherwise in default under the Governing Documents. The Board may also suspend an Owner's rights to use the Common Areas during such period of default.

ARTICLE 3—ASSOCIATION FINANCES

3.1 Budgeting.

3.1.1 At least sixty (60) days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated expenses of the Association for the coming year. The estimated expenses in the budget of the Association shall include, in addition to operating reserves, a contribution to the Reserve Account determined in accordance with the terms of Section 3.3 below. The budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Lots, and the amount estimated to be generated through the levy of assessments against Lots. Finally, the budget shall differentiate between expenses applicable to all Lots versus expenses applicable to some, but not all, Lots.

Estimated operating expenses and Reserve Account Assessments applicable to all Lots shall be allocated among such Lots as Base Assessments pursuant to Section 3.2 below, while estimated operating expenses and Reserve Account Assessments applicable to some, but not all Lots, shall be allocated among the affected Lots as Specific Assessments pursuant to Section 3.4 below.

3.1.2 Within thirty (30) days after adopting the annual budget, the Board shall set a date for a meeting of the Members to consider ratification of the budget and send notice of such meeting to the Members in accordance with Section 4.5 of the Bylaws. Unless the Owners holding a majority of the votes in the Association vote to reject the budget, the budget is ratified, whether or not a quorum is present at the meeting. If the Board fails to adopt a budget or if the Owners vote to reject the budget, then the last adopted and ratified budget for the Association shall continue in effect.

3.1.3 The Board may revise the budget and adjust the assessments levied pursuant thereto from time to time during the year, subject to the same notice and ratification procedures set forth above.

3.2 Base Assessments. Upon determining the total amount of income required to be generated through the levy of Base Assessments as provided in Section 3.1, the Association shall allocate such amount among the Lots subject to assessment (as determined under Section 3.7

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below) based on the formula described in the following sentence. The share of Base Assessments to be assessed by the Association against each Lot subject to assessment shall be represented by a fraction, the numerator of which is the number of votes assigned to the particular Lot and the denominator of which is the total number of Class A votes assigned to all Lots subject to assessment. Such fraction shall be multiplied by the total dollar amount of the Base Assessments in order to determine the dollar amount of the Base Assessment to be levied against each Lot subject to assessment.

Declarant may, but is not obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy, which may be either a contribution, an advance against future assessments due from Declarant (if any), or a loan, as determined by Declarant in its sole discretion. Any such subsidy shall be disclosed as a line item in the income portion of the budget. Payment of such subsidy in any year shall not obligate Declarant to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and Declarant.

3.3 Replacement Reserve Assessments.

3.3.1 As a part of any Annual Assessment the Board shall obtain from Owners contributions for a reserve account (the "Reserve Account") established for all items of property included within the Common Maintenance Areas which will normally require major maintenance, repair or replacement, in whole or in part, in more than one (1) and less than thirty (30) years, for exterior painting (if the Common Maintenance Areas includes exterior painted surfaces), and for other items, whether are not included within the definition of Common Maintenance Areas, if the Association has responsibility to maintain; provided, however, that the Reserve Account need not include items that could reasonably be funded from Base Assessments or Specific Assessments or other funds or accounts of the Association, or items for which the Owners (and not the Association) are responsible for maintenance, repair and replacement under the terms of the Governing Documents.

3.3.2 The Declarant shall conduct an initial reserve study (a "Reserve Study") to determine the Reserve Account requirements. The Reserve Study shall include: (a) identification of all items for which reserves are or will be established; (b) include the estimated remaining useful life of each item as of the date of the Reserve Study; and (c) include for each item, as applicable, an estimated cost of maintenance, repair and replacement at the end of the item's useful life. The Board shall thereafter periodically conduct a Reserve Study or review and update an existing Reserve Study to determine the Reserve Account requirements.

3.3.3 Contributions to the Reserve Account ("Reserve Account Assessments") shall be in an amount (a) initially determined by Declarant based upon the results of the initial Reserve Study or other reliable information and (b) thereafter by the Board from time to time based on the results of the periodic Reserve Study (or review and update of an existing Reserve Study). Reserve Account Assessments shall be allocated to Lots in the same manner as Base Assessments under Section 3.2 and Specific Assessments under Section 3.4, as

applicable, and shall be paid to the Association monthly, quarterly or annually as determined by the Board.

Reserve Account Assessments paid into the Reserve Account are the property of the Association and are not refundable to sellers or Owners of Lots. The Reserve Account must be a separate account holding only Reserve Account Assessments and other funds intended to be used for the same purpose maintained at a federally insured bank or other depository institution with branches in Montana, and any funds in the Reserve Account may be expended only for the purposes for which the Reserve Account was established as described above.

3.3.4 After the Turnover Meeting, the Board may borrow funds from the Reserve Account to meet high seasonal demands on the Association's regular operating fund or to meet unexpected increases in expenses if the Board has adopted a resolution, which may be an annual continuing resolution, authorizing the borrowing of such funds. Not later than the adoption of the budget for the following year, the Board shall adopt by resolution a written payment plan providing for repayment of the borrowed funds within a reasonable period of time.

3.3.5 At any time after the second (2nd) year after the Turnover Meeting, future replacement reserve assessments for the Reserve Account may be increased or reduced by the vote of Owners of Lots representing seventy-five (75%) of the Owners.

3.3.6 Nothing in this Section 3.3 prohibits the prudent investment of Reserve Account funds, subject to any constraints imposed by the Board or the Governing Documents.

3.4 Specific Assessments. The Association shall have the authority to levy assessments to satisfy the expenses of undertaking a particular project or effort that benefit some, but less than all, of the Lots (such assessments, "Specific Assessments"). Specific Assessments shall be allocated equally against the Owners of those Lots that benefit from the project, effort or other specific undertaking by the Association, unless the Association (in its reasonable discretion) determines that another method of apportionment more accurately reflects the benefit received by such Owners (such as allocation to each Owner based on the number of votes entitled to be cast by that Owner).

3.5 Special Assessments. In addition to the Base Assessments authorized above, the Board may levy "Special Assessments" against an Owner or all Owners in the following manner for the following purposes:

- (a) To correct a deficit in the operating budget, by vote of a majority of the Board;
- (b) To collect additional amounts necessary to make repairs or renovations to the Common Areas or Common Maintenance Areas if sufficient funds are not available from the operating budget or Reserve Account, by vote of a majority of the Board; and

(c) To make capital acquisitions, additions or improvements, by vote of Owners holding at least sixty percent (60%) of the voting rights of the Association.

Special Assessments shall be levied against all Lots subject to assessment in the same manner as Base Assessments under Section 3.2 and Specific Assessments under Section 3.4, as applicable.

3.6 Reimbursement Assessments. The Association shall have the authority to levy a reimbursement assessment (each, a "Reimbursement Assessment") against any Owner and such Owner's Lot if (a) a failure to comply with this Restated Declaration or the other Governing Documents has necessitated an expenditure of monies by the Association to effect compliance or resulted in the imposition of a fine or penalty against such Owner or such Owner's Lot; or (b) corrective action of the Association has necessitated an expenditure of monies by the Association as a result of the willful or negligent actions or omissions of such Owner or such Owner's family members, tenants, guests, contractors or invitees. A Reimbursement Assessment, together with interest, costs, and reasonable attorney's fees, shall be due and payable to the Association when levied. A Reimbursement Assessment shall not be levied by the Association except on at least ten (10) days' prior written notice to the Owner being assessed. If, within said ten (10) day period, the Owner makes a written request to the Board for a hearing, a hearing shall be held. On request for a hearing, the Board shall conduct the hearing not less than ten (10) nor more than thirty (30) days after the request by the Owner, and shall make its decision within thirty (30) days after the hearing is held. If a notice has been previously given, and the hearing has already been held or waived (in writing or by the Owner's failure to appear) for the violation resulting in the Reimbursement Assessment, no additional notice and hearing is required before levying the Reimbursement Assessment.

3.7 Commencement of Assessments.

3.7.1 Base Assessments and Specific Assessments. Declarant shall pay all operating expenses of the Association until Declarant elects to assess the Lots for Base Assessments and Specific Assessments as provided herein. The date of commencement of Base Assessments and Specific Assessments on the Lots (excluding any Lots owned by Declarant or a Builder, which shall be exempt as provided below) shall be determined by Declarant; provided, however, in no event shall it commence later than the Turnover Meeting or if no Turnover Meeting is held, the date on which administration of the Association is turned over to the Class A members.

3.7.2 Reserve Account Assessments. Reserve Account Assessments commence on a Lot as of the date Declarant or a Builder conveys the Lot to an Owner other than Declarant or a Builder.

3.7.3 All Other Assessments. Special Assessments and Reimbursement Assessments shall commence on a Lot as of the date Declarant or a Builder conveys the Lot to an Owner other than Declarant or a Builder.

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3.7.4 Exemption From Payment of Assessments. Any Lot owned by Declarant is exempt from the payment of Base Assessments, Specific Assessments, Reserve Account Assessments, Special Assessments and Reimbursement Assessments. Any Lot owned by a Builder is exempt from the payment of Base Assessments, Specific Assessments, Reserve Account Assessments, Special Assessments and Reimbursement Assessments for a period of one (1) year after such Lot was conveyed by Declarant to the Builder; provided, however, that Declarant shall have the right, at its sole discretion, to extend a Builder's assessment exemption period for an additional year by sending written notice thereof to the Association.

3.8 Obligation for Assessments. Each Owner, by accepting a deed for his, her or their Lot, is deemed to covenant and agree to pay all assessments authorized in this Restated Declaration or other Governing Documents. All assessments, together with interest, fines and late charges as determined by Board resolution, and collection costs (including reasonable attorneys' fees), shall be the personal obligation of each Owner and a lien upon each Lot until paid in full. Upon transfer of title to a Lot, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. The Association may sue any person liable for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification or release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Annual Assessments on the basis of the last year for which an assessment was made, if any, until a new budget becomes effective and a new assessment is levied pursuant thereto. Any such budget may include as an expense item any shortfall in amounts previously collected.

No Owner may exempt himself from liability for assessments by non-use of the Common Areas, abandonment of his or her Lot, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

3.9 Lien for Assessments. The Association shall have a lien against each Lot to secure payment of delinquent assessments, as well as interest, fines and late charges as determined by Board resolution, and collection costs (including reasonable attorneys' fees). Such lien shall be superior to all other liens, except (a) liens for real estate taxes and assessments and other levies which by law would be superior; and (b) the lien of any recorded First Mortgage made in good faith and for value. Such lien, when delinquent, may be foreclosed in the same manner as a construction lien or as otherwise provided by applicable law after the Association records a notice of lien against the delinquent Lot in the Official Records of Gallatin County, Montana.

The Association may bid for the Lot at the foreclosure sale and acquire, hold, lease, mortgage and convey the Lot. While a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessments shall be levied on it; and (c) each other Lot shall be charged, in addition to usual assessments, its pro rata share of the assessments that would have been charged to such Lot had it not been acquired by the Association.

Sale or transfer of any Lot shall not affect the assessment lien or relieve such Lot from the lien for any subsequent assessments. However, the sale or transfer of any Lot pursuant to foreclosure of a First Mortgage or a deed in lieu of foreclosure for the benefit of any First Mortgagee shall extinguish the lien of such assessments on the Lot as to payments which became due prior to the sale or transfer. The unpaid assessments shall then become common expenses of all Owners, including the First Mortgagee and any purchaser at the foreclosure sale or from a First Mortgagee. No sale or transfer of any Lot pursuant to foreclosure of a First Mortgage or a deed in lieu of foreclosure for the benefit of any First Mortgagee shall relieve such Lot from liability as to any assessments thereafter becoming due or from the lien thereof. Notwithstanding the foregoing, no sale or transfer of any Lot pursuant to a mortgage foreclosure or a deed in lieu of foreclosure for the benefit of any First Mortgagee shall be deemed to extinguish any mortgage or lien which the Association has itself placed upon any property owned by the Association.

3.10 Interest; Late Fees; Fines. The Board, in its reasonable discretion, may from time to time adopt resolutions to set the rate of interest and to impose late fees and fines on delinquent assessments or for violations of the provisions of this Restated Declaration or other Governing Documents. The adoption of such impositions by the Board shall be communicated to all Owners in writing not less than thirty (30) days before the effective date by a notice mailed to the address of the Owners as contained in the records of the Association. Such impositions shall be considered assessments that are lienable and collectible in the same manner as any other assessments; provided, however, that fines (but not interest or late fees) for violation of this Restated Declaration or other Governing Documents may not be imposed against an Owner or such Owner's Lot until the Owner is given an opportunity for a hearing.

3.11 Acceleration of Assessments. If an Owner is delinquent in payment of any assessment or installment on any assessment, the Association, on not less than ten (10) days' written notice to the Owner, may accelerate the due date of the full annual assessment for that fiscal year and all future installments of any Special Assessments.

3.12 Certificate of Payment. The Association shall provide, within ten (10) business days of receipt of a written request from an Owner, a certificate signed by an officer of the Association setting forth (i) the amount of assessments due from the Owner and unpaid at the time the request is received, including Annual Assessments and all other assessments authorized in this Restated Declaration, late fees, interest, fines and other charges, (ii) the percentage rate at which interest accrues on assessments that are not paid when due, and (iii) the percentage rate used to calculate the charges for late payments; provided, however, that the Association is not required to comply with the foregoing if the Association has commenced litigation by filing a

complaint against an Owner and the litigation is pending when the certificate would otherwise be due. A properly executed certificate of the Association shall be binding upon the Association as of the date of its issuance as to the status of assessments on a Lot.

3.13 Reallocation Upon Annexation of Additional Property. When Additional Property is annexed to the Subdivision pursuant to Sections 13.1 or 13.2, the Association shall, within sixty (60) days after the annexation, recompute the budget for the Association based on the additional Lots, Common Areas and Common Maintenance Areas and recompute all applicable assessments for each Lot. Newly annexed Lots shall be subject to assessment from the time of annexation of the Lots to the Subdivision, unless a later date is provided elsewhere in this Article 3 (e.g., Lots owned by Declarant or a Builder, which are generally exempt from assessments). The Association shall send notice of any applicable assessment to the Owners of newly annexed Lots not later than sixty (60) days after the annexation or with the next occurring Annual Assessment, whichever is sooner. Assessments shall be due and payable on or before a date set forth in the notice, which shall be not less than thirty (30) days after the date the notice is mailed to the new Owners or at such other time or times as the Association may specify in the notice in accordance with this Restated Declaration or the Bylaws. If Additional Property is annexed to the Subdivision during the Association's fiscal year, the Association shall send notice of the recomputed assessment and any additional assessments owed to the Owners of the Lots which were within the Subdivision prior to the annexation, and the Association shall collect such recomputed additional assessments from such Owners. Notice of the adjustment in the assessments shall be sent to such Owners not later than sixty (60) days after the annexation or with the next occurring Annual Assessment, whichever is sooner. To the extent that any adjustment results in a credit with respect to assessments payable by an Owner, such credit shall be applied toward the next occurring payment or payments of the applicable assessment.

3.14 Reallocation Upon Removal of a Portion of the Property. When part of the Property is removed from the Subdivision pursuant to Section 13.3, the Association shall, within sixty (60) days after the removal, recompute the budget for the Association based on the removal of the applicable Lots, Common Areas and Common Maintenance Areas and recompute all applicable assessments for each of the remaining Lots. The Association shall then send notice of the recomputed assessment and any additional assessments owed to the Owners of Lots which remain in the Subdivision after the removal not later than sixty (60) days after the removal or with the next occurring Annual Assessment, whichever is sooner, and the Association shall collect such recomputed additional assessments from the remaining Owners. To the extent that any adjustment results in a credit with respect to assessments payable by an Owner of a Lot which remains in the Subdivision after the removal, such credit shall be applied toward the next occurring payment or payments of the applicable assessment. Lots removed from the Subdivision shall no longer be subject to assessment as of the effective date of the removal; provided, however, that the lien for any assessments due prior to the date of such removal (if any) shall remain a lien on the Lots removed from the Subdivision until paid in full.

3.15 No Reimbursement to Declarant. The proceeds of any assessments shall not be used to reimburse Declarant for any capital expenditures incurred in construction or other

improvements of Common Areas or Common Maintenance Areas, nor for the operation or maintenance of such facilities incurred before conveyance of such common facilities to the Association.

ARTICLE 4—EASEMENTS AND RIGHTS OF ENTRY

4.1 Plat Easements. The Property shall be subject to all easements delineated on the Plat.

4.2 Owners' Easements in Common Areas. Declarant grants to each Owner a perpetual, nonexclusive right and easement of use, access and enjoyment in and to the Common Areas, subject to the restrictions and limitations set forth in this Article and elsewhere in this Restated Declaration.

4.3 Easement of Encroachment. Declarant grants reciprocal appurtenant easements of encroachments, and for maintenance and use of any permitted encroachment, between each Lot and any adjacent Common Areas and between adjacent Lots due to unintentional placement or settling or shifting of improvements constructed, reconstructed or altered thereon (in accordance with the terms of this Restated Declaration) to a distance of not more the three (3) feet, as measured from any point on the common boundary along a line perpendicular to such boundary. In no event, however, shall an easement for encroachment exist if such encroachment occurred due willful and knowing conduct on the part of, or with the knowledge and consent of, the person claiming the benefit of such easement.

4.4 Easements for Utilities, Etc.

4.4.1 Declarant reserves for itself and the Association, for the benefit of the Property and any Additional Property, perpetual, nonexclusive blanket easements upon, across, over and under the Property and Additional Property for purposes of ingress, egress, installation, maintenance, repair and replacement of utilities and infrastructure; cable and other systems for sending and receiving data and/or other electronic signals; security and similar systems; walkways, pathways and trails; storm water drainage systems; irrigation systems; sanitary sewer systems; street lights; signage; and entry features; provided, however, that the exercise of these easements does not unreasonably interfere with the use of any Lot. Declarant further reserves for itself and the Association the right to grant the benefit of any such easements to the local municipal governmental body and other utility service providers.

4.4.2 Declarant also reserves for itself and the Association the nonexclusive right and power to grant and record such specific easements over the Property and Additional Property as may be necessary, in the sole discretion of Declarant or the Association, to exercise the rights and easements granted by the preceding paragraph. The Owner of any Lot to be burdened by any easement granted pursuant to this Section 4.4 shall be given advance written notice of the grant, and the location of the easement on such Lot shall be subject to the written approval of the Owner (which shall not be unreasonably withheld, delayed or conditioned);

provided, however, that an Owner shall be deemed to have consented to the location of an easement on his or her Lot if the Owner has not responded to a written request within thirty (30) days after such request was mailed to the Owner's address on record with the Association.

4.4.3 All work associated with the exercise of the easements described in this Section 4.4 shall be performed in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the person exercising the easement shall restore the property, to the extent reasonably possible, to its condition prior to commencement of the work, except for any improvements placed within utility easements in violation of the terms of this Restated Declaration. The exercise of these easements shall not extend to permitting entry into any Unit without the Owner's consent, nor shall it unreasonably interfere with the use of any Lot by the Owner thereof. Except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

4.5 Easements to Serve Additional Property. Declarant hereby reserves for itself and its duly authorized agents, successors and assigns a perpetual, nonexclusive easement over the Common Areas for purposes of enjoyment, use, access and development of any property now or hereafter owned by Declarant adjacent to or near the Property, whether or not such property is made subject to this Restated Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Areas for construction and use of roads, sidewalks and walking paths, and for connecting and installing any and all utilities on such property.

Declarant agrees that it and its duly authorized agents, successors and assigns shall be responsible for any damage caused to the Common Areas as a result of their respective actions in connection with development of such property. Declarant further agrees that if the easement is exercised for permanent access to such property and such property or any portion thereof benefiting from such easement is not made subject to this Restated Declaration, Declarant, its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of any maintenance which the Association provides to or along any roadway, sidewalk or walkway providing access to such property.

4.6 Easements for Maintenance, Emergency and Enforcement. Declarant grants to the Association easements over the Property and Additional Property as necessary to enable the Association to fulfill its maintenance responsibilities under this Restated Declaration. The Association shall also have the right, but not the obligation, to enter upon any Lot for emergency, security and safety reasons to perform maintenance and to inspect for the purpose of ensuring compliance with and enforce the terms of this Restated Declaration and the other Governing Documents. Any such right may be exercised by any member of the Board and its duly authorized agents and assignees, and all emergency personnel in performance of their duties. Except in an emergency situation, entry onto a Lot shall only be during reasonable hours and after notice to the Owner.

4.7 Easement to Inspect and Right to Correct. Declarant reserves for itself and others it may designate the right to inspect, monitor, test, redesign and correct any structure,

improvement or condition (including, but not limited to, drainage issues) which may exist on any portion of the Property and Additional Property, and a perpetual, nonexclusive easement of access throughout the Property and Additional Property to the extent reasonably necessary to exercise such right. Except in an emergency situation, entry onto a Lot shall only be during reasonable hours and after notice to the Owner; provided, however, that no entry into a Unit is permitted without the consent of the Owner. The person exercising these easements shall promptly repair any resulting damage.

4.8 Perimeter Fence Easement. An easement is hereby declared for the benefit of the Declarant and the Association for the construction, maintenance, repair and replacement of fencing along the perimeter of the Property, whether or not such fencing is located on the Common Areas or Lots. Declarant, however, is under no obligation to construct any perimeter fencing. Any perimeter fencing constructed by Declarant shall be maintained by the Association as a Common Maintenance Area.

4.9 Retaining Wall Easement. Retaining walls may have been constructed by Declarant within the Property (the "Retaining Walls"). The Retaining Walls are not in all cases located on a Lot line. The location of a Retaining Wall (or the construction by an Owner of any improvements on or near the Retaining Wall) shall not constitute evidence of the intended location of a Lot line, or provide grounds for any claim of adverse possession or prescriptive easement. Each Lot upon which any portion of a Retaining Wall is located shall be subject to an easement, for the benefit of the Association and all other Lots, for the purposes of support by and natural drainage from such Retaining Wall. Retaining Walls may or may not have been designed by a professional engineer, and no Owner shall take any action to add, construct or place any improvement on the Lot so that it may, in the judgment of the Association: result in disturbance of, weakening of, or damage to a Retaining Wall; increase any engineered load or alter design criteria; or cause damage to the Retaining Wall or surrounding properties. Any Lot Owner who takes such action, or who otherwise damages a Retaining Wall, shall be responsible for all resulting costs of repair and restoration of the Retaining Wall. This Section 4.9 shall not apply to retaining walls constructed by an Owner on its own Lot.

4.10 Special Declarant Easements. Declarant reserves for itself and its duly authorized agents, successors and assigns, perpetual, nonexclusive easements on, over and across the Common Areas for purposes of (a) constructing and maintaining such facilities and activities as Declarant, in its sole discretion, deems necessary or convenient to the sale of Lots and Units, including, but not limited to, business offices, signs, model units and sales offices; (b) constructing and maintaining Common Areas, including any structures thereon; and (c) storing materials and making such other use thereof as Declarant, in its sole discretion, deems necessary or convenient to the construction of Units and other structures on the Property or Additional Property (provided that no such storage or other use shall unreasonably interfere with access to, or the use, occupancy and enjoyment of, any Lot). Declarant shall also have easements for access to and use of the Common Areas for such facilities at no charge.

ARTICLE 5—COMMON AREAS

5.1 Use of Common Areas. Every Owner shall have a right to use and enjoy the Common Areas, subject to:

(a) The terms of this Restated Declaration as it may be amended from time to time and any restrictions or limitations contained in any deed conveying the Common Areas to the Association;

(b) The Board's Right to:

(i) adopt, promulgate, enforce and amend from time to time the Rules and Regulations pertaining to the use and enjoyment of the Common Areas, including rules and regulations limiting the number of guests of Owners who may use the Common Areas at any one time;

(ii) suspend the right of an Owner, after notice and an opportunity for a hearing, to use all or any portion of the Common Areas (A) for any period not to exceed thirty (30) days for a single violation, or for a longer period in the case of any continuing violation of this Restated Declaration or the Bylaws or Rules and Regulations; and (B) for any period during which any assessments or any other charges for such Owner's Lot remains delinquent;

(iii) grant easements and dedicate or transfer all or any part of the Common Areas pursuant to Sections 4.4 and 5.2;

(iv) mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the approval requirements set forth in Section 5.2;

(v) impose reasonable membership requirements and charge reasonable admission or other use fees for the use of any recreational facility situated upon the Common Areas that is not open or available to the general public; and

(vi) permit use of any recreational facilities situated on the Common Areas by persons other than Owners, their families, lessees and guests upon payment of use fees established by the Board;

(c) All easements granted or reserved by Declarant in this Restated Declaration, and all easements subsequently granted or reserved by Declarant pursuant to a right granted or reserved in this Restated Declaration.

An Owner who resides in a Unit may extend his or her right to use and enjoyment of the Common Areas to the other members of his or her household and to guests, subject to the terms of this Restated Declaration and the Rules and Regulations. If an Owner does not reside at his or her Unit, then the Owner shall be deemed to have assigned all of the Owner's rights to use

and enjoyment of the Common Areas to residents or occupants of such Unit, subject to the terms of this Restated Declaration and the Bylaws and Rules and Regulations.

No Owner shall make any change to any Improvement or landscaping upon the Common Areas, or decorate, alter or repair any part of the Common Areas (except for maintenance of those parts of the Common Areas which the Owner has the duty to maintain, if any), without the prior written consent of the Association.

5.2 Alienation of Common Areas. The Association may sell, dedicate, transfer, grant a security interest in, or grant an easement for installation or maintenance of utilities or for similar purposes with respect to any portion of the Common Areas. Except for grants of easements for utility-related purposes under Section 4.4 above, no such sale, dedication, transfer or grant of a security interest shall be effective unless approved by eighty percent (80%) of the votes of both Class A and Class B members, or eighty percent (80%) of the votes of Class A members once Declarant has relinquished its Class B membership interests. Any sale of portions of the Common Area that include public trails or walking paths shall be made subject to reserved easements in favor of the public over such trails and walking paths.

5.3 Conversion of Lots to Common Areas. Declarant may elect to build common facilities on one or more Lots and designate such Lots as Common Areas by amending this Restated Declaration. Such amendment to this Restated Declaration shall be executed by Declarant and bear a certificate of the President or Secretary of the Association reciting that the holders of a majority of the voting rights in the Association have approved such conversion to Common Areas.

5.4 No Partition. There shall be no judicial partition of the Common Areas. Each Owner, whether by deed, gift, devise, or operation of law, for such Owner's benefit and for the benefit of all other Owners, specifically waives and abandons all rights, interests, and causes of action for judicial partition of any interest in the Common Areas and agrees that no action for judicial partition shall be instituted, prosecuted, or reduced to judgment.

5.5 Title to Common Areas. Declarant shall cause fee simple title to the Common Areas to be conveyed to the Association, free and clear of monetary liens, no later than the date of the Turnover Meeting, and the Association shall unconditionally accept fee title to the Common Areas from Declarant on such date.

5.6 Damage or Destruction By Owner. If damage to any Common Areas or Common Maintenance Areas is directly attributable to an Owner or the family members, invitees, licensee, or guest of an Owner, then that Owner shall repair such damage or destruction as soon as reasonably practicable, but in no event later than fifteen (15) days after the date the damage occurred, at his or her sole expense and without a right of reimbursement. If an Owner fails to repair such damage timely, the Association shall have all rights of enforcement and remedies set forth under this Restated Declaration.

ARTICLE 6 -- MAINTENANCE

6.1 Maintenance by Association. The Association shall maintain and keep the Common Maintenance Areas in a clean and attractive condition and in good repair, such maintenance to be funded by Annual Assessments as provided in this Restated Declaration. This maintenance shall include, but need not be limited to, maintenance, repair and replacement (subject to any insurance then in effect) of the following:

- (a) all landscape plantings, trees and lawn areas (including irrigation thereof) located on the Common Areas and within the Parks (until such time as the City accepts maintenance responsibility for the Parks), which shall include, but is not limited to, removal and replacement of dead or dying trees and other landscaping to ensure compliance with the approved landscaping plan (but subject to the terms of Section 11.2);
- (b) all sidewalks, trails, walking paths and pedestrian/bicycle paths located on the Common Areas and within the Parks (until such time as the City accepts maintenance responsibility for the Parks);
- (c) all monument entry signs and features for the Subdivision within or adjacent to the Property;
- (d) the storm water conveyance and detention systems serving the Subdivision (except for any drainage swales located on Lots), which shall be maintained per the design intent of the approved plans for such systems and any applicable operations and maintenance plans;
- (e) any perimeter fencing constructed by Declarant (although Declarant has no obligation to construct any perimeter fencing);
- (f) any Retaining Walls constructed by Declarant; and
- (g) all other structures and Improvements situated in or on the Common Areas, unless maintenance thereof is delegated to the Owners under the terms of this Restated Declaration or handled by the City or a utility service provider.

The Association may also maintain other property which it does not own and is not required to maintain if the Board determines, in its discretion, that such maintenance is necessary or desirable. Such areas shall become part of the Common Maintenance Areas upon approval by the Board.

6.2 Maintenance by Owner. Each Owner shall at all times keep his or her Lot and Unit(s) (including all Improvements and all landscape plantings, trees and lawn area located on his or her Lot) in a clean and attractive condition, in good repair, and in compliance with all applicable covenants and municipal ordinances, unless such maintenance responsibility is

otherwise assumed by or assigned to the Association pursuant to Section 6.1 above or any other provisions of this Restated Declaration.

Each Owner shall also be responsible for maintaining the landscape plantings, trees and lawn area (including irrigation thereof) within the public right-of-way adjacent to his or her Lot to the back of the street curb; provided, however, that there shall be no right to remove trees, shrubs or similar landscaping from this area without the prior written consent of the Association and compliance with the terms of Section 11.2 and any applicable zoning ordinances.

Responsibility for maintenance of landscape plantings, trees and lawn areas as required by the preceding paragraphs shall include responsibility for watering the same as needed to maintain them in a healthy condition, free from weeds and other noxious plant materials, and not permitting grasses to exceed four inches (4") in height. It shall also include responsibility for removal and replacement of diseased or dead trees, shrubs and other landscaping, subject to obtaining any required tree removal permit from the local municipal authority and the terms of Section 11.2.

If any Owner fails to properly perform his or her maintenance responsibility, the Association may, but is not obligated to, perform such maintenance responsibilities on behalf of such Owner and assess the Owner for a Reimbursement Assessment in accordance with Section 3.6 of this Restated Declaration; provided, however, that except when entry is required due to an emergency situation, the Association shall provide the Owner with reasonable notice and an opportunity to cure the problem prior to entry.

6.3 Maintenance During Construction. During construction it shall be the responsibility of each Owner (including a Builder) to insure that his or her Lot and adjacent areas are kept free of unsightly accumulation of rubbish and scrap materials, and that construction materials, trailers, shacks and the like are kept in a neat and orderly manner. No burning of any trash and no accumulation or storage of litter or trash of any kind shall be permitted on any Lot or the Common Areas. This Section 6.3 shall not be applicable to Declarant or its employees, agents or contractors.

ARTICLE 7—ARCHITECTURAL REVIEW

7.1 Architectural Review Committee. A committee to be known as the Architectural Review Committee (the "ARC") shall be established consisting of the not less than three (3) members or more than five (5) members, except that the ARC may, at the option of Declarant, consist of as few as one (1) member (which may be Declarant) for so long as Declarant owns any Lot within the Subdivision. Each member of the ARC shall serve for a one (1) year term, except that the member(s) of the ARC appointed by Declarant may serve until Declarant no longer owns any Lot within the Subdivision.

7.1.1 The members of the ARC shall be appointed, terminated and/or replaced by Declarant for so long as Declarant owns any Lot within the Subdivision. Thereafter, the

Board shall appoint the members of the ARC. Members of the ARC may be terminated and/or replaced by the Board, with or without cause, except that the Board may not terminate any member of the ARC appointed by Declarant so long as Declarant owns any Lot within the subdivision.

7.1.2 Declarant shall have the right to voluntarily relinquish control of the ARC to the Board during the period in which Declarant owns any Lot within the Subdivision, in which event Declarant's right to appoint, terminate and replace members of the ARC shall terminate.

7.1.3 The purpose of the ARC is to enforce the architectural standards of the community and to approve or disapprove plans for improvements proposed on the Lots.

7.1.4 The ARC shall act by simple majority vote, and shall have the authority to delegate its duties and to retain the services of a professional engineer, architect, designer, inspector or other person to assist in the performance of its duties.

7.2 Design & Construction Guidelines. The ARC may, with the approval of the Board, adopt, amend, modify or revise Design & Construction Guidelines; provided, however, that Declarant may adopt, amend, modify and revise the Design & Construction Guidelines without the consent of anyone so long as Declarant owns any Lot within the Subdivision. Neither Declarant nor the ARC, however, shall have an obligation to adopt Design & Construction Guidelines. No amendments, modifications, or revisions to the Design & Construction Guidelines shall affect any prior ARC approval.

7.3 Scope of Review. No Improvements may be undertaken, constructed, altered, added onto or replaced upon any portion of the Property without the prior written consent of the ARC.

7.4 Submission of Plans. Before the initiation of construction of any Improvement upon any Lot, the Owner thereof shall first submit to the ARC a complete set of plans and specifications for the proposed improvements. Plans shall include elevation drawings, design plans, specifications of materials and exterior colors, and any other information deemed necessary by the ARC for the performance of its function pursuant to the procedure outlined in the Design & Construction Guidelines (if any). In addition, the Owner shall submit the identity of the individual or company intended to perform the work and projected commencement and completion dates. In the event an Owner submits plans or specifications to the ARC that are not adequate to permit the ARC to make an informed determination under this Article, the Board shall have the authority to require the Owner submitting the inadequate plans or specifications to retain, at the Owner's expense, the services of a professional engineer, architect, designer, inspector or other person to assist in the preparation of a sufficient submittal to the ARC.

7.5 Plan Review. Upon receipt by the ARC of all of the information required by this Article, it shall have thirty (30) business days in which to review said plans. The proposed

improvements will be approved if, in the sole opinion of the ARC: (a) the improvements will be of an architectural style and material that are compatible with the other structures in the Property; (b) the improvements will not violate any restrictive covenant or encroach upon any easement or cross building set back lines; (c) the improvements will not result in the reduction in property value, use or enjoyment of any of the Property; (d) the individual or company intended to perform the work is acceptable to the ARC; and (e) the improvements will be substantially completed, including all cleanup, within six (6) months of the date of commencement. If the ARC fails to issue its written approval or rejection within thirty (30) business days of its receipt of the last of the materials or documents required to complete the Owner's submission, then the ARC's approval shall be deemed to have been granted without further action. The ARC's approval of plans and specifications shall be valid for a period of twelve (12) months from the date of issuance, during which time the Owner must commence construction of the approved Improvements and thereafter diligently proceed to completion; otherwise the approval is void.

7.6 Non-conforming Structures. If there shall be a material deviation from the approved plans in the completed improvements, such improvements shall be in violation of this Article to the same extent as if erected without prior approval of the ARC. The ARC, the Association or any Owner may maintain an action at law or in equity for the removal or correction of the non-conforming structure and, if successful, shall recover from the Owner in violation all costs, expenses and fees incurred in the prosecution thereof.

7.7 Immunity of ARC Members. No individual member of the ARC shall have any personal liability to any Owner or any other person for the acts or omissions of the ARC if such acts or omissions were committed in good faith and without malice. The Association shall defend any action brought against the ARC or any member thereof arising from acts or omissions of the ARC committed in good faith and without malice.

7.8 Limited Review. Any review and approval made by the ARC is limited to compliance with the intent of the architectural standards of the neighborhood as may from time to time be established by the Board and/or the Design & Construction Guidelines. The review and approval made by the ARC is not to be construed as superseding, replacing, or modifying any review, approval, or permit required by any local, state or federal jurisdictional agencies. It is the applicant's responsibility to obtain and comply with any permits that may be required by any local, state, or federal jurisdictional agency.

7.9 Address for Notice. Requests for ARC approval or correspondence with the ARC shall be addressed to the Norton Ranch Community Association, Architectural Review Committee, at the address as may be designated from time to time by the ARC. No correspondence or request for approval shall be deemed to have been received until actually received by the ARC in a form satisfactory to the ARC.

7.10 Appearance and Design of Subdivision. The Declarant shall not be prevented from changing the appearance of the Common Areas, including the landscaping and any other aspects directly or indirectly connected with its development of the Subdivision so long as

Declarant obtains all applicable governmental approvals and consents. The construction and material standards of this Restated Declaration and/or plans and drawings notwithstanding, Declarant may change exterior and/or interior designs of Units from initial plans. This may include designs, colors, and type of materials, provided Declarant obtains all applicable governmental approvals and consents.

7.11 Declarant Exempt; Construction by Declarant. Declarant is exempt from the requirements of this Article 7. All construction by Declarant establishes the standards for the ARC and is deemed to meet any Design & Construction Guidelines of the Association and is deemed to be approved by the ARC.

7.12 Approval of Builder Plans. Declarant shall have the right, in its sole discretion, to approve the plans and specifications for all Improvements that will be constructed by a Builder, and all construction by a Builder pursuant to the plans and specifications approved by Declarant is deemed to satisfy the requirements of this Article 7.

ARTICLE 8—INSURANCE AND INDEMNIFICATION

8.1 Association Insurance Coverage. The Association shall obtain and maintain at all times the insurance required below and such additional insurance as the Board deems advisable, which will include, but is not be limited to, the following:

8.1.1 Property Insurance. The Association shall obtain and maintain at all times a policy of property insurance covering all insurable improvements within the Common Areas against loss or damage resulting from fire and other hazards covered under special form coverage (“all risk”), including vandalism, malicious mischief, sprinkler leakage, debris removal, cost of demolition, windstorm, flood and water damage endorsements. Coverage shall be for the full insurable replacement cost (without deduction for depreciation) of such improvements, exclusive of land, foundation, excavation and other items normally excluded from coverage, and shall be subject to a commercially reasonable deductible. Such policy of insurance shall cover the interests of the Association and the Owners and First Mortgagees as their interests may appear and, if available at reasonable cost, the following terms:

(a) A waiver of subrogation by the insurer as to any claims against the Association and its Board and property manager (if any), and against any Owner or guest of any Owner;

(b) A standard mortgagee clause, except that the loss payment provision shall be subject to the terms of Article 9 of this Restated Declaration;

(c) A provision that no policy may be canceled, invalidated, or suspended because of the action of an Owner;

(d) A provision that no policy may be canceled, invalidated, or suspended because of the conduct of any director, officer, or employee of the Association unless the insurer gives the Association a prior written demand that the Association correct the defect and allows the Association a reasonable time to make the correction;

(e) A provision that the policy is primary in the event an Owner has other insurance covering the same loss;

(f) A provision that the policy cannot be canceled or substantially modified without at least ten (10) days' prior written notice to all insureds; and

(g) A provision that any adjustment of the loss will be made by the Association, and that all proceeds thereof shall be paid to either the Association or an insurance trustee, as provided in Article 9 of this Restated Declaration.

The Board may by resolution determine the amount of deductible for such insurance policy, based on availability and costs. Owners shall be responsible for the deductible to the extent that it is determined they, their tenants or guests are responsible for the damage caused to the Common Maintenance Areas or other properties that the Association insures.

8.1.2 Liability Insurance. The Association shall at all times maintain commercial general liability insurance covering the Common Areas and Common Maintenance Areas (including, but not limited to, the Parks) with limits of loss of not less than \$1,000,000 combined single limit for personal injury or property damage (such policy limits to be reviewed at least annually by the Board and increased in its discretion), insuring the Association, all Owners, and any managing agent against liability to the public or to individual Owners, subject to a commercially reasonable deductible.

8.1.3 Workers and Employers Insurance. The Association shall obtain and maintain at all times worker's compensation and employer's liability insurance to the extent required by applicable laws.

8.1.4 Fidelity Bonds. The Board shall obtain and maintain at all times fidelity bonds naming the Board and all other officers, directors and employees of the Association handling or responsible for funds of or administered by the Association. If a management agent has the responsibility for handling or administering funds of the Association, the management agent will be required to maintain fidelity bond coverage for its officers, employees and agents responsible for such funds. In no event may the aggregate amount of such bonds be less than a sum equal to three (3) months Annual Assessments. The bonds must contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions.

8.1.5 Insurance Against Loss of Association's Personal Property. The Association shall obtain and maintain at all times insurance against loss of personal property of

the Association by fire, theft, and other losses, with deductible provisions as the Board deems advisable.

8.1.6 Other Insurance. Such other insurance as the Board deems advisable; provided, however, that notwithstanding any other provisions herein, the Association shall continuously maintain in effect such property, flood, and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for planned community projects established by the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, or other governmental or quasi-governmental agency involved in the secondary mortgage market, so long as such agency is a Mortgagee, an insurer or guarantor of a Mortgage, or Owner of a Lot, except to the extent such coverage is not available or has been waived in writing by such agency.

8.2 Owners' Insurance Coverage. Each Owner shall obtain and maintain a homeowner's insurance policy covering all insurable improvements located on its Lot and liability resulting from use or ownership of the Lot. The insurance coverage maintained by the Association shall not be brought into contribution with the insurance obtained by an Owner under this Section.

8.3 Builders' Insurance Coverage. Each Builder shall maintain the following insurance coverages:

8.3.1 Liability Insurance. Commercial general liability insurance with limits of loss of not less than \$1,000,000 combined single limit for personal injury or property damage, subject to a commercially reasonable deductible.

8.3.2 Automobile Insurance. Automobile liability insurance covering owned, hired, and non-owned vehicles in an amount of not less than \$500,000 per occurrence.

8.3.3 Workers and Employers Insurance. Worker's compensation and employer's liability insurance to the extent required by applicable laws.

8.3.4 Additional requirements. Each insurance policy required to be maintained by a Builder under Sections 8.3.1 and 8.3.2 above shall name Declarant and the Association as additional insureds and shall be endorsed (if necessary) to insure the Builder's indemnification obligation under Section 8.4 below. Each Builder shall provide a certificate of insurance evidencing compliance with this Section to Declarant and the Association prior to commencing any preparatory or construction activities on any Lot, upon request, and upon renewal or issuance of new policies.

8.4 Builders' Indemnification. Each Builder agrees to indemnify, defend and hold Declarant and the Association harmless from and against any claims, demands, actions, suits, judgments, losses, damages, penalties, fines, costs, or expenses, including attorneys' fees (collectively, "Claims") arising from or relating to (a) the activities of the Builder and its

employees, agents, consultants, contractors and suppliers within the Subdivision; or (b) the Builder's failure to comply with the terms and conditions of this Restated Declaration, except to the extent of any Claims caused by the gross negligence or intentional acts of party claiming protection under this indemnification.

ARTICLE 9—DAMAGE OR DESTRUCTION

9.1 Common Areas. If any improvements within the Common Areas are damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall be in accordance with the following:

(a) If the insurance proceeds derived from such loss amount to \$75,000 or less, then the Board shall contract with any licensed contractor or contractors to rebuild or repair such damage or destroyed improvements in conformance with the original plans and specifications, or if adherence to such original plans and specifications is impracticable in the Board's opinion, then in conformance with revised plans and specifications provided such repairs or rebuilding shall be of a quality and kind substantially equivalent to the original construction. The Board shall accept bids only in specific amounts and shall not enter into any cost-plus or other sliding scale arrangement for compensation to the contractor.

(b) If the insurance proceeds derived from such loss exceed \$75,000, all such insurance proceeds shall be paid directly to an insurance trustee as may be designated by the Board, as trustee for all affected Owners and their respective First Mortgagees, as their interests may appear. The insurance trustee shall disburse the insurance proceeds periodically as construction progresses, subject to satisfaction of the following conditions:

(i) Upon notification of the receipt of insurance proceeds by the insurance trustee, the Board shall enter into a contract for a specific dollar amount with a licensed contractor or contractor for the repair or rebuilding of all of the damaged or destroyed improvements, as nearly as practicable to the original plans and specifications thereof and in accordance with all applicable building codes.

(ii) The Board shall enter into said contract with a licensed contractor or contractors which shall have provisions for periodic disbursements of funds by the insurance trustee. Disbursements to the contractor shall be made subject to the prior presentation of an architect's certificate containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board, along with customary lien waivers.

(iii) The Board shall employ a licensed architect to supervise the repair and rebuilding to insure that such work, services and supplies are of proper quality and that construction is contemplated in a workmanlike manner and according to plans and specifications.

(c) If the proceeds of insurance maintained by the Association are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during

reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against all Owners in sufficient amounts to provide funds for the payment of such costs. The foregoing provisions of this subparagraph are applicable to the repairs and reconstruction to be undertaken by the Association.

(d) If the amount of available insurance proceeds exceed the cost of any such reconstruction or repair, the excess shall be paid to the Association and applied by it to reduce the common expenses of the Association.

9.2 Units. If all or any portion of a Unit or any other Improvements located on an Owner's Lot is/are damaged by fire or other casualty, the Owner thereof shall either (a) restore the damaged Improvements or (b) remove all damaged Improvements, including foundations, and leave the Lot in a clean and safe condition. Any restoration proceeding under (a) above must be performed so that the Improvements are in substantially the same condition in which they existed before the damage or destruction, unless the owner complies with the provisions of Article 7. The Owner must commence such work within sixty (60) days after the damage or destruction occurs and must complete the work within six (6) months thereafter.

ARTICLE 10—CONDEMNATION

Whenever all or any part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on its behalf or on the written direction of all Owners subject to the taking, if any,) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association as trustee for all Owners and First Mortgagees, as their interests may appear, to be disbursed as follows:

(a) If the taking involves a portion of the Common Areas on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant and at least seventy-five percent (75%) of the Class A members of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Areas to the extent lands are available therefore, in accordance with plans approved by the Board of the Association. If such improvements are to be repaired or restored, the provisions in Section 9.1 regarding disbursement of insurance proceeds in respect to casualty damage or destruction shall apply.

(b) If the taking does not involve any improvements on the Common Areas, or if there is a decision made not to repair or restore, or if there are net funds remaining after such restoration or replacement is completed, then such award or net funds shall be paid to the Association and applied by it to reduce the common expenses.

ARTICLE 11- USE RESTRICTIONS

27 - Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch

11.1 Residential Use. Lots shall only be used for residential purposes. No trade, craft, business, profession, commercial, or similar activity of any kind shall be conducted on any Lot, and no goods, equipment, vehicles, materials, or supplies used in connection with any trade, service, or business shall be kept or stored on any Lot. Nothing in this Section 11.1 shall be deemed to prohibit (a) activities relating to the sale of residences; (b) the right of Declarant or any contractor or homebuilder (including a Builder) to construct Units on any Lot, to store construction materials and equipment on such Lots in the normal course of construction, and to use any Unit as a sales office or model home for purposes of sales in the Subdivision; (c) the right of the Owner of a Lot to maintain such Owner's personal business or professional library, keep such Owner's personal business or professional records or accounts, handle such Owner's personal business or professional telephone calls, or confer with business or professional associates, clients, or customers in such Owner's residence; (d) residential day care facilities, or (e) garage sales, provided that no Owner may conduct more than three (3) garage sales in any twelve (12) month period and no individual garage sale may exceed three (3) days in length.

11.2 No Tree Removal. No trees identified for preservation on the approved tree removal permit or landscaping plan for the Subdivision, nor any newly planted trees used to meet the conditions of approval for the Subdivision, may be removed without the prior written approval of the City. Any Owner desiring to remove a tree from his or her Lot is required to confirm with the City that such tree is not required to be maintained on the approved tree removal permit or landscape plan for the Subdivision, as the same may be amended or modified from time to time.

11.3 No Improvements or Fill Material. No Owner may place or construct any Improvements over the utility easements located on his or her Lot (as shown on the Plat or any separate easement agreement or dedication now existing or hereafter granted pursuant to the terms of this Restated Declaration), or fill or alter the drainage swales or any other storm water facilities located on his or her Lot.

11.4 Rental Restrictions. An Owner shall be entitled to rent or lease his or her Unit, subject to the following:

11.4.1 Written Rental Agreements. A written rental or lease agreement is required, specifying that: (i) the tenant shall be subject to all provisions of the Restated Declaration and other Governing Documents, and (ii) failure to comply with any provision of the Restated Declaration and other Governing Documents shall constitute a default under the rental agreement.

11.4.2 Minimum Rental Period. The period of the rental or lease is not less than thirty (30) days; and

11.4.3 Tenant Must Be Given Documents. The Owner gives each tenant a copy of the Restated Declaration and other Governing Documents.

11.4.4 **Owner Responsibility.** Owner shall be responsible for any violations by tenants and shall be solely responsible for either correcting or eliminating such violations, or getting tenant to do the same.

11.5 **Air Conditioning Units.** No Owner shall install, or permit to be installed or maintained, air conditioning units through exterior modifications of its Unit or through window openings. The only air conditioning units that will be permitted are those air conditioning units which are considered central in nature and installed on a slab, or similar footing, in the rear or side yard of a Lot outside of and adjacent to the Unit.

11.6 **Nuisances.** No noxious or offensive activity shall be carried out upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

11.7 **Temporary Structures.** No structure of a temporary character, including, without limiting the generality thereof, any trailer, tent, car canopies, shack, garage, barn, motor home or mobile home or other outbuilding, and no prefabricated or relocated structure shall be used on any Lot at any time as a residence, either temporarily or permanently. This restriction shall not be interpreted to limit the right of Declarant or a Builder to use trailers or outbuildings as sales offices, construction offices, material storage facilities, or sanitation facilities.

11.8 **Signs.** No sign, banner or billboard of any kind may be kept or placed on any Lot or mounted, painted or attached to any Unit, fence or other improvement so as to be visible from public view in the Subdivision or adjacent public street or carried by any person or by any other means displayed within the Subdivision except as provided below:

11.8.1 **"For Sale" Signs.** An Owner may erect one (1) sign not exceeding two (2) feet by three (3) feet in dimension, fastened only to a stake in the ground and extending not more than three (3) feet above the surface of the ground advertising the property for sale.

11.8.2 **"For Rent" Signs.** An Owner may erect one (1) sign not exceeding three (3) square feet in area advertising the property for rent. Such signs shall be visible from the front of the Unit only, and shall be displayed from within the Unit. No such sign shall be erected within a lawn or landscape area on any Lot, or attached to the outside of the Unit.

11.8.3 Political Signs. Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be erected more than ninety (90) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election.

11.8.4 Subdivision Identification Signs. Signs may be erected by the Declarant to identify the Subdivision, with approval from the local jurisdictional authority, if applicable.

11.8.5 Flags. The foregoing restrictions shall not be deemed to prohibit the display of the flag of the United States by an Owner or occupant of a Lot if the flag is displayed in a manner consistent with federal flag display law, 4 U.S.C. § 1 et seq.

11.8.6 Declarant's Signs. Signs, banners and billboards may be erected by the Declarant and are exempt from the provisions of this Section 11.8.

11.8.7 Builder Signs. A Builder may erect signs and banners on any Lot or Unit owned by the Builder if such signs and/or banners are erected for the purpose of marketing and selling Units constructed by the Builder on Lots owned by the Builder, subject to rules and restrictions established by Declarant from time to time. A Builder may also erect signs and/or banners on the Common Areas to market and sell Units constructed by the Builder on Lots owned by the Builder, provided that Declarant authorizes in writing (in Declarant's sole discretion) the erection of such signs and/or banners on the Common Areas.

11.9 Campers, Boats, Recreational Vehicles and other Non-Passenger Vehicles. Campers, boats, boat trailers, recreational vehicles, commercial vehicles, or other types of non-passenger vehicles, equipment, implements, or accessories may not be kept or stored on any public street within the Subdivision or on any Lot, except as provided below:

11.9.1 Campers, boats, boat trailers, recreational vehicles, recreational trailers, and other non-passenger vehicles, equipment, implements, or accessories may be stored or kept within an enclosed garage, or on the side of the Unit, provided that it is fully screened from view by a screening structure or fencing approved by the ARC.

11.9.2 Campers, boats, boat trailers, recreational vehicles, recreational trailers, and other non-passenger vehicles, equipment, implements, or accessories may be temporarily kept on the public streets within the Subdivision or on a paved driveway located on a Lot for a period not to exceed forty-eight (48) hours and only for purposes of cleaning, preparation for use and unloading.

11.10 Commercial Vehicles. No vehicles bearing commercial insignia or names may be parked on the public streets within the Subdivision or on any Lot, except for commercial vehicles that are temporarily parked on such areas for the sole purpose of serving an Owner, or those that are parked within an enclosed garage. The Board, however, shall have the absolute

authority to grant approval for storing or keeping a commercial vehicle on the driveway of a Lot (excluding Future Development Lots). Notwithstanding the foregoing, the Board shall not unreasonably withhold consent to keep a commercial vehicle bearing insignia or names where such vehicle is driven by an Owner pursuant to Owner's primary job. Any Owner wishing to keep a commercial vehicle on the driveway of any Lot (excluding Future Development Lots) shall apply for approval to the Board, and shall provide such information as the Board, in their sole authority, may require. The Board may from time to time in their sole discretion review the approval to keep a commercial vehicle on the driveway of any Lot (excluding Future Development Lots) to determine if the vehicle complies with the intent of the original approval. Upon an adverse determination by the Board, any commercial vehicle shall be removed and/or otherwise brought into compliance with the requirements of this Section 11.10.

11.11 Disabled Vehicles or Vehicles in Disrepair. No Owner shall permit any vehicle that is in an extreme state of disrepair to be abandoned or to remain parked on any street within the Subdivision or on any Lot for a period in excess of twenty-four (24) hours.

11.12 Maintenance or Repair of Vehicles. Any maintenance or repair of vehicles or other machinery or equipment must take place entirely within the enclosed garage of an Owner.

11.13 Pets, Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except for cats, dogs or other generally recognized household pets of a reasonable number, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further, than no more than three (3) adult animals may be kept on a single Lot. All such animals shall be kept in strict accordance with all local laws and ordinances (including leash laws). Owners shall be responsible for cleaning up after their pets' waste. No animal shall be allowed to run at large, and all animals shall be kept within enclosed areas for pets which must be clean, sanitary, and reasonably free of refuse, insects and waste at all times. Such enclosed area shall be constructed in accordance with plans approved by the ARC, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from any other portion of the Subdivision.

11.14 Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept, or disposed of, on any Lot except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No cans, bags, containers or receptacles for the storing or disposal of trash, garbage, refuse, rubble, debris, or recyclable materials shall be stored, kept, placed or maintained on any Lot where visible from any street except solely on a day designated for removal of garbage, rubbish, or recyclable materials, and on which days only such cans, bags, containers, and receptacles may be placed in front of a residence and beside a street for removal, but shall be removed from view before the following day.

11.15 Detached Buildings. No detached accessory buildings, including, but not limited to, detached garages and storage buildings, shall be erected, placed or constructed upon any Lot

without the prior written approval of the ARC. Every outbuilding, inclusive of such structures as detached garages, storage buildings, greenhouses, doghouses, or children's playhouses, shall be compatible with the dwelling to which it is appurtenant in terms of its design and material composition.

11.16 Fences and Hedges. Fences, walls or hedges may be erected or maintained on any Lot subject to local laws and the Design & Construction Guidelines and formal approval by the ARC. No fences shall be constructed in the front yard of any Lot, unless the front yard faces and is contiguous with a Common Area or Park. Fences may be erected along the property line in the side and rear yards of a Lot, provided said fencing is not located closer to the street than the front of the Unit. Refer to the Design & Construction Guidelines for more specific information regarding approved fence heights, restrictions, and materials.

Notwithstanding the foregoing, the ARC shall have the right and authority to approve variances for reasonable cause or to alleviate hardship as determined in the sole judgment of the ARC; provided however, the ARC may not approve a variance which contradicts the zoning and/or subdivision ordinances of the City unless the City has previously approved the variance.

Unless otherwise agreed between Owners, side and rear yard fences that separate adjacent Lots shall be owned and maintained by the Owner on whose Lot the fence exists, or if the location is indefinite, such fence will be maintained jointly by the Owners of both Lots, with expenses shared equally. Declarant hereby grants to each Owner whose Lot contains a fence (and to any Owner where the location of the fence in relation to its property line is indefinite) an easement over those portions of the adjacent Owner's Lot as is reasonably necessary to maintain the fence, subject to reasonable advance notice to the adjacent Lot Owner.

The provisions of this Section 11.16 shall not apply to Declarant.

11.17 General Landscaping. All landscaping must comply with the approved landscaping plan and the landscaping requirements established by the local municipal authority from time to time, and each Owner is required to have his or her landscaping plan approved by the ARC. The Owner is responsible for landscaping and maintaining the area between the Owner's property line and the street (i.e., the area between the sidewalk and street curb). All landscaping must be maintained by the Owner pursuant to the terms of Section 6.2.

11.18 Antennae and Satellite Dishes. No exterior antennas, satellite dishes, microwave, aerial, tower, or other devices for the transmission or reception of television, radio, or other forms of sound or electromagnetic radiation may be erected, constructed, or placed on any Lot or Unit, unless they comply with the Design & Construction Guidelines adopted and are approved by the ARC. Refer to the Design Guideline for additional information regarding the applicable rules, regulations and placement of such devices. Such rules shall not unreasonably delay or increase the cost of installation, maintenance, or use or preclude reception of a signal of acceptable quality (the ARC, in its sole discretion, may determine what constitutes a signal of

acceptable quality). Such rules and regulations may prohibit installation of exterior satellite dishes or antennas if signals of acceptable quality can be received by placing antennas inside a Unit without causing an unreasonable delay or cost increase.

11.19 Solar Energy Panels. With the prior written consent of the ARC, an Owner may install a ground-mounted or roof-mounted Solar Energy Panel on its Lots.

The ARC may adopt additional rules and regulations governing the installation, safety, placement, and screening of a Solar Energy Panel. For purposes of this Section, "Solar Energy Panel" means a panel device or system or combination of panel devices or systems that relies on direct sunlight as an energy source, including a panel device or system or combination of panel devices or systems that collects sunlight for use in the heating or cooling of a structure or building, the heating or pumping of water, and the generation of electricity.

11.20 Clothes Hanging Devices. Clothes hanging devices exterior to a Unit shall be temporary, unaffixed structures not to exceed six (6) feet in height and shall not be placed nearer to any street abutting the Lot than the side yard setback line or the back of the Unit constructed on the Lot. Clothes hanging devices shall be screened from public view as approved by the ARC.

11.21 Window Treatments. Aluminum foil, reflective film, newspapers or similar treatments shall not be placed on windows or glass doors.

11.22 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot. No tank for the storage of oil or other fluids may be maintained on any of the Lots above the surface of the ground.

11.23 Garages. Garages may be used as Declarant's sales offices before permanent occupancy of the main structure; however, sales offices must be converted to garages before permanent occupancy. With the exception of periods when garages are used by the Declarant as sales offices, a garage shall be maintained solely for the storage of automobiles, and no garage may be enclosed or otherwise used for habitation (except the second story of a two-story garage, if permitted by local ordinances), nor may any garage door be removed except when necessary to repair or replace a garage door with the same type of garage door.

11.24 Setback Lines. All Units and other structures (including fences), permanent or temporary, habitable or uninhabitable, must be constructed, placed and maintained in conformity with setback standards imposed by the local governmental jurisdictional authority.

11.25 Athletic and Recreational Facilities. Outdoor athletic and recreational facilities such as basketball hoops, swing sets and sport courts of a permanent nature shall not be placed on any Lot in the Subdivision between the street and the front of a Unit; placement of these

facilities of a permanent nature elsewhere on the Lot must be approved in advance by the ARC. Temporary facilities including outdoor athletic and recreational facilities such as basketball hoops may be placed on any Lot, provided that such facilities are removed from view when not in use but not later than at the end of each day. Temporary facilities including outdoor athletic and recreational facilities such as basketball hoops, hockey goals, etc. shall not be placed on any street within the Subdivision.

11.26 Water and Sewage Systems. No individual water supply system or sewage disposal system shall be permitted on any Lot, including but not limited to water wells, cesspools or septic tanks.

11.27 Exterior Holiday Decorations. Lights or decorations may be erected on the exterior of Units in commemoration or celebration of publicly observed holidays provided that such lights or decorations do not unreasonably disturb the peaceful enjoyment of adjacent Owners by illuminating bedrooms, creating noise or attracting sight-seers. Holiday decorations or lights for any publicly observed holiday between December 1 and December 31 of any year, may not be displayed before November 15th of any year. For other holidays, decorations or lights may not be displayed more than two (2) weeks in advance of the holiday.

All lights and decorations that are not permanent fixtures of the Unit which are part of the original construction or have been properly approved as permanent improvements by the ARC shall be removed within thirty (30) days after the holiday has ended.

11.28 Retaining Walls. Retaining walls may be constructed on a Lot only if in compliance with any adopted Design & Construction Guidelines and only if approved in advance by the ARC. Retaining walls may extend into the required front, side or rear setback lines of a Lot. The ARC may require any retaining wall which exceeds two (2) feet in height be designed by a qualified professional engineer licensed to practice engineering in the State of Montana. Retaining walls constructed by the Declarant shall be exempt from this Section 11.28.

11.29 Household Chemicals. Owners shall be prohibited from dumping or otherwise disposing of household chemicals within the Property, including, but not limited to, cleaning agents, automotive fluids, paint, solvents and other toxic chemicals.

11.30 Prohibited Plants. Owners shall be prohibited from planting the following species of plants on the Lots:

- (a) Cystisus scoparius, commonly known as Scotch broom;
- (b) Hedera helix, commonly known as English ivy;
- (c) Lythrum salicaria, commonly known as purple loosestrife;
- (d) Phalaris arundinacea, commonly known as reed canary grass; and

(e) *Rubus discolor*, commonly known as Himalayan blackberry.

11.31 Rezoning Prohibited. No Owner may apply to the local zoning authority to rezone a Lot to any classification allowing commercial, institutional or other non-residential use. This restriction shall not apply to Declarant or to rezoning of a Future Development Lot prior to construction of the initial Units on a Future Development Lot.

11.32 Lot Consolidation and Division. The Owner of two adjoining Lots, with the approval of the ARC and appropriate municipal authority, may elect to consolidate such Lots into one Lot. Such consolidation is subject to any applicable municipal ordinances, and the ARC may impose reasonable conditions and restrictions on granting approval of the Lot consolidation, including (but not limited to) imposing additional maintenance and landscaping requirements and imposing additional limitations on use of the consolidated Lot. The Lot consolidation will be effective upon recording in the Official Records of Gallatin County, Montana a declaration of the Owner stating that the two Lots are consolidated. The declaration will include a written consent to the Lot consolidation executed on behalf of the ARC by at least one member thereof and shall contain a description of any restrictions and conditions imposed as a condition of such approval. Thereafter, and except if otherwise provided by the ARC as a condition of its approval, the consolidated Lots will constitute one Lot for all purposes under this Declaration, including (but not limited to) voting rights and assessments. No Lot may be further subdivided. This restriction shall not apply to Declarant or to subdivision of a Future Development Lot prior to construction of the initial Units on the Future Development Lot.

11.33 Drainage Alteration Prohibited. The surface water drainage contours of each Lot shall conform to the approved grading plan established by the Declarant. No Owner shall fill or alter any drainage swale established by the Declarant, nor shall any Owner install landscaping or other improvements that divert surface water runoff from the drainage patterns, swales and easements established by the Declarant without the prior written approval of the ARC.

ARTICLE 12—SPECIAL DECLARANT AND BUILDER RIGHTS

In addition to any rights or easements reserved to Declarant or Builders elsewhere in this Restated Declaration or any of the other Governing Documents, Declarant and/or Builders (as applicable) shall have the following rights in respect to the Subdivision:

12.1 Development and Sales Activities.

12.1.1 So long as Declarant owns any Lot within the Subdivision, Declarant shall have the right to construct and maintain upon portions of the Common Areas and any Lots owned by Declarant such facilities and activities as Declarant, in its sole opinion, may require or desire in connection with the construction and sale of Units and Lots within the Subdivision, including (but not limited to) business and construction offices (within Units or in free standing trailers); signs, banners and flags; model units; and sales offices (within Units or in free standing

trailers), subject to compliance with governmental ordinances. Declarant shall also have easements for access to and use of the Common Areas for such facilities at no charge.

12.1.2 So long as a Builder owns any Lot within the Subdivision, the Builder shall have the right to construct and maintain upon any Lot owned by the Builder such facilities and activities as the Builder reasonably requires or desires in connection with the construction and sale of Units on Lots owned by the Builder, including (but not limited to) business and construction offices (within Units or in free standing trailers); signs, banners and flags (subject to Section 11.8.7); model Units; and sales offices (within Units or in free standing trailers), subject to rules and restrictions established by Declarant from time to time and subject to compliance with governmental ordinances.

12.2 Control of and Changes in Development Plan. Every Owner, by acceptance of the deed to their Lot, acknowledges that the Subdivision is a multi-phased master planned community, the development of which is likely to extend over many years, and that changes in the master plan will likely occur as the development of the Subdivision proceeds. EACH OWNER WAIVES THE RIGHT TO PROTEST, CHALLENGE OR OTHERWISE OBJECT TO CHANGES MADE OR PROPOSED BY DECLARANT IN THE DEVELOPMENT PLAN FOR THE SUBDIVISION OR IN THE USES, DENSITY, BUILDING RESTRICTIONS, OR USE RESTRICTIONS APPLICABLE TO THE PROPERTY BEYOND THE BOUNDARIES OF THAT SHOWN ON THE RECORDED SUBDIVISION PLAT FOR THE PHASE WITHIN WHICH SUCH OWNER'S LOT IS LOCATED. The rights and limitations set forth in this Section 12.2 shall continue in effect until Declarant no longer owns any Lot within the Subdivision.

12.3 Right to Transfer or Assign Declarant Rights. Any or all of Declarant's special rights and obligations set forth in this Restated Declaration or any other Governing Documents may be transferred in whole or in part by Declarant by written instrument executed and acknowledged by Declarant and recorded in the real property records for Gallatin County, Montana. The foregoing sentence shall not preclude Declarant from permitting other persons to exercise, on a one time or limited basis, any right reserved to Declarant in this Restated Declaration where Declarant does not intend to transfer such right in its entirety, and in such case it shall not be necessary to record any written assignment unless necessary to evidence Declarant's consent to such exercise.

ARTICLE 13– ANNEXATION AND REMOVAL

13.1 Annexation by Declarant. Declarant may from time to time and in its sole discretion annex to the Subdivision as "Additional Property" any real property now or hereafter acquired by it, and may also from time to time in its sole discretion permit other owners of real property to annex the real property owned by them into the Subdivision. The rights reserved unto Declarant to subject additional real property to the Restated Declaration shall not be implied or construed so as to impose any obligation upon Declarant to subject any of such additional real property to this Restated Declaration or to the jurisdiction of the Association, nor any obligation

to build improvements of any kind on any annexed real property. The annexation of such real property shall be accomplished as follows:

(a) The owner or owners of such real property shall record an amendment to this Restated Declaration which shall be executed by or bear the approval of Declarant and shall, among other things, describe the real property to be annexed, establish land classifications for the Additional Property, establish any additional or different limitations, uses, restrictions, covenants and conditions which are intended to be applicable to such property, determine whether such property will be subject to all existing uses, restrictions, covenants and conditions, and declare that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to this Restated Declaration. Any such annexation shall be effective upon the filing for record of such amendment to this Restated Declaration in the Official Records of Gallatin County, Montana, unless otherwise provided therein.

(b) The property included in any such annexation shall thereby become a part of the Subdivision and bound by the terms of this Restated Declaration, and Declarant and the Association shall have and shall accept and exercise administration of this Restated Declaration with respect to such Additional Property.

(c) Notwithstanding any provision apparently to the contrary, an amendment to this Restated Declaration with respect to any Additional Property may:

(i) establish such new land classifications and such limitations, uses, restrictions, covenants and conditions with respect to such Additional Property as Declarant may deem to be appropriate for the development of the Additional Property; and

(ii) with respect to existing land classifications, establish additional or different limitations, uses, restrictions, covenants and conditions with respect to such Additional Property as Declarant may deem to be appropriate for the development of such Additional Property.

(d) There is no limitation on the number of Lots which Declarant may create or annex to the Subdivision, except as may be established by applicable ordinances of the local governmental authority. Similarly, there is no limitation on the right of Declarant to annex Common Area, except as may be established by applicable ordinances of the local governmental authority. Declarant's right to annex real property into the Subdivision shall terminate on the Conversion Date.

(e) Upon annexation, additional Lots so annexed into the Subdivision shall be entitled to voting rights as set forth in Article 2 above.

(f) The formula to be used for reallocating the common expenses if additional Lots are annexed into the Subdivision is set forth in Article 3 above.

(g) No consent or joinder of any Class A member or other party except the record owner of the land being annexed shall be necessary to effect any annexation made pursuant to this Section 13.1.

13.2 Annexation by Action of Owners. At any time after the Turnover Meeting, the Board may request approval of the Owners for the annexation of additional property into the Subdivision to be subject to all of the terms of this Restated Declaration to the same extent as if originally included herein. No such annexation shall be effective unless approved by at least sixty percent (60%) of the vote of the Owners, and the consent of the Declarant so long as the Declarant is a Class B member. Any property that is adjacent to or contiguous with existing property subject to this Restated Declaration (even if such property is located across a street) may be annexed hereto according to the foregoing requirements; provided, however, that no such annexation shall be effective without the consent and joinder of the owners of the property to be annexed. Such annexation shall be evidenced by an amendment to this Restated Declaration signed by the president and secretary of the Association certifying that the amendment was adopted in accordance with this Restated Declaration, acknowledged in the manner provided for acknowledgment of deeds, and recorded in the Official Records of Gallatin County, Montana. For purposes of voting on an annexation pursuant to this Section 13.2, Declarant shall be treated as a Class A member with one (1) vote per Lot owned.

13.3 Removal by Declarant. Declarant may from time to time and in its sole discretion remove or withdraw any part of the Property from the Subdivision, provided that Declarant obtains the written consent of the owner of the real property removed from the Subdivision. The removal of a part of the Property shall be accomplished as follows:

(a) The owner or owners of such real property shall record an amendment to this Restated Declaration which shall be executed by or bear the approval of Declarant and shall, among other things, describe the real property to be removed from the Subdivision and declare that such real property is no longer subject to the terms of this Restated Declaration. Any such removal shall be effective upon the filing for record of such amendment to this Restated Declaration in the Official Records of Gallatin County, Montana, unless otherwise provided therein.

(b) The property removed from the Subdivision shall no longer be bound by the terms of this Restated Declaration and this Restated Declaration shall no longer encumber such removed property.

(c) The Lots removed from the Subdivision shall have no voting rights in the Association under Article 2 above from and after the effective date of such removal. The Lots remaining in the Subdivision after the removal, however, shall continue to have the voting rights set forth in said Article 2.

(d) The formula that will be used for reallocating the common expenses if Lots are removed from the Subdivision is set forth in Article 3 above.

(e) There is no limitation on the real property that Declarant may remove from the Subdivision, provided that Declarant complies with the requirements of this Section 13.3. Declarant's right to remove real property from the Subdivision shall terminate on the Conversion Date.

(f) No consent or joinder of any Class A member or other party except the record owner of the real property being removed from the Subdivision shall be necessary to effect any removal made pursuant to this Section 13.3.

ARTICLE 14—MORTGAGEES

14.1 Notice of Delinquency. An institutional holder, insurer or guarantor of a Mortgage who provides a written request to the Association will be entitled to timely written notice of any delinquency in the payment of an assessment or failure to perform any other obligation under the Governing Documents by the Owner of a Lot subject to its Mortgage which is not cured within sixty (60) days.

14.2 Reimbursement of First Mortgagees. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Areas and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy. First Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

ARTICLE 15—AMENDMENT

15.1 General Amendments.

15.1.1 Except as otherwise specifically provided in this Article, the Restated Declaration may only be amended by Owners holding at least seventy-five percent (75%) of the votes of the Association, and the consent of the Declarant so long as the Declarant is a Class B member. In no event shall an amendment under this Section 15.1, limit or diminish any right of Declarant reserved in this Restated Declaration without the written consent of Declarant.

15.1.2 An amendment to this Restated Declaration may be proposed by a majority of the Board or by at least thirty percent (30%) of the Owners.

15.1.3 Upon approval of an amendment as provided herein, the president and secretary of the Association shall execute an instrument amending this Restated Declaration and certifying that the amendment was adopted in accordance with this Restated Declaration, which certification shall be properly acknowledged in the manner of acknowledgment of deeds, and the Board, or other duly appointed and authorized persons, shall record the instrument amending this Restated Declaration in the Official Records of Gallatin County, Montana. No amendment to this Restated Declaration is effective until recorded, and the effective date of an amendment is the date of recording, unless a later date is indicated in such amendment.

15.2 Declarant Amendments. In addition to specific amendment rights granted elsewhere in this Restated Declaration, the Declarant reserves the right to unilaterally amend this Restated Declaration for any purpose until conveyance of the first Lot in the Subdivision to a person other than Declarant. Thereafter, Declarant may unilaterally amend this Restated Declaration if such amendment is necessary to (a) bring this Restated Declaration into compliance with any provision of law, including (but not limited to) regulatory amendments permitted by Section 15.3; (b) correct scrivener's or clerical errors; (c) add Additional Property pursuant to Section 13.1; or (d) remove part of the Property from the Subdivision pursuant to Section 13.3. Declarant shall also have the right to unilaterally amend this Restated Declaration for any other purpose prior to the Turnover Date provided that the amendment has no material adverse effect upon the rights of any Owner, unless such Owner consents to such change in writing.

15.3 Regulatory Amendments. Notwithstanding any other provisions of this Article 15, Declarant shall have the right to unilaterally amend this Restated Declaration prior to the Turnover Meeting in order to comply with the requirements of the Federal Housing Administration, the United States Department of Veterans Affairs, the Farmer's Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission or agency of the United States or the State of Montana or any corporation wholly owned, directly or indirectly, by the United States or the State of Montana which insures, guarantees or provides financing for a planned community or lots in a planned community.

ARTICLE 16—REMEDIES

16.1 Remedies. If any default by any Owner under the provisions of the Restated Declaration or other Governing Documents shall occur, the Association and any Owner shall have each and all of the rights and remedies which may be provided for in this Restated Declaration and any of the other Governing Documents, and those which may be available at law or in equity, and may prosecute any action or other proceedings against such defaulting Owner and/or others for enforcement of any lien, statutory or otherwise, including foreclosure of such lien and the appointment of a receiver for the Lot and ownership interest of such Owner, or for damages or injunction, or specific performance, or for judgment for payment of money and collection thereof, or for any combination of remedies, or for any other relief. No rights or remedies herein provided or available at law or in equity shall be deemed mutually exclusive of any other such remedy. Any and all of rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association or any Owner.

To the extent allowed by law, notwithstanding any other provision of this Restated Declaration or other Governing Documents, the Association shall not expend in excess of \$5,000 for attorney fees and costs for any reason unless such expenditure is first approved by Owners holding at least fifty percent (50%) of the vote rights in the Association. The foregoing limitation shall not apply to actions for delinquent assessments or other charges under this

Restated Declaration or the Governing Documents; actions to appoint a receiver; actions to summarily abate, enjoin and remove a structure or condition that violates this Restated Declaration or the other Governing Documents; or for the defense of the Association of an action or proceeding brought against the Association (except for non-mandatory counterclaims).

All expenses of the Association in connection with any actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the maximum rate permitted by law from the due date until paid, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed part of his or her respective assessment (to the same extent as the lien provided herein for unpaid assessments) upon the Lot and upon all of his additions and improvements thereto, and upon all of his personal property upon the Lot.

16.2 Attorneys' Fees. If an action or proceeding is commenced to enforce the terms of this Restated Declaration, the prevailing party shall be entitled to its attorney fees and costs in such suit or action to be fixed by the trial court, and in the event of an appeal, the cost of the appeal, together with reasonable attorney fees, to be set by the appellate court. In addition thereto, the Association shall be entitled to its reasonable attorney fees incurred in any enforcement activity taken to collect delinquent assessments, whether or not suit or action is filed.

ARTICLE 17- GENERAL TERMS

17.1 Term. The covenants and restrictions of this Restated Declaration shall run with and bind the land for a term of twenty (20) years from the date this Restated Declaration is recorded, after which time they shall be automatically extended for successive periods of twenty (20) years unless amended or terminated as provided in Article 14.

17.2 Rights and Obligations. The provisions of this Restated Declaration and the other Governing Documents and the rights and obligations established thereby shall be deemed to be covenants running with the land and shall inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and Mortgagees. By the recording or the acceptance of a deed conveying a Lot or any ownership interest in the Lot whatsoever, the person to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of this Restated Declaration and the other Governing Documents, whether or not mention thereof is made in said deed.

17.3 Waiver. No restriction, condition, obligation or provision contained in this Restated Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof that may have occurred and the number of times that the pertinent restriction, condition, obligation or provision was not enforced.

17.4 Severability. Invalidation or partial invalidation of any provision of this Restated Declaration shall not affect any of the remaining provisions of the Restated Declaration.

17.5 Personal Pronouns. All personal pronouns used in this Restated Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

17.6 Headings. The headings contained in this Restated Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Restated Declaration.

17.7 Conflicts. If there is a conflict between the terms of this Restated Declaration and any other Governing Documents, this Restated Declaration shall control.

17.8 Security. The Association may, but is not obligated to, maintain or support certain activities within the Subdivision designed to increase security within the Subdivision. NEITHER THE ASSOCIATION NOR THE DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE SUBDIVISION, AND NEITHER PARTY SHALL BE LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

17.9 Termination of Original Declaration. Declarant hereby terminates the Original Declaration such that the Original Declaration no longer encumbers any part of the Property.

IN WITNESS WHEREOF, Declarant has executed and delivered this Restated Declaration as of the 10 day of Oct, 2011.

DECLARANT:

NORTON PROPERTIES, LLC,
an Oregon Limited Liability Company

By: 

Name: KEVIN S. BENSON

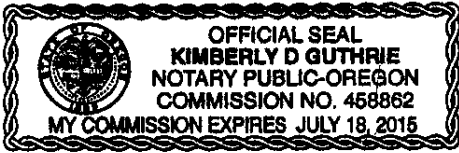
Title: Manager

ACKNOWLEDGMENT

42 - Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 10th day of October, 2011, by Kevin Spencer, the Manager of NORTON PROPERTIES, LLC, an Oregon limited liability company, on behalf of the company.



Kimberly D. Guthrie
Print Name: Kimberly D. Guthrie
Notary Public in and for the State of Oregon
My Commission expires: 7-18-2015

[Signatures continue on the following page]

43 - Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch

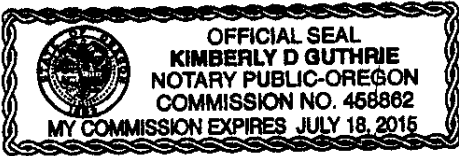
NORTON RANCH HOMES, LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: KEVIN SPENCER
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 10th day of October, 2011, by Kevin Spencer, the ~~Member~~^{*} of NORTON RANCH HOMES, LLC, an Oregon limited liability company, on behalf of the company. *Manager



Kimberly D. Guthrie
Print Name: Kimberly D. Guthrie
Notary Public in and for the State of Oregon
My Commission expires: 7-18-2015

EXHIBIT A

PROPERTY SUBJECT TO RESTATED DECLARATION

Real property located in the City of Bozeman, County of Gallatin and State of Montana, being more particularly described as follows:

Norton East Ranch Subdivision Phase 1, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

EXHIBIT A

EXHIBIT

BYLAWS OF

NORTON RANCH COMMUNITY ASSOCIATION

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EXHIBIT C

LEGAL DESCRIPTION OF COMMON AREAS

Real property located in the City of Bozeman, County of Gallatin and State of Montana, being more particularly described as follows:

Those tracts identified as "Open Space" on the plat of *Norton East Ranch Subdivision Phase I*, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

EXHIBIT C

EXHIBIT D

LEGAL DESCRIPTION OF FUTURE DEVELOPMENT LOTS

Real property located in the City of Bozeman, County of Gallatin and State of Montana, being more particularly described as follows:

Lot 1, Block 1; Lots 1 and 2, Block 2; Lot 1, Block 3, as shown on the plat of *Norton East Ranch Subdivision Phase 1*, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

EXHIBIT D

EXHIBIT B

BYLAWS OF THE ASSOCIATION

EXHIBIT B

**BYLAWS OF
NORTON RANCH COMMUNITY ASSOCIATION**

**ARTICLE I
NAME AND LOCATION**

The name of the Association is Norton Ranch Community Association, a Montana nonprofit corporation, hereinafter referred to as the "Association."

**ARTICLE II
DEFINITIONS**

2.1 "Association"

"Association" shall have the meaning given in the introductory paragraph to these Bylaws.

2.2 "Board"

"Board" shall mean the Board of Directors of the Association.

2.3 "Conversion Date"

"Conversion Date" shall be the date upon which Class B membership shall cease and be converted to Class A membership. Such date shall be the date which is the earlier of (i) the date at which seventy-five percent (75%) of the total Lots anticipated to be created within the Subdivision have been conveyed to Class A members; (ii) ten (10) years after conveyance of the first Lot to a Class A member; or (iii) upon written election of Declarant.

2.4 "Declarant"

"Declarant" shall mean Norton Properties, LLC, an Oregon limited liability company, and Norton Ranch Homes, LLC, an Oregon limited liability company, and their respective successors and assigns, who are designated as such in writing by applicable Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to the Lots acquired by such successor or assign.

2.5 "Declaration"

"Declaration" shall mean and refer to the Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for Norton Ranch, and any amendments or supplements thereto made in accordance with its terms.

2.6 "Director"

"Director" shall mean a member of the Board.

2.7 “Governing Documents”

“Governing Documents” shall mean the Declaration and the Article of Incorporation, Bylaws and Rules and Regulations of the Association, all as may be amended from time to time.

2.8 “Lot”

“Lot” shall mean the plots of land indicated as such on the Plat.

2.9 “Member”

“Member” or “Members” shall mean Declarant and every record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation. There shall be two (2) classes of membership, Class A membership and Class B membership, as described in Section 2.2 of the Declaration and in Section 3.3 of these Bylaws. All Members shall also be Owners.

2.10 “Owner”

“Owner” or “Owners” shall mean Declarant and every record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation. All Owners shall also be Members.

2.11 “Plat”

“Plat” shall mean the plat of *Norton East Ranch Subdivision Phase 1*, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana, and any additional plats that may be annexed to the Subdivision as Additional Property (as defined in the Declaration).

2.12 “Property”

“Property” shall mean the real property described in Exhibit A to the Declaration and such additions thereto as may be brought within the jurisdiction of the Association and be made subject to the Declaration.

2.13 “Turnover Meeting”

“Turnover Meeting” shall be the meeting called by the Declarant for the purpose of turning over administrative responsibility of the Association to the Members.

2.14 Other Terms

Capitalized terms used herein without definition shall have the respective meanings given to them in the Declaration.

**ARTICLE III
MEMBERSHIP AND VOTING RIGHTS**

3.1 Membership

The Declarant and every other Owner of a Lot by virtue of being an Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of any Lot. Transfer of ownership of a Lot shall automatically transfer membership in the Association. Without any other act or acknowledgment, Owners shall be governed and controlled by the Governing Documents. There shall be two classes of membership, Class A membership and Class B membership, as described in Section 3.3 of these Bylaws.

3.2 Suspension

All voting rights of a Member shall be suspended during any period in which such Member is delinquent in the payment of any assessment duly established pursuant to the Declaration or is otherwise in default hereunder or under any other Governing Documents. The Board may also suspend the Member's right to use of any of the Common Areas during such period of default.

3.3 Voting Rights

The Association shall have two (2) classes of voting membership:

A. Class A Membership.

Class A Members shall be all Owners with the exception of Declarant, provided that Declarant shall become a Class A Member from and after the Turnover Date. Each Class A Member is entitled to the greater of (a) one (1) vote for each Lot owned or (b) one (1) vote for each Unit constructed on each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members, but the vote for such Lot shall be exercised as they among themselves determine; provided, however, that the Owners of that Lot shall not cast more votes than the number of votes allocated to the Lot by the preceding sentence. If the co-Owners of a Lot cannot agree upon the vote for the Lots, then the vote of the Lot shall be disregarded in determining the particular matter at issue.

B. Class B Membership.

The Class B Member shall be Declarant, provided that the Class B membership shall terminate and become converted to Class A membership on the Conversion Date. The Class B Member is entitled to the greater of (a) three (3) votes for each Lot owned or (b) three (3) votes for each Unit constructed on each Lot owned.

**ARTICLE IV
MEETINGS OF MEMBERS**

4.1 Initial Meeting

The initial meeting of the Association shall be held within one (1) year after the Association is formed by filing of the Articles of Incorporation. Declarant shall call the initial meeting by written notice to each Owner in accordance with the requirements of Section 4.5, except that Declarant shall fulfill the role of secretary.

4.2 Turnover Meeting

The Declarant shall call the Turnover Meeting for the purpose of turning over administrative control of the Association to the Class A Members within ninety (90) days following the Conversion Date. If the Declarant does not call the Turnover Meeting within the time specified, any Owner may call the Turnover Meeting. Notice of the Turnover Meeting shall be given in accordance with the requirements of Section 4.5. At the Turnover Meeting, the Members shall elect a new Board in accordance with the terms of Article V, whether or not a quorum is present at such Turnover Meeting, and Declarant shall deliver to the Board the documents listed on attached **Schedule 1**.

4.3 Annual Meetings

The Association shall hold a meeting of the Members each calendar year. Such annual meeting shall be held on a date and at a time designated by the Board from time to time, and notice of the annual meeting shall be sent to all Members in accordance with the requirements of Section 4.5.

At the annual meeting, new members of the Board shall be appointed or elected (as applicable) to replace those members whose terms have expired pursuant to the terms of Section 5.3, and the Board shall transact any other business within the powers of the Association.

The order of business at annual meetings of the Association shall be:

- (a) Calling of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees, if any;
- (f) Election of Directors;
- (g) Unfinished business;
- (h) New business; and
- (i) Adjournment.

4.4 Special Meetings

Special meetings of the Association may be called at any time by the president, by a majority of the Board, or by written request of Members entitled to cast at least five percent (5%)

of the votes of the Association pursuant to MCA 35-2-527(1)(a). Notice of a special meeting shall be sent to all Members in accordance with the requirements of Section 4.5, and business transacted at a special meeting shall be restricted to the purposes set forth in such notice.

4.5 Notice of Meetings

Written notice of any meeting of the Association shall be given by the president, secretary or other person authorized by the Board to call a meeting at least ten (10) days but not more than sixty (60) days before such meeting. The notice shall be hand-delivered or sent by prepaid first-class United States mail to each Member, and to each Mortgagee who has requested notice, to the mailing address last appearing on the books of the Association (or to such mailing address as a Member or Mortgagee has designated in writing to the Association at least ten (10) days prior to the giving of such notice of the meeting). The notice of a meeting shall state the time and place of the meeting and the business to be placed on the agenda by the Board for a vote of the Members, including the general nature of any proposed amendment to the Articles of Incorporation of the Association, the Declaration, these Bylaws, any budget or changes in the previously approved budget that result in a change in assessment obligation, or any proposal to remove a Director. Notice of a meeting may be waived by any Member at any time before or after the meeting. No Member who is present at a meeting may object to the adequacy or timeliness of the notice given.

4.6 Place of Meetings

Meetings of the Association shall be held within ten (10) miles of the Subdivision, at an exact location determined by the Board and designated in the notice required by Section 4.5.

4.7 Adjournment of Meetings

If any meeting of the Members does not constitute a quorum, the Members who are present, either in person or by proxy, may adjourn the meeting to a date not less than two (2) days nor more than ten (10) days from the time of the original meeting without sending another notice to the Members under Section 4.5. The adjournment provisions of this Section do not apply to actions proposed to be taken by written ballot.

4.8 Quorum

The presence at the meeting of Members entitled to cast, either in person or by proxy, twenty percent (20%) of the votes of the Association shall constitute a quorum for any action, unless a greater percentage is required elsewhere in the Declaration or these Bylaws. The subsequent joinder of Member in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Member for the purpose of determining a quorum. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of a Member or Members.

4.9 Majority Vote

When a quorum is present at any meeting of the Members, the vote of Owners holding more than fifty percent (50%) of the votes of the Association present, in person or by proxy, at the meeting shall be binding on all Owners for all purposes, except where a higher percentage vote is required by the Governing Documents.

4.10 Proxies

A vote may be cast in person or by proxy. A proxy may require the holder to cast a vote for or against any special proposal set out in the notice calling the meeting. A proxy shall be in writing and filed with the secretary before or during the meeting. A proxy shall expire eleven (11) months after the date it was signed unless a shorter period is specified in the proxy; provided, however, that appointment of a proxy is revoked if the Member appointing the proxy (i) attends any meeting and votes in person, (ii) signs and delivers to the secretary either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form, or (iii) sells his or her Lot. Unless withdrawn, a proxy given to another person to vote at a specific meeting shall also be valid at an adjourned meeting called under the provisions of Section 4.7. The Association must retain proxies and ballots for one (1) year from the date of the determination of the vote.

4.11 Fiduciary and Corporate Owners.

An executor, administrator, conservator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any Lot owned or held in such capacity, whether or not the same has been transferred to such person's name; provided, however, that such person must provide the secretary with written evidence satisfactory to the secretary that the person is the executor, administrator, conservator, guardian or trustee, holding such Lot in such capacity. Any person voting on behalf of a Lot owned by a corporation or other entity must provide the secretary with written evidence, satisfactory to the secretary, that such person is the duly constituted representative thereof.

4.12 Voting by Mail or Electronic Ballot.

Except as set forth in subsection (f) below, the Board, in its discretion, may provide that a vote, approval or consent of any Member be given by regular mail, electronic mail or facsimile in accordance with the procedure outlined below. For purposes of this Section, "written ballot" shall include any ballot distributed by prepaid first-class United States mail, electronic mail or facsimile.

(a) In the case of an election of Board members by written ballot, then in addition to the other requirements set forth in this Section 4.12, the following procedures must be followed:

(i) the existing Board members must advise the secretary in writing of the names of proposed Board members sufficient to constitute a full board and of a date at least fifty (50) days after such advice is given by which all votes are to be received;

(ii) the secretary, within five (5) days after such advice is given, must give written notice of the number of Board members to be elected and of the names of the nominees to all Members;

(iii) the notice must state that any such Owner may nominate an additional candidate or candidates, not to exceed the number of Board members to be elected, by giving written notice of such nomination to the secretary on or before a specified date which must be fifteen (15) days from the date after the notice was given by the secretary; and

(iv) five (5) days after such specified date, the secretary must give written notice to all Members, stating the number of Board members to be elected, stating the names of all persons nominated by the Board and by the Members on or before the deadline, stating that each Member may cast a vote by mail and stating the deadline established by the Board by which such votes must be received by the secretary at the address of the principal office of the Association (which must be specified in the notice) and that votes received after that date will not be effective.

(b) Any action that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Association member that is entitled to vote on the matter.

(i) A written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action.

(ii) The Board must provide owners with at least ten (10) days' notice before written ballots are mailed or otherwise delivered.

(iii) If, at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, at least ten percent (10%) of the Owners petition the Board requesting secrecy procedures, a written paper ballot must be accompanied by a secrecy envelope, a return identification envelope to be signed by the owner and instructions for marking and returning the paper ballot. In this instance, no electronic mail voting will be accepted. Written paper ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

(c) Matters that may be voted on by written ballot will be deemed approved or rejected as follows:

(i) If approval of a proposed action otherwise would require a meeting at which a certain quorum must be present and at which a certain percentage of total votes cast is required to authorize the action, the proposal will be deemed approved when the date for return of ballots has passed, a quorum of Members has voted, and the required percentage of approving votes has been received. Otherwise, the proposal will be deemed to be rejected.

(ii) If approval of a proposed action otherwise would require a meeting at which a specified percentage of Owners must authorize the action, the proposal will be approved when the percentage of total votes cast in favor of the proposal equals or exceeds such required percentage. The proposal shall be deemed to be rejected when the number of votes cast in opposition renders approval impossible or when both the date for return of ballots has passed and such required percentage has not been met.

(d) All solicitations for votes by written ballot must state the following:

(i) If approval of the proposal by written ballot requires that the total number of votes cast equal or exceed a certain quorum requirement, the number of responses needed to meet such quorum requirement;

(ii) If approval of a proposal by written ballot requires that a certain percentage of total votes cast approve the proposal, the required percentage of total votes needed for approval; and

(iii) If the matter being voted on is the election of Directors to the Board, the additional items set forth in subsection (a) above.

(e) All solicitations for votes by written ballot must specify the period during which the Association will accept written ballots for counting, and a date certain on which all ballots must be returned to be counted.

(f) Action by written ballot may not substitute for the Turnover Meeting or the annual meeting of the Association.

ARTICLE V BOARD OF DIRECTORS

5.1 Number and Qualification

The affairs of the Association shall be managed by a Board consisting of (a) three (3) Directors prior to the Turnover Meeting and (b) between three (3) Directors and five (5) Directors after the Turnover Meeting, as determined by the Members from time to time. The Directors need not be Members prior to the Turnover Meeting but shall be Members after the Turnover Meeting; provided, however, that if a Lot is owned by more than one (1) Owner, only one (1) Owner of that Lot may serve on the Board at any time.

5.2 Appointment of Directors

Until the Turnover Meeting, Declarant shall appoint all Directors, and may remove and replace any Director, with or without cause, except that Declarant may revocably or irrevocably delegate the power to appoint, remove and replace Directors hereunder by written instrument delivered to the Association naming the party to whom the power to appoint Directors has been delegated. At and after the Turnover Meeting, the Directors shall be elected in the manner provided in Section 5.3.

5.3 Election of Directors

At the Turnover Meeting, the Directors appointed by Declarant or its appointee shall submit their resignations and the Members shall elect new Directors as provided herein. If three (3) Directors are elected, one (1) Director shall be elected for a term of one (1) year and two (2) Directors for a term of two (2) years. If five (5) Directors are elected, two (2) Directors shall be elected for a term of one (1) year and three (3) Directors shall be elected to serve for a term of (2) years. Thereafter, at each annual meeting of the Association, the Members shall elect the number of Directors equal to the number whose terms are then expiring, each to serve a term of two (2) years. Any Director may serve more than one (1) term. Voting for Directors shall not be cumulative.

5.4 Removal

Any Director, other than a Director appointed by Declarant, may be removed, with or without cause, by Owners holding at least a majority of the voting rights in the Association who are present, in person or by proxy, at any meeting of the Members at which a quorum is present. No removal of a Director is effective unless the matter of removal was included in the notice of the meeting and the Director whose removal is proposed is given the opportunity to be heard at the meeting. At the meeting, the Members shall elect a replacement Director to serve the remainder of the replaced Director's term.

5.5 Resignation

Any Director may resign at any time by sending a written notice of such resignation to the secretary. Unless otherwise specified in such notice, a resignation shall take effect upon receipt of the notice by the secretary.

5.6 Vacancies

Vacancies on the Board caused by the death, resignation, or removal of a Director shall be filled by vote of the majority of the remaining Directors, even if they constitute less than a quorum. Any Director so elected shall serve the remainder of the replaced Director's term.

5.7 Compensation

No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual out-of-pocket expenses reasonably incurred in the performance of his or her duties.

5.8 Liability and Indemnification of Directors, Officers, Manager and Managing Agent

The Directors and officers of the Association shall not be liable to the Association or the Members for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith. The Association shall indemnify and hold harmless each Director and officer and the manager or managing agent on behalf of the Association unless such contract

shall have been made in bad faith or contrary to the provisions of the Declaration or of these Bylaws. Each Director and officer and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party, or which they may become involved by reason of being or having been a Director, officer, manager or managing agent and shall be indemnified upon any reasonable settlement thereof; provided, however, there shall be no indemnity if the Director, officer, manager or managing agent is adjudged guilty of willful nonfeasance, misfeasance or malfeasance in the performance of their duties. As to any manager or managing agent this Section shall only be applicable to third party tort claims up to the amount of the Association's liability insurance coverage and shall not in any way apply to contractual liability or obligations under the management contract.

5.9 Special Committees

The Board by resolution may designate one or more special committees, each committee to consist of two (2) or more Members which, to the extent provided in said resolution, shall have and may exercise the powers set forth in said resolution. Such special committee or committees shall have such name or names as may be determined from time to time by the Board. Such special committees must keep regular minutes of their proceedings and report the same to the Board when required. The members of such special committee or committees designated shall be appointed by the Board or the president. The Board or the president may appoint Members to fill vacancies on each of said special committees occasioned by death, resignation, removal, or inability to act for any extended period of time.

5.10 Powers of Board

The business and affairs of the Association shall be managed by the Board. The Board may exercise all of the powers of a nonprofit corporation under the Montana Nonprofit Corporation Act (being Chapter 2, Title 35 of the Montana Code), except to extent the powers of the Board are limited by the Governing Documents or the laws of the State of Montana. The Board shall have the power to:

- (a) To adopt and publish the Rules and Regulations governing the use of Common Areas, and the personal conduct of the Members and their guests thereon, and to establish fines for the infraction thereof;
- (b) To suspend a Member's voting rights and/or right to use the Common Areas (other than streets and roadways) during any period in which such Member is in default in the payment of assessments levied by the Association. Such rights may also be suspended, after notice and a hearing, for a period not to exceed sixty (60) days for an infraction of the Rules and Regulations or a violation of the Declaration;
- (c) To declare the office of a Director to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board without just cause having been furnished to and accepted by the Board;

- (d) To adopt an annual budget for the operation of the Association;
- (e) To levy and collect assessments, late fees, interest and fines as provided in the Governing Documents, including filing liens against Lots and instituting legal proceedings to collect such assessments, late fees, interest and fines;
- (f) To appoint and disband such committees as the Board deems appropriate;
- (g) To establish, disburse and maintain such petty cash as is necessary for efficiently carrying on the business of the Association;
- (h) To engage the services of a manager, an independent contractor, or such employees and contractors as it deems necessary, and to prescribe the conditions, compensation and duties of their work. Such power shall include authority to enter into management agreements with other parties to manage, operate or perform all or any part of the affairs and business of the Association;
- (i) To execute all declarations of ownership for tax assessment purposes with regard to the Common Areas, if any, on behalf of all Owners;
- (j) To borrow funds to pay costs of operation of the Association with the approval of sixty percent (60%) of the Members present at a meeting of the Members at which a quorum is present;
- (k) To grant easements or rights-of-way to any utility company, public agency or to any other entity;
- (l) To protect or defend the Common Areas from loss or damage by suit or otherwise, and to provide adequate reserves for maintenance and replacement of the Common Maintenance Areas;
- (m) To adjust the amount, collect and use any insurance proceeds to repair damage or replace damaged or lost property, and if proceeds are insufficient to repair damaged or replace lost property, to assess the Owners in proportionate amounts to cover the deficiency;
- (n) To enforce the provisions of the Governing Documents and to enjoin and seek damages from any Owner for violation of such Governing Documents; and
- (o) To exercise any additional or different powers necessary or desirable for the purpose of carrying out the functions of the Association pursuant to the Governing Documents or otherwise promoting the general benefit of the Members of the Association.

5.11 Duties of Board

It shall be the duty of the Board:

- (a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at

any special meeting, when such statement is requested in writing by one-fourth (1/4) of the votes of the Members who are entitled to vote;

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) To fix the amount of all assessments required or permitted under the Declaration against each Lot, and to send written notice of each such assessment to every Owner;

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not assessments have been paid in respect to a particular Lot. A reasonable charge may be made by the Board for the issuance of these certificates, and the information contained on the certificates shall be binding on the Association.

(e) To procure and maintain adequate liability and property insurance on property owned by the Association or other property for which the Association has an obligation under the Declaration or these Bylaws to insure and, if deemed appropriate, insurance on the behalf of any Director, officer, employee, or agent of the Association against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such;

(f) To cause all officers, employees or agents, having fiscal responsibility to be bonded, as it may deem appropriate;

(g) To cause the Common Maintenance Areas to be maintained;

(h) To maintain a current mailing list of the Members and Mortgagees who have requested notice of meetings and other events;

(i) To file annual tax returns for the Association;

(j) To adopt a budget annually for the Association to manage and operate the Subdivision. Within thirty (30) days after adopting the annual budget or any modified budget, the Board shall set a date for a meeting of the Members to consider ratification of the budget and send notice of such meeting to the Members in accordance with Section 4.5. Unless the Members holding a majority of the votes in the Association vote to reject the budget, the budget is ratified, whether or not a quorum is present at the meeting. If the Board fails to adopt a budget or if the Members vote to reject the budget, the last adopted and ratified budget for the Association shall continue in effect; and

(k) To perform all other duties of the Association and the Board as set forth in the Governing Documents.

**ARTICLE VI
MEETINGS OF THE BOARD**

6.1 Initial Meeting

The initial meeting of the Board shall occur either immediately after or within fourteen (14) days after the date the initial meeting of the Members pursuant to Section 4.1. Notice of the initial meeting shall be sent to each Director and the Members in accordance with the requirements of Section 6.9.

6.2 Regular Meetings

Regular meetings of the Board may be held at such time as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be delivered to each Director and the Members in accordance with the requirements of Section 6.9.

6.3 Special Meetings

Special meetings of the Board may be called at any time by the president or a majority of the Directors. Notice of special meetings shall be delivered to each Director and the Members in accordance with the requirements of Section 6.9.

6.4 Emergency Meetings

Emergency meetings may be held without notice, if the reason for the emergency is stated in the minutes of the meeting.

6.5 Closed Session

At the discretion of the Board, the following matters may be considered in closed session:

- (a) Personnel matters;
- (b) Consult with legal counsel or consider communications with legal counsel; and
- (c) Discuss likely or pending litigation, matters involving possible violations of the Governing Documents, and matters involving liability of a Member to the Association.

The Board shall vote in an open meeting whether to meet in closed session. The motion shall state specifically the purpose for the closed session. Reference to the motion and stated purpose for the closed session shall be included in the minutes of the meeting. The Board shall restrict the consideration of matters during the closed portion of a meeting to only those purposes specifically exempted and stated in the motion. No motion, or other action adopted, passed or agreed to in closed session, may become effective unless the Board, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this Section shall not require the disclosure of information in violation of applicable law or which is otherwise exempt from disclosure.

6.6 Adjournment

Any meeting of the Board may be adjourned by a majority of the Directors present at the meeting, even if a quorum is not present. When a meeting is adjourned for fewer than thirty (30) days, no notice of the resumption or reconvening of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place.

6.7 Board Meetings Open to all Members

Except of closed sessions, all meetings of the Board shall be open to the Members, provided that no Member shall have the right to participate in the Board's meeting unless such Member is also a member of the Board. The president shall have the right to exclude any Member who disrupts the proceedings at a meeting of the Board.

6.8 Place of Meetings

Meetings of the Board shall be held within ten (10) miles of the Subdivision, at an exact location determined by the Board and designated in the notice required by Sections 6.2 and 6.3.

6.9 Notice of Meetings

The secretary shall give written notice to each Director of any meeting of the Board at least three (3) prior to the date set for such meeting, stating the purpose, time and location of the meeting. Notice shall be sent to the address of each Director as listed on the books of the Association, or to such other address as a Director may designate by written notice to the secretary given at least ten (10) days prior to the giving of notice of the meeting. Notice of any meeting may be waived by any Director at any time before or after the meeting. No Director who is present at a meeting may object to the adequacy or timeliness of the notice given.

For other than closed session meetings, notice of Board meetings shall also be given the Members by posting at a place or places within the Subdivision likely to be seen by all Members at least three (3) days prior to the Board meeting, or by one of the means described in Section 4.5 not less than ten (10) days prior to the Board meeting.

6.10 Voting by the Board

Each Director shall have one (1) vote. The votes of more than fifty percent (50%) of Directors present at a meeting at which a quorum is present shall constitute the act of the Board.

6.11 Quorum

The presence in person of a majority of the Directors shall constitute a quorum for voting at a Board meeting. If less than a quorum is present at a meeting, a majority of the Directors present at the meeting may adjourn the meeting. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

6.12 Consent in Lieu of Meeting

Any action required or which may be taken at a meeting of the Board or a committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken or to be taken, shall be signed by all Directors or committee members as the case may be.

6.13 Participation of Directors by Telephonic Communication

Directors or committees thereof may participate in a meeting of the Board or a committee by means by which all Directors or committee members participating can hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

ARTICLE VII OFFICERS OF ASSOCIATION

7.1 Enumeration of Officers

The principal officers of the Association shall be the president, secretary and treasurer, each of whom shall be elected by the Board in accordance with Section 7.2. The Board may appoint other officers as in its judgment may be desirable. Any two or more offices may be held by the same person, except for the offices of president and secretary. All officers must be Members, or members of their immediate family, fiduciaries, beneficiaries or Mortgagees (and in the case of Lots owned by corporations, trusts or partnerships, the offices may be held by directors, officers, shareholders, trustees, partners or employees of such organizations).

7.2 Election of Officers

The officers of the Association shall be elected by the Board and shall hold office at the pleasure of the Board and until their successors are elected and qualified. If any office becomes vacant, the Board shall elect a successor to fulfill the unexpired term at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

7.3 Term

The officers of the Association shall be elected by the Board and shall hold office for a period of one (1) year, unless an officer resigns or is removed by the Board or is otherwise disqualified for service.

7.4 Resignation and Removal

Any officer of the Association may be removed from office, with or without cause, upon the affirmative vote of a majority of the Board and a successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose. An officer of the Association may resign at any time by giving notice to the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein; the acceptance of such resignation shall not be necessary to make it effective.

7.5 Vacancies

A vacancy in any office may be filled by election at any regular meeting of the Association or at a special meeting of the Board called for such purpose. The officer elected to fill a vacancy shall serve for the remainder of the term of the officer he or she replaces.

7.6 Duties

The duties of the officers of the Association are as follows:

President

The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Members and Board and shall have all of the powers and duties which are usually incident to the office of the chief executive officer of an Association, including, but not limited to, the power to appoint committees from time to time as may, in the president's discretion, be appropriate to assist in the conduct of the affairs of the Association.

Secretary

The secretary shall keep minutes of all proceedings of the Board and minutes of all Association meetings. The secretary shall attend to the giving and serving of all notices to the Members and Directors and other notices required by law. Association records shall be kept by the secretary, except for those of the treasurer. The secretary shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the president. In addition, the secretary shall act as vice president, taking the place of the president and performing such duties whenever the president is absent or unable to act, unless the Directors have appointed a vice president.

Treasurer

The treasurer shall be responsible for Association funds and securities and shall be responsible for supervising the managing agent and causing the same to keep full and accurate financial records and books of account showing all receipts and disbursements necessary for the preparation of all required financial statements. The treasurer shall review the reports and statements provided by the managing agent with respect to the deposit of all funds and other valuable effects in such depositories as may from time to time be designated by the Board, and the disbursement of Association funds in accordance with the approved Association budget and any special authorizations from the Board for unbudgeted items. The treasurer shall in general perform all other duties incident to the office of treasurer of an association and such other duties as may be assigned by the Board. The treasurer shall cause all assessments to be deposited in a separate bank account in the name of the Association and all expenses of the Association to be paid from that account.

7.7 Execution of Instruments

All agreements, contracts, deeds, leases and other instruments of the Association, except checks, shall be executed by such person or persons as may be designated by general or special resolution of the Board and, in the absence of any general or special resolution applicable to any such instrument, then such instrument shall be signed by the president. All checks for less than Two Thousand Four Hundred Ninety-Nine Dollars (\$2,499.00) may be signed by the managing agent or any duly elected officer of the Association. All checks of Two Thousand Five Hundred (\$2,500.00) or more shall require the signatures of at least two (2) authorized signatories.

7.8 Compensation

Other than reimbursement of reasonable out-of-pocket expenses incurred on behalf of the Association, no officer of the Association shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by a majority vote of the Members present, in person or by proxy, at a meeting of the Members at which a quorum is present.

ARTICLE VIII BUDGET, ASSESSMENTS, AND RESERVE STUDY

8.1 Budget

The Board shall annually prepare and adopt the budget for the Association, and call a meeting of the Members to ratify the budget, pursuant to Section 3.1 of the Declaration.

8.2 Assessments

The Association shall levy and collect assessments and other charges pursuant to the terms of Article 3 of the Declaration. If Additional Property is annexed to or removed from the Subdivision, the common expenses of the Association shall be reapportioned pursuant to the terms of Section 3.13 or 3.14, respectively, of the Declaration.

8.3 Reserve Study

The Declarant and Association shall prepare a reserve study pursuant to the terms of Section 3.3 of the Declaration.

ARTICLE IX BOOKS AND RECORDS

9.1 Books and Records

The Association and managing agent (if applicable) shall keep (a) financial records sufficiently detailed for proper accounting purposes, including an assessment roll for each Lot (b) detailed records of the actions of the Board and managing agent (if applicable) and minutes of Board and Association meetings, (c) a list of Members entitled to vote at Association meetings and a list of all Mortgagees whom have requested notice of meeting and other events, and (d)

other documents, information and records in sufficient detail to enable the Association to fully declare to each Member the true statement of its financial status. All Association documents, information and records shall be maintained within the State of Montana at all times.

9.2 Examination of Records

The Association shall make available to Members, Mortgagees, prospective purchasers and their prospective Mortgagees, and the agents or attorneys of any of them, current copies of the Declaration and the Articles of Incorporation, Bylaws and rules and regulations of the Association. All financial and other records of the Association, including but not limited to checks, bank records and invoices, are the property of the Association, but shall be made reasonably available for examination and copying by any Member, or the Member's authorized agents, and by any managing agent. "Available" shall mean available for inspection upon request, during normal business hours or under other reasonable circumstances. The Association may require the requesting party to pay a reasonable charge to cover the cost of making the copies.

9.3 Financial Statements

Within ninety (90) days after the end of each fiscal year, the Board shall distribute to each Member and, upon request, any Mortgagee a copy of the annual financial statements of the Association, consisting of a balance sheet and income and expense statement for the preceding fiscal year. If Annual Assessments are \$50,000 or more, the financial statements of the Association shall be audited by an independent certified public accountant; provided, however, that the audit may be waived if Members holding at least sixty-seven percent (67%) of the votes of the Association vote, in person or by proxy at a meeting of the Association at which a quorum is present, each year to waive the audit.

9.4 Tax Returns

The Board shall cause to be filed the necessary state and federal income tax returns for the Association.

9.5 Payment Vouchers

The method of approving payment vouchers (if applicable) for the maintenance, upkeep and repair of the Common Maintenance Areas and payment for the expense of the Association will be as established from time to time by the Board.

9.6 Fiscal Year

The Fiscal Year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

**ARTICLE X
INSURANCE**

The Association shall maintain the insurance coverages required by Article 8 of the Declaration.

**ARTICLE XI
DAMAGE OR DESTRUCTION BY CASUALTY**

Any damage to or destruction of the Common Areas or any other areas the Association is required to insure against an event of casualty shall be handled in accordance with the terms of Article 9 of the Declaration.

**ARTICLE XII
RULES AND REGULATIONS**

The Board shall have power to adopt and publish rules and regulations governing the conduct of persons and the operation and use of the Lots and the Common Areas as it may deem necessary or appropriate to assure the peaceful and orderly use and enjoyment of the Subdivision, and to establish fines for the infraction thereof. Such rules and regulations may be adopted upon a majority vote of the Directors present at a meeting at which there is a quorum present and as to which notice has been given as provided in these Bylaws. Such notice shall include a verbatim copy of all proposed rules and regulations. No rule or regulation shall be adopted without a copy thereof first having been delivered or mailed to each Member in accordance with the requirements of Section 4.5. Upon adopting any such rules and regulations, the Board shall cause copies thereof to be delivered to each Member. All such rules and regulations become binding on all Members and occupants of all Lots upon the date of delivery. Any rule or regulation which conflicts with these Bylaws or the Declaration shall be null and void.

**ARTICLE XIII
AMENDMENTS**

13.1 General Amendments

Except as set forth below, any and all provisions of these Bylaws may be amended or repealed and new Bylaws may be adopted at any annual meeting of the Members, or at any special meeting called for that purpose, by at least a majority of the votes of the Members, and the written consent of the Declarant so long as the Declarant is a Class B Member.

Amendments or changes to these Bylaws may be proposed by either a majority of the Board or by the Members holding at least thirty percent (30%) of the votes of the Association. The proposed amendment must be in writing and shall be included in the notice of any meeting at which action is to be taken thereon.

An amendment or change to these Bylaws shall not be effective unless it is (i) certified by the president and secretary of the Association as having been adopted in accordance with these

Bylaws and acknowledged in the manner provided for acknowledgement of deeds, and (ii) recorded in the Official Records of the Gallatin County, Montana.

13.2 Declarant Amendments

Notwithstanding any provisions hereof to the contrary, the Declarant may unilaterally amend these Bylaws (i) at any time before the conveyance of the first Lot to a person other than Declarant; (ii) to bring this Declaration into compliance with any provision of law, including, but not limited to, regulatory amendments permitted by Section 13.3; (iii) to correct scriveners' or clerical errors; and (iv) as otherwise permitted by applicable law.

13.3 Regulatory Amendments

Notwithstanding any other provisions of this Article XIII, Declarant shall have the right to unilaterally amend these Bylaws prior to the Turnover Meeting in order to comply with the requirements of the Federal Housing Administration, the United States Department of Veterans Affairs, the Farmer's Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission or agency of the United States or the State of Montana or any corporation wholly owned, directly or indirectly, by the United States or the State of Montana which insures, guarantees or provides financing for a planned community or lots in a planned community.

ARTICLE XIV MISCELLANEOUS

14.1 Notices

All notices to the Association or to the Board shall be sent in care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board hereafter may designate from time to time. Any notice to a Member, except as otherwise provided in these Bylaws, shall be sent by first class mail to the address of Member last appearing on the books of the Association (or to such other address as the Member has designated in writing to the Association).

14.2 Waiver

No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof that may have occurred and the number of times that the pertinent restriction, condition, obligation or provision was not enforced.

14.3 Severability

Invalidation or partial invalidation of any provision of these Bylaws shall not affect any of the remaining provisions of the Bylaws.

14.4 Personal Pronouns

All personal pronouns used in these Bylaws, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

14.5 Headings

The headings contained in these Bylaws are for reference purposes only and shall not in any way affect the meaning or interpretation of these Bylaws.

14.6 Conflicts

These Bylaws are intended to comply with applicable law and the Declaration. In case of any irreconcilable conflict, applicable law and the Declaration shall control over these Bylaws (unless these Bylaws expressly provide otherwise) and any amendments hereto, and any rules or regulations adopted hereunder.

14.7 Dissolution

Upon dissolution of the Association, voluntarily or otherwise, it shall automatically be succeeded by an unincorporated association of the same name and having the same purposes. All assets, property, powers, and obligations of the Association existing prior to dissolution shall thereupon automatically vest in the successor unincorporated association.

[Continued on the following page]

ADOPTION OF BYLAWS

It is hereby certified that these Bylaws have been adopted by the Board of Directors of the Association, and by Norton Properties LLC, an Oregon limited liability company, and Norton Ranch Homes, LLC, an Oregon limited liability company, Declarant of *Norton Ranch*. These Bylaws shall be recorded in the Official Records of Gallatin County, Montana, together with the Declaration.

Dated: _____, 2011.

ASSOCIATION:

NORTON RANCH COMMUNITY
ASSOCIATION, a Montana nonprofit
corporation

By: _____

Name: Kevin Spencer

Title: Sole Director

DECLARANT:

NORTON PROPERTIES, LLC, an Oregon
limited liability company

By: _____

Name: Kevin Spencer

Title: Manager

NORTON RANCH HOMES, LLC, an
Oregon limited liability company

By: _____

Name: Kevin Spencer

Title: Member

[Acknowledgments appear on the following page]

ACKNOWLEDGMENTS

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this ___ day of _____, 2011, by Kevin Spencer, the Sole Director of the NORTON RANCH COMMUNITY ASSOCIATION, a Montana nonprofit corporation, on behalf of the corporation.

Print Name:
Notary Public in and for the State of Oregon
My Commission expires: _____

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this ___ day of _____, 2011, by Kevin Spencer, the Manager of NORTON PROPERTIES, LLC, an Oregon limited liability company, on behalf of the company.

Print Name:
Notary Public in and for the State of Oregon
My Commission expires: _____

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this ___ day of _____, 2011, by Kevin Spencer, the Member of NORTON RANCH HOMES, LLC, an Oregon limited liability company, on behalf of the company.

Print Name:
Notary Public in and for the State of Oregon
My Commission expires: _____

SCHEDULE 1

LIST OF INFORMATION AND DOCUMENTS

- (a) The original or a photocopy of the recorded Declaration and copies of the Bylaws and the Articles of Incorporation, if any, of the Subdivision and any supplements and amendments to the Articles or Bylaws;
- (b) A deed to the Common Areas, unless otherwise provided in the Declaration;
- (c) The minute books, including all minutes, and other books and records of the Association and the Board;
- (d) All rules and regulations adopted by the Declarant;
- (e) Resignations of officers and members of the Board who were appointed by Declarant;
- (f) A financial statement consisting of a balance sheet and an income and expense statement for the preceding 12-month period or the period following the recording of the declaration, whichever period is shorter;
- (g) All funds of the Association and control of the funds, including all bank records;
- (h) All tangible personal property that is property of the Association, and an inventory of the property;
- (i) Records of all property tax payments for the Common Areas to be administered by the Association;
- (j) Copies of any income tax returns filed by the Declarant in the name of the Association, and supporting records for the returns;
- (k) All bank signature cards;
- (l) The Reserve Account established in the name of the Association;
- (m) The reserve study, including all updates and other sources of information that serve as a basis for calculating reserves;
- (n) An operating budget and a budget for replacement of the Common Areas;
- (o) A copy of the following, if available: (A) The as-built architectural, structural, engineering, mechanical, electrical and plumbing plans; (B) The original specifications, indicating all subsequent material changes; (C) The plans for underground site service, site grading, drainage and landscaping together with cable television drawings; (D) Any other plans and information relevant to future repair or maintenance of the Common Areas; and (E) A list of

the general contractor and the electrical, heating and plumbing subcontractors responsible for construction or installation of Common Areas;

- (p) Insurance policies;
- (q) Copies of any occupancy permits issued for the Subdivision;
- (r) Any other permits issued by governmental bodies applicable to the Subdivision in force or issued within one year before the date on which the Members assume administrative responsibility;
- (s) A list of any written warranties on the Common Areas that are in effect and the names of the contractor, subcontractor or supplier who made the installation for which the warranty is in effect;
- (t) A roster of Members and their addresses and telephone numbers, if known, as shown on the records of the Declarant;
- (u) Leases of the Common Areas and any other leases to which the Association is a party;
- (v) Employment or service contracts in which the Association is one of the contracting parties or service contracts in which the Association or the owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person performing the service; and
- (w) Any other contracts to which the Association is a party.

After Recording, Return To:

The Watson Companies
Attention: Shawn Holm
963 SW Simpson, Suite 110
Bend, Oregon 97702

2453826

Page: 1 of 4 06/27/2013 09:12:55 AM
Charlotte Mills - Gallatin County, MT

Fee: \$28.00
MISC

**FIRST DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS FIRST DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Declaration of Annexation**") is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS:

A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

B. Declarant is the current owner of the following described real property (the "**Second Phase**"):

Norton East Ranch Subdivision Phase II, filed for record in the Official Records of Gallatin County, Montana.

C. Declarant desires to annex the Second Phase into the Subdivision pursuant to its reserved rights under Article 13 of the Declaration.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Article 13 of the Declaration:

1. Annexation.

1.1 The Second Phase is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the terms of the Declaration. The Second Phase shall be considered part of the "Property" under the Declaration and the plat for the Second Phase shall be considered a "Plat" under the Declaration.

1.2 Each lot within the Second Phase shall be considered a "Lot" under the Declaration, and each owner of a lot within the Second Phase shall be considered an "Owner" under the Declaration.

1.3 The alley within the Second Phase shall be considered an "Alley" under the Declaration.

1.4 The open space within the Second Phase shall be considered "Common Areas" under the Declaration.

2. Miscellaneous

2.1 Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2.1.1 In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration Annexation shall prevail with respect to the Second Phase.

[Signatures begin on the following page]

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 13th day of MAY, 2013.

DECLARANT:

NORTON PROPERTIES LLC,
an Oregon Limited Liability Company

By: 

Name: KEVIN SPENCER

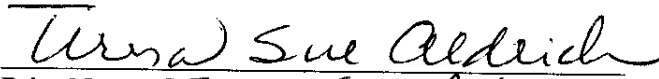
Title: MANAGER

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 13 day of MAY, 2013, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon limited liability company, on behalf of the company.

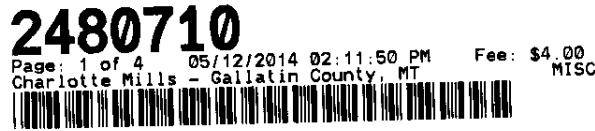



Print Name: Teresa Sue Aldrich
Notary Public in and for the State of Oregon
My Commission expires: 2-11-16

[Signatures continue on the following page]

After Recording, Return To:

The Watson Companies
Attention: Shawn Holm
963 SW Simpson, Suite 110
Bend, Oregon 97702



**SECOND DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS SECOND DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this “**Declaration of Annexation**”) is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the “**Declarant**”).

RECITALS:

A. Declarant created a residential subdivision known as *Norton Ranch* (the “**Subdivision**”) by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the “**Declaration**”); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the Official Records of Gallatin County, Montana.

C. Declarant is the current owner of the following described real property (the “**Third Phase**”):

Norton East Ranch Subdivision Phase IIA, filed for record in the Official Records of Gallatin County, Montana.

D. Declarant desires to annex the Third Phase into the Subdivision pursuant to its reserved rights under Article 13 of the Declaration.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Article 13 of the Declaration:

1. Annexation.

1.1 The Third Phase is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the terms of the Declaration. The Third Phase shall be considered part of the "Property" under the Declaration and the plat for the Third Phase shall be considered a "Plat" under the Declaration.

1.2 Lots 1 through 9, Block 1 and Lots 1 through 9, Block 2 within the Third Phase shall each be considered a "Lot" under the Declaration, and each owner of thereof shall be considered an "Owner" under the Declaration.

1.3 The twenty foot (20') alley within the Third Phase shall be considered an "Alley" under the Declaration.

1.4 Open Space 1, Open Space 2 and Open Space A within the Third Phase shall each be considered part of the "Common Areas" under the Declaration.

1.5 Lots 1 and 2, Block 3 and Lots 1 through 5, Block 4 within the Third Phase shall each be considered a "Future Development Lot" under the Declaration.

2. Miscellaneous

2.1 Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2.1.1 In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration Annexation shall prevail with respect to the Third Phase.

[Signatures begin on the following page]

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 10 day of Feb., 2014.

DECLARANT:

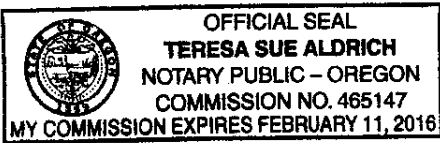
NORTON PROPERTIES LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 10 day of Feb., 2014, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon limited liability company, on behalf of the company.



Teresa Sue Aldrich
Print Name Teresa Sue Aldrich
Notary Public in and for the State of Oregon
My Commission expires: 2-11-16

[Signatures continue on the following page]

NORTON RANCH LLC,
an Oregon Limited Liability Company

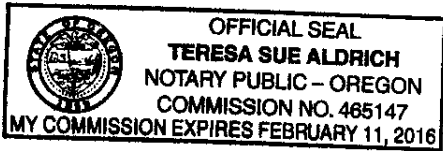
By: [Signature]
Name: Kevin Spencer
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 16 day of Feb., 2014, by Kevin Spencer, the Manager of NORTON RANCH LLC, an Oregon limited liability company, on behalf of the company.

Teresa Sue Aldrich
Print Name: Teresa Sue Aldrich
Notary Public in and for the State of Oregon
My Commission expires: 2-11-16



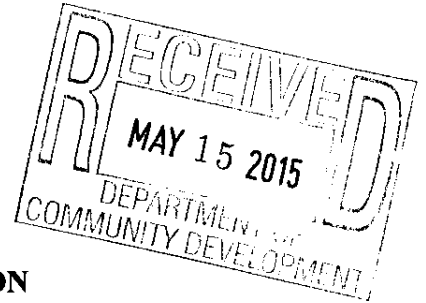
2516323

Page: 1 of 4 07/01/2015 10:40:11 AM Fee: \$4.00 MISC
Charlotte Mills - Gallatin County, MT



After Recording, Return To:

Kevin Spencer:
Norton Properties LLC.
63026 Lower Meadow Drive
Bend, Oregon 97701



**THIRD DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS THIRD DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Declaration of Annexation**") is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS:

A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the Official Records of Gallatin County, Montana.

C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on May 12, 2014, as Document No. 2480710 in the Official Records of Gallatin County, Montana.

D. Norton Properties LLC is the current owner of the following described real property (the "**Phase 3A Property**"):

Lots 1 through 8, Block 1; Lots 1 through 12, Block 2; Lots 1 through 8, Block 3; Lots 1 through 12, Block 4; Lot 7, Block 5; Lots 7 through 12, Block 7; Lot 1, Block 8; Park 3, 4, 5 and 6; and Open Space (OS) A, B and C1, as shown on the final plat of *Norton East*

Ranch Subdivision, Phase 3A, filed for record in the Official Records of Gallatin County, Montana.

E. Declarant desires to annex the Phase 3A Property into the Subdivision pursuant to its reserved rights under Article 13 of the Declaration.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Article 13 of the Declaration:

1. Defined Terms. Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2. Annexation.

2.1 The Phase 3A Property is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the terms of the Declaration. The Phase 3A Property shall be considered part of the “**Property**” under the Declaration and the plat for the Phase 3A Property shall be considered a “**Plat**” under the Declaration.

2.2 Lots 1 through 8, Block 1; Lots 1 through 12, Block 2; Lots 1 through 8, Block 3; Lots 1 through 12, Block 4; Lot 7, Block 5; Lots 7 through 12, Block 7; and Lot 1, Block 8 within the Phase 3A Property shall each be considered a “**Lot**” under the Declaration, and each owner of thereof shall be considered an “**Owner**” under the Declaration.

2.3 Open Space (OS) A, B and C1 within the Phase 3A Property shall each be considered part of the “**Common Areas**” under the Declaration.

2.4 Park 3B, 4, 5 and 6 within the Phase 3A Property shall each be considered part of the “**Parks**” under the Declaration.

3. Noxious Weed Control. The control of noxious weeds by the Association on those areas for which the Association is responsible and the control of noxious weeds by individual Owners on their respective Lots shall be as set forth and specified under the Montana Noxious Weed Control Act (MCA 7-22-2101 through 7-22-2153) and the rules and regulations of the Gallatin County Weed Department. The Association is responsible for control of state and county declared noxious weeds in the Common Areas (such as Subdivision Parks, Open Spaces, community areas, trails and roadways). Each Owner shall be responsible for the control of the state and county declared noxious weeds on his or her own Lot. Both unimproved and improved Lots shall be managed for noxious weeds. In the event an Owner does not control the noxious weeds on his or her own Lot, after ten (10) days’ notice from the Association, the Association may cause the noxious weeds to be controlled, in which case the cost and expense associated with such weed management shall be assessed against, and a lien on, that Lot.

4. Miscellaneous. In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration Annexation shall prevail with respect to the Phase 3A Property.

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 22 day of April, 2015.

DECLARANT:

NORTON PROPERTIES LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: KEVIN SPENCER
Title: MANAGER

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 22 day of April, 2015, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon limited liability company, on behalf of the company.



Tallie L. Belitz
Print Name: Tallie L. Belitz
Notary Public in and for the State of Oregon
My Commission expires: 8.13.17

[Signatures continue on the following page]

NORTON RANCH HOMES LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Member

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 22 day of April 2015, by Kevin Spencer, the Manager of NORTON RANCH LLC, an Oregon limited liability company, on behalf of the company. Homes TLB RS



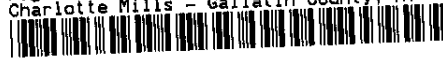
[Signature]
Print Name: Tallie L. Belitz
Notary Public in and for the State of Oregon
My Commission expires: 8.13.17

Please return to:
Security Title Company
600 South 19th
Bozeman, MT 59718

2516922

Page: 1 of 4 07/08/2015 11:48:23 AM
Charlotte Mills - Gallatin County, MT

Fee: \$28.00
MISC



After Recording, Return To:

Norton Properties
63026 NE Lower Meadow Drive, Suite 200
Bend, Oregon 97701

Accomodation Recording Only

STC# G2015 pd

**FOURTH DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS THIRD DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Declaration of Annexation**") is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS:

A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (i) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the "**Declaration**"); and (ii) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

B. Declarant expanded the Subdivision by annexing additional property into the Subdivision by recording (i) that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the Official Records of Gallatin County, Montana; (ii) that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on May 12, 2014, as Document No. 2480710 in the Official Records of Gallatin County, Montana; and (iii) that certain Third Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 1, 2015, as Document No. 2516323 in the Official Records of Gallatin County, Montana.

C. Declarant is the current owner of the following described real property (collectively, the “**Additional Property**”):

Lot 1, Block 1; Lots 1 and 2, Block 2; and Lot 1, Block 3, as shown on the plat of Norton East Ranch Subdivision Phase 1, recorded on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

D. Declarant desires to annex the Additional Property into the Subdivision pursuant to its reserved rights under Section 13.1 of the Declaration, on terms and conditions more particularly set forth herein.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Section 13.1 of the Declaration:

1. Annexation.

1.1 The Additional Property is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the terms of the Declaration and this Declaration of Annexation. The Additional Property shall be considered part of the “Property” under the Declaration.

1.2 Each Lot comprising the Additional Property shall be considered a Future Development Lot.

2. Assessments. In the event that attached or stacked multifamily Units are constructed on a Future Development Lot, the Base Assessment, Reserve Account Assessment or Special Assessment (except Special Assessments allocated in the same manner as Specific Assessments) levied against that Future Development Lot will be calculated as follows: Fifty percent (50%) of the Base Assessment, Reserve Account Assessment or Special Assessment (except Special Assessments allocated in the same manner as Specific Assessments) levied against a Lot with a single Unit, times the number of Units on that Future Development Lot.

3. Maintenance. By way of clarification, the maintenance obligations of each Owner of a Future Development Lot under Section 6.2 of the Declaration includes, without limitation, responsibility for maintaining, repairing and replacing all buildings, parking areas, drive aisles, driveways, sidewalks, stairs, stoops, landings, light fixtures, play structures and other improvements; maintaining (including watering) all grass, trees and landscaping; and removing snow and ice from all sidewalks (on or adjacent to the Future Development Lot), stairs, stoops, landings, parking areas, drive aisles and driveways.

4. Restrictions on Patios and Balconies. Balconies and patios must be kept in a clean and orderly manner, free from trash, debris, clutter and other items that, in the opinion of the Association, detract from the general appearance of the building and Subdivision. Balconies and patios may not be used for storage (including, but not limited to, the storage of bicycles or boxes) or for hanging clothes. No signs or billboards may be displayed from balconies or patios. No grilling, cooking or any open flame is permitted on balconies or patios.

5. Miscellaneous. In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration Annexation shall prevail with respect to the Additional Property.

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 7th day of July, 2015.

DECLARANT:

NORTON PROPERTIES LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: KEVIN SPENCER
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 7th day of July, 2015, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon limited liability company, on behalf of the company.

[Signature]
Melissa L. Davis
Notary Public in and for the State of Oregon
My Commission expires: 1/19/2019



[Signatures continue on the following page]

Return To:
Security Title Company
P.O. Box 6550
Bozeman, MT 59771-6550

2565550

Page: 1 of 4 12/06/2016 03:30:48 PM Fee: \$38.00
Charlotte Mills - Gallatin County, MT MISC

~~When Recorded, Return To:~~

~~Norton Properties, LLC
63026 NE Lower Meadow Drive, Suite 230
Bend, OR 97701~~

Accommodation Recording Only
STC# G2016

**5th AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON
RANCH**

THIS AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH ("**Amendment**"), is made effective as of the date of its recording in the Official Records of Gallatin County, Montana, by NORTON PROPERTIES, LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS

WHEREAS, Declarant created a residential subdivision known as Norton Ranch (the "**Subdivision**") by recording the following instruments:

- A. The final plat of *Norton East Ranch Subdivision Phase 1*, recorded on February 16, 2011, as Document Number 2382592 in the Office of the Gallatin County Clerk and Recorder;
- B. The *Norton East Ranch Subdivision Phase 1 Declaration of Covenants and Restrictions*, recorded on February 16, 2011, as Document Number 2382596 in the Office of the Gallatin County Clerk & Recorder;
- C. The *Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch*, recorded on December 14, 2011, as Document Number 2399078 in the Office of the Gallatin County Clerk & Recorder (the "**Restated Declaration**");
- D. The final plat of *Norton East Ranch Subdivision Phase II*, recorded on June 27, 2013, as Document Number 2453823 in the Office of the Gallatin County Clerk & Recorder;
- E. The final plat of *Norton East Ranch Subdivision Phase IIA*, recorded on May 12, 2014, as Document Number 2480707 in the Office of the Gallatin County Clerk & Recorder;

AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR NORTON RANCH

- F. The amended plat of *Lots 1 and 2, Block 3, Norton East Ranch Subdivision, Phase IIA*, recorded on April 15, 2015, as Document Number 2508698 in the Office of the Gallatin County Clerk & Recorder;
- G. The amended plat of *Lots 1, 2, 3, 4, and 5, Block 4, Norton East Ranch Subdivision, Phase IIA*, recorded on April 15, 2015, as Document Number 2508700 in the Office of the Gallatin County Clerk & Recorder; and
- H. The final plat of *Norton East Ranch Subdivision, Phase 3A*, recorded on June 30, 2015, as Document Number 2516247 in the Office of the Gallatin County Clerk & Recorder.

WHEREAS, Declarant has annexed Phases 1, II, IIA, and 3A into the Subdivision and subject to the terms of the Restated Declaration by recording the First, Second, Third, and Fourth Declarations of Annexation to the Restated Declaration as Document Numbers 2453826, 2480710, 2516323, and 2516922 in the Office of the Gallatin County Clerk & Recorder on June 27, 2013; May 12, 2014; July 1, 2015; and July 8, 2015; respectively.

WHEREAS, Article 11 (“Use Restrictions”), Section 11.14 (“Garbage and Refuse Disposal”) of the Restated Declaration prohibits any cans, bags, containers, or receptacles for the storing or disposal of trash, garbage, refuse, rubble, debris, or recyclable materials from being stored, kept, placed, or maintained on any Lot where visible from any street except solely on a day designated for removal of garbage, rubbish, or recyclable materials.

WHEREAS, Declarant reserved the right under Article 15 (“Amendment”), Section 15.2 (“Declarant Amendment”) of the Restated Declaration to unilaterally amend the Restated Declaration for any purpose prior to the Turnover Date, provided that the amendment has no material adverse effect upon the rights of any Owner.

WHEREAS, on July 1, 2016, the Declarant polled Lot Owners within the Subdivision regarding the storage of garbage and recycling containers on the Alley-side of Lots situated on an Alley, and the majority of Lot Owners voted in favor of amending the Restated Declaration to allow for such storage.

WHEREAS, Declarant desires to amend Article 11, Section 11.14 of the Restated Declaration to reflect the majority preference of Lot Owners within the Subdivision to store garbage and recycling containers on the Alley-side of Lots situated on an Alley.

WHEREAS, Declarant desires to amend Exhibit A of the Design Guidelines to allow varied widths of boards in the Solid Design Fence Plan.

NOW, THEREFORE, Declarant hereby amends the Restated Declaration and Exhibit A of the Design Guidelines, pursuant to its reserved rights under Section 15.2 of the Restated Declaration, as stated below.

AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR NORTON RANCH

AMENDMENT OF RESTATED DECLARATION

1. Article 11, Section 11.14 of the Restated Declaration is deleted in its entirety and hereby replaced with the following language:

11.14 Garbage and Refuse Disposal.

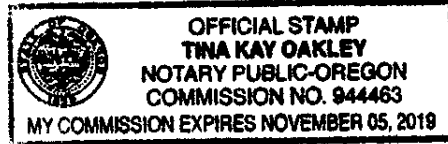
No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept, or disposed of, on any Lot except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No cans, bags, containers or receptacles for the storing or disposal of trash, garbage, refuse, rubble, debris, or recyclable materials shall be stored, kept, placed or maintained on any Lot where visible from any street except solely on a day designated for removal of garbage, rubbish, or recyclable materials, and on which days only such cans, bags, containers, and receptacles may be placed in front of a residence and beside a street for removal, but shall be removed from view before the following day. Notwithstanding anything in the preceding sentence to the contrary, for any Lot situated on an Alley, cans, bags, containers, or receptacles for the storing or disposal of trash, garbage, refuse, rubble, debris, or recyclable materials may be stored, kept, placed, or maintained immediately next to the garage door on the Alley-side of such Lot.

2. **Exhibit A of the Design Guidelines** shall be amended to allow 1x6 and/or 1x4 vertical boards in the Solid Design Fence Plan.
3. Except as specifically amended by this Amendment, all of the terms of the Restated Declaration shall remain in full force and effect.
4. In the event of a conflict between the terms of this Amendment and the terms of the Restated Declaration, the terms of this Amendment shall prevail.

IN WITNESS WHEREOF, Declarant has executed this Amendment to the Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on the 5th day of December, 2016.

NORTON PROPERTIES, LLC, an Oregon Limited Liability Company

By: [Signature]
Kevin Spencer, Manager



STATE OF OREGON)
 ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 5th day of December 2016, by Kevin Spencer, the Manager of NORTON PROPERTIES, LLC, an Oregon limited liability company, on behalf of the company.

[Signature]
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 11/5/19

After Recording, Return To:

Norton Ranch Properties, LLC

63026 NE Lower Meadow Drive, Suite 230

Bend, OR 97701

2584745

Page: 1 of 4 07/05/2017 04:07:43 PM Fee: \$28.00
Charlotte Mills - Gallatin County, MT MISC



**FIFTH DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS FOURTH DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Declaration of Annexation**") is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS:

A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the Official Records of Gallatin County, Montana.

C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on May 12, 2014, as Document No. 2480710 in the Official Records of Gallatin County, Montana.

D. Norton Properties LLC is the current owner of the following described real property (the "**Phase 3C Property**"):

Lots 9 through 16, Block 3; Lots 8 through 14, Block 8; Lots 1 through 7, Block 9; Lots 1 through 8, Block 10; and Open Space (OS) C2, D1, E2 and F1, as shown on the final plat of *Norton East Ranch Subdivision, Phase 3C*, filed for record in the Official Records of Gallatin County, Montana.

E. Declarant desires to annex the Phase 3C Property into the Subdivision pursuant to its reserved rights under Article 13 of the Declaration.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Article 13 of the Declaration:

1. Defined Terms. Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2. Annexation.

2.1 The Phase 3C Property is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the terms of the Declaration. The Phase 3C Property shall be considered part of the “**Property**” under the Declaration and the plat for the Phase 3C Property shall be considered a “**Plat**” under the Declaration.

2.2 Lots 9 through 16, Block 3; Lots 8 through 14, Block 8; Lots 1 through 7, Block 9; and Lots 1 through 8, Block 10 within the Phase 3C Property shall each be considered a “**Lot**” under the Declaration, and each owner of thereof shall be considered an “**Owner**” under the Declaration.

2.3 Open Space (OS) C2, D1, E2, and F1 within the Phase 3C Property shall each be considered part of the “**Common Areas**” under the Declaration.

3. Noxious Weed Control. The control of noxious weeds by the Association on those areas for which the Association is responsible and the control of noxious weeds by individual Owners on their respective Lots shall be as set forth and specified under the Montana Noxious Weed Control Act (MCA 7-22-2101 through 7-22-2153) and the rules and regulations of the Gallatin County Weed Department. The Association is responsible for control of state and county declared noxious weeds in the Common Areas (such as Subdivision Parks, Open Spaces, community areas, trails and roadways). Each Owner shall be responsible for the control of the state and county declared noxious weeds on his or her own Lot. Both unimproved and improved Lots shall be managed for noxious weeds. In the event an Owner does not control the noxious weeds on his or her own Lot, after ten (10) days’ notice from the Association, the Association may cause the noxious weeds to be controlled, in which case the cost and expense associated with such weed management shall be assessed against, and a lien on, that Lot.

4. Miscellaneous. In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration Annexation shall prevail with respect to the Phase 3C Property.

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 30th day of June, 2017.

DECLARANT:

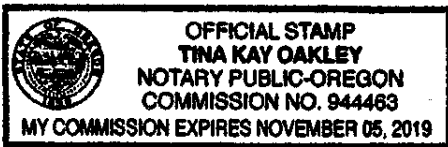
NORTON PROPERTIES LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: managing member

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 30th day of June, 2017, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon limited liability company, on behalf of the company.



[Signature]
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 11/5/19

[Signatures continue on the following page]

NORTON RANCH LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: KEVIN SPENCER
Title: Managing Member

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 30th day of June, 2017, by Kevin Spencer, the Manager of NORTON RANCH LLC, an Oregon limited liability company, on behalf of the company.



[Signature]
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 11/5/19

After Recording, Return To:

Norton Ranch Properties, LLC
63026 NE Lower Meadow Drive, Suite 230
Bend, Oregon 97701

2609707

Page: 1 of 4 03/30/2018 02:04:42 PM Fee: \$38.00
Charlotte Mills - Gallatin County, MT MISC



**SIXTH DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS SIXTH DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Declaration of Annexation**") is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS:

A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the Official Records of Gallatin County, Montana.

C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on May 12, 2014, as Document No. 2480710 in the Official Records of Gallatin County, Montana.

D. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Third Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 1, 2015, as Document No. 2516323 in the Official Records of Gallatin County, Montana.

E. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fifth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 7, 2017, as Document No. 2584745 in the Official Records of Gallatin County, Montana.

F. Norton Properties LLC is the current owner of the following described real property (the “**Phase 3B Property**”):

Lots 1 through 6, Block 5; Lots 1 through 12, Block 6; Lots 1 through 6, Block 7; Lots 2 through 7, Block 8; Park 1A, Park 2, Park 3A; and Open Space (OS) D and E1, as shown on the final plat of *Norton East Ranch Subdivision, Phase 3B*, filed for record in the Official Records of Gallatin County, Montana.

G. Declarant desires to annex the Phase 3B Property into the Subdivision pursuant to its reserved rights under Article 13 of the Declaration.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Article 13 of the Declaration:

1. Defined Terms. Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2. Annexation.

2.1 The Phase 3B Property is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the terms of the Declaration. The Phase 3B Property shall be considered part of the “**Property**” under the Declaration and the plat for the Phase 3B Property shall be considered a “**Plat**” under the Declaration.

2.2 Lots 1 through 6, Block 5; Lots 1 through 12, Block 6; Lots 1 through 6, Block 7; Lots 2 through 7, Block 8, within the Phase 3B Property shall each be considered a “**Lot**” under the Declaration, and each owner of thereof shall be considered an “**Owner**” under the Declaration.

2.3 Open Space (OS) D and E1 within the Phase 3B Property shall each be considered part of the “**Common Areas**” under the Declaration.

3. Noxious Weed Control. The control of noxious weeds by the Association on those areas for which the Association is responsible and the control of noxious weeds by individual Owners on their respective Lots shall be as set forth and specified under the Montana Noxious Weed Control Act (MCA 7-22-2101 through 7-22-2153) and the rules and regulations of the Gallatin County Weed Department. The Association is responsible for control of state and county declared noxious weeds in the Common Areas (such as Subdivision Parks, Open Spaces, community areas, trails and roadways). Each Owner shall be responsible for the control of the state and county declared noxious weeds on his or her own Lot. Both unimproved and improved Lots shall be managed for noxious weeds. In the event an Owner does not control the noxious weeds on his or her own Lot, after ten (10) days’ notice from the Association, the Association may cause the noxious weeds to be controlled, in which case the cost and expense associated with such weed management shall be assessed against, and a lien on, that Lot.

4. Miscellaneous. In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration Annexation shall prevail with respect to the Phase 3B Property.

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 11 day of September 2017.

DECLARANT:

NORTON PROPERTIES LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 11th day of September, 2017, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon limited liability company, on behalf of the company.



[Signature]
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 11/5/19

[Signatures continue on the following page]

NORTON RANCH LLC,
an Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 11th day of September, 2017, by Kevin Spencer, the Manager of NORTON RANCH LLC, an Oregon limited liability company, on behalf of the company.



[Signature]
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 11/5/19

Return To:
Security Title Company
P.O. Box 6550
Bozeman, MT 59771-6550

After Recording, Return To:

Norton Ranch Properties, LLC
63026 NE Lower Meadow Drive, Suite 230
Bend, Oregon 97701

2611134

Page: 1 of 4 04/16/2018 04:00:50 PM Fee: \$38.00
Charlotte Mills - Gallatin County, MT MISC



Accommodation Recording Only
STC# 67018

**AMENDMENT TO SIXTH DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS AMENDMENT TO SIXTH DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Amendment**") is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS:

A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.

B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the Official Records of Gallatin County, Montana.

C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on May 12, 2014, as Document No. 2480710 in the Official Records of Gallatin County, Montana.

D. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Third Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 1, 2015, as Document No. 2516323 in the Official Records of Gallatin County, Montana.

E. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fifth Declaration of Annexation to Amended and Restated

Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 7, 2017, as Document No. 2584745 in the Official Records of Gallatin County, Montana.

F. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch (the "Sixth Declaration") recorded on March 30, 2018, as Document No. 2609707 in the Official Records of Gallatin County, Montana, which annexed the following described real property (the "**Phase 3B Property**") into the Subdivision:

Lots 1 through 6, Block 5; Lots 1 through 12, Block 6; Lots 1 through 6, Block 7; Lots 2 through 7, Block 8; Park 1A, Park 2, Park 3A; and Open Space (OS) D and E1, as shown on the final plat of *Norton East Ranch Subdivision, Phase 3B*, filed for record in the Official Records of Gallatin County, Montana.

G. Declarant owns all of the Phase 3B Property and desires to amend the Sixth Declaration to subject the Phase 3B Property to additional restrictions applicable exclusively to the Phase 3B Property pursuant to its reserved rights under Article II Section 2 of the Declaration.

NOW, THEREFORE, Declarant hereby amends the Sixth Declaration as follows:

1. Defined Terms. Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2. Restrictive Covenants. The Phase 3B Property shall be subject to the following restrictive covenants which shall be in addition to those set forth in the Declaration.

2.1 Notwithstanding anything in Article III Section 2D or any other provision of the Declaration to the contrary, all roofs shall be clad with black asphalt 25-year shingles, all exposed rafter tails shall be constructed of a minimum 2"x6" dimension fascia board, and the fascia board on gables shall be a minimum dimension of 1"x8".

2.2 Notwithstanding anything in Article III Section 3 or any other provision of the Declaration to the contrary, single family residential houses shall be a minimum of 1,500 square feet in area, excluding garages or outbuildings.

2.3 Notwithstanding anything in Article III Section 3 or any other provision of the Declaration to the contrary, all garages shall be attached and shall be a minimum area of 484 square feet in area or the minimum area required by the City of Bozeman if greater.

3. Miscellaneous. In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Amendment shall prevail with respect to the Phase 3B Property.

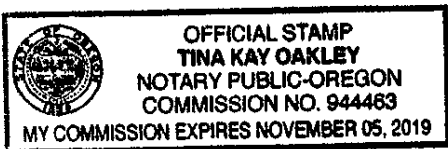
NORTON RANCH HOMESLLC,
an Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 12th day of April,
2018, by Kevin Spencer, the Manager of NORTON RANCH HOMES LLC, an Oregon limited
liability company, on behalf of the company.



[Signature]
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 11/5/19

2679242

Page: 1 of 12 04/22/2020 12:22:15 PM Fee: \$94.00
Eric Semerad - Gallatin County, MT MISC



After Recording, Return To:

Norton Ranch Homes, LLC
63026 NE Lower Meadow Drive Suite 230
Bend, Oregon 97701

**SEVENTH DECLARATION OF ANNEXATION
TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS SEVENTH DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Declaration of Annexation**") is made effective as of the date of its recording in the Official Records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS:

- A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document Number 2399078 in the Official Records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document Number 2382592 in the Official Records of Gallatin County, Montana.
- B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the Official Records of Gallatin County, Montana.
- C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on May 12, 2014, as Document No. 2480710 in the Official Records of Gallatin County, Montana.
- D. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Third Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 1, 2015, as Document No. 2516323 in the Official Records of Gallatin County, Montana.
- E. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fourth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 8, 2015, as Document No. 2516922 in the Official Records of Gallatin County, Montana.

F. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fifth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on July 7, 2017, as Document No. 2584745 in the Official Records of Gallatin County, Montana.

G. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on March 30, 2018, as Document No. 2609707 in the Official Records of Gallatin County, Montana.

H. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Amendment to the Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on April 16, 2018, as Document No. 2611134 in the Official Records of Gallatin County, Montana.

I. Norton Properties LLC is the current owner of the following described real property (the "**Additional Property**"):

Lots 1 through 4, Block 11; Lots 1 through 9, Block 12; Lots 1 through 3, Block 13; Lots 1 and 2, Block 14, and Park, Block 15 as shown on the final plat of *Norton East Ranch Subdivision, Phase 4*, recorded on April 22, 2020, as Document Number 2679237 in the Official Records of Gallatin County, Montana.

J. Declarant desires to annex the Additional Property into the Subdivision pursuant to its reserved rights under Section 13.1 of the Declaration, on terms and conditions more particularly set forth herein.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Section 13.1 of the Declaration:

1. Defined Terms. Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2. Annexation.

2.1 The Additional Property is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the terms of the Declaration. The Additional Property shall be considered part of the "**Property**" under the Declaration and the plat for the Additional Property shall be considered a "**Plat**" under the Declaration.

2.2 Lots 1, 2, 3, and 4, Block 11; Lots 1 through 9, Block 12; Lots 1, 2, and 3, Block 13; and Lots 1 and 2, Block 14; within the Additional Property shall each be considered a "**Lot**" under the Declaration, and each owner of thereof shall be considered an "**Owner**" under the Declaration.

2.3 Lots 1, 2, 3, and 4, Block 11; Lots 1, 2, and 3, Block 13; and Lots 1 and 2, Block 14 within the Additional Property shall each be considered a Future Development Lot.

2 - Seventh Declaration of Annexation

2.4 Open Space (OS) D3 and G1 and Park land in Block 15 within the Additional Property shall each be considered part of the "**Common Areas**" under the Declaration.

3. Assessment and Voting. In the event that attached or stacked multifamily Units are constructed on a Future Development Lot, the Base Assessment, Reserve Account Assessment or Special Assessment (except Special Assessments allocated in the same manner as Specific Assessments) levied against that Future Development Lot will be calculated as follows: Fifty percent (50%) of the Base Assessment, Reserve Account Assessment or Special Assessment (except Special Assessments allocated in the same manner as Specific Assessments) levied against a Lot with a single Unit, times the number of Units on that Future Development Lot. In the event that a development intended and approved for one or more uses other than residential use is constructed on a Future Development Lot within the Additional Property, such Future Development Lot shall be assessed the greater of (a) the assessment calculated using the formula in the preceding sentence with each separately demisable interior space intended and approved for non-residential use (whether used by the Owner or leased to a third-party, hereafter referred to as a "Non-Residential Unit") deemed to be a Unit for purposes of such assessment, or (b) \$800 times the number of acres (or fraction thereof) per year. Beginning on January 1, 2020, the \$800 per acre minimum annual assessment shall be increased annually on January 1 of each year by the annual increase in the Consumer Price Index (all items, all urban consumers, U.S. city average) published by the United States Department of Labor Bureau of Labor Statistics (or comparable index of inflation selected by the Board if such index is unavailable) for December of the immediately preceding year, beginning January 1, 2020. Any dispute or disagreement concerning what constitutes a Non-Residential Unit for purposes of assessment shall be decided by the Declarant, or after Turnover by the Board, and such determination shall be final and binding. Each Non-Residential Unit shall be deemed to be a Unit for the purpose of voting rights under Section 2.2.

4. Maintenance. By way of clarification, the maintenance obligations of each Owner of a Future Development Lot under Section 6.2 of the Declaration includes, without limitation, responsibility for maintaining, repairing and replacing all buildings, parking areas, drive aisles, driveways, sidewalks, stairs, stoops, landings, light fixtures, play structures and other improvements; maintaining (including watering) all grass, trees and landscaping; and removing snow and ice from all sidewalks (on or adjacent to the Future Development Lot), stairs, stoops, landings, parking areas, drive aisles and driveways.

5. Permitted Uses. Lots 1 through 9, Block 12 within the Additional Property may be developed with one single family home on each Lot, and for no other use without the Declarant's written consent. Each Future Development Lot within the City of Bozeman Residential Office (RO) Zone may be developed with the permitted or conditional uses in the RO Zone as of the date this Declaration of Annexation is recorded, except that the following uses shall not be permitted: manufactured home, bed and breakfast, short term rental, or any other residential use that does not comply with the requirements of Section 11.4 of the Declaration including the 30 day minimum rental or lease period. The prohibition against non-residential use in Section 11.1 (Residential Use) shall not apply to a Non-Residential Unit on a Future Development Lot in the RO Zone, but all other use restrictions in Article 11 of the Declaration applicable to a Unit shall apply to a Non-Residential Unit.

6. Further Amendment. In addition to specific amendment rights granted in the Declaration, Declarant reserves the right to further amend the limitations, uses, restrictions, covenants and conditions with respect to any Future Development Lot within the Additional Land prior to the conveyance of such Future Development Lot to an unaffiliated third party by recording an amendment

of this Declaration of Annexation in the Official Records of Gallatin County, Montana.

7. Restrictions on Patios and Balconies. Balconies and patios must be kept in a clean and orderly manner, free from trash, debris, clutter and other items that, in the opinion of the Association, detract from the general appearance of the building and Subdivision. On any Lot that is developed into attached or stacked multifamily Units in the Additional Land, balconies and patios may not be used for storage (including, but not limited to, the storage of bicycles or boxes) or for hanging clothes, no signs or billboards may be displayed from balconies or patios, and no grilling, cooking or any open flame is permitted on balconies or patios.

8. Noxious Weed Control. The control of noxious weeds by the Association on those areas for which the Association is responsible and the control of noxious weeds by individual Owners on their respective Lots shall be as set forth and specified under the Montana Noxious Weed Control Act (MCA 7-22-2101 through 7-22-2153) and the rules and regulations of the Gallatin County Weed Department. The Association is responsible for control of state and county declared noxious weeds in the Common Areas (such as Subdivision Parks, Open Spaces, community areas, trails and roadways). Each Owner shall be responsible for the control of the state and county declared noxious weeds on his or her own Lot. Both unimproved and improved Lots shall be managed for noxious weeds. In the event an Owner does not control the noxious weeds on his or her own Lot, after ten (10) days' notice from the Association, the Association may cause the noxious weeds to be controlled, in which case the cost and expense associated with such weed management shall be assessed against, and a lien on, that Lot.

9. Drain Tile Inspection and Maintenance. The Association shall perform the following maintenance of the buried 12" perforated PVC drain-tile pipe that is located approximately 15 feet south of the south right-of-way boundary of Fallon Street and discharges to Aajker Creek within a drainage easement described in Document No. 2565013 in the Official Records of Gallatin County, Montana: See attached Appendix A.

10. Miscellaneous. In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration Annexation shall prevail with respect to the Additional Property.

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 14th day of January, 2020.

DECLARANT:

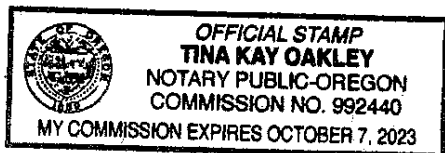
NORTON PROPERTIES LLC,
An Oregon Limited Liability
Company

By: 
Name: Kevin Spencer
Title: Manager

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 14th day of January, 2020, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon limited liability company, on behalf of the company.

Tina Kay Oakley



Print Name:
Notary Public in and for the State of
Oregon
My Commission expires:
10/7/2023

[Signatures continue on the following page]

NORTON RANCH HOMES, LLC,
An Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Manager

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 14th day of January, 2020, by Kevin Spencer, the Manager of NORTON RANCH HOMES, LLC, an Oregon limited liability company, on behalf of the company.

[Signature]
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 10/7/2023

Appendix A

INSPECTION AND MAINTENANCE FOR DRAIN TILE FACILITIES

Drain Tile Facilities:

1. The drain tile consists of 2,485 linear feet of 12" A-2000 PVC pipe. The PVC pipe has perforated and solid wall sections. The pipe is bedded in washed gravel and surrounded by non-woven geotextile fabric.

Semi-Annual Inspection:

1. During periods of high ground water, check outlet for signs of erosion. Ensure that groundwater is allowed to flow freely from the system.

Standard Maintenance:

1. The drain tile is a passive system, requiring minimal maintenance. If indications of erosion are found near the outlet, armor the outlet with Class 1 Rip Rap. Access to the outlet and Aajker Creek is provided via an easement on file at Gallatin County, under Document Number 2579167.

Sediment accumulation:

Sedimentation is not expected within the system. In most cases, sediment does not contain toxins at levels posing a hazardous concern. However, sediments should be tested for toxicants in compliance with current disposal requirements and if land uses in the drainage area include commercial or industrial zones, or if visual or olfactory indications of pollution are noticed. Sediments containing high levels of pollutants should be disposed of in accordance with applicable regulations and the potential sources of contamination should be investigated and contamination practices terminated.

Equipment Type/Access:

The outlet point of the drain tile system is accessible through a public park and the aforementioned easement. An excavator may be required if the outlet is found to have evidence of erosion.

Cost Estimate:

Depending on the amount of rainfall in the given year, the cost to maintain the drain tile infrastructure will vary. It is estimated that the outlet will need to be inspected once or twice a year, with an estimated cost of \$500 to do so. Placement of additional Class 1 Rip Rap has an estimated cost of \$1,500. The costs for the drain tile maintenance and repair will be covered by the standard stormwater maintenance fees associated with the subdivision.

LEGEND

⊙	EXISTING SPOT ELEVATION	⊙	PROPOSED SPOT ELEVATION
☐	EXISTING POWER BOX	⊙	C1.0 COVER SHEET
☐	EXISTING TELEPHONE BOX	⊙	C2.0 DRAIN TILE PLAN & PROFILE
⊙	EXISTING ELECTRIC BOX	⊙	C3.1 DRAIN TILE PLAN & PROFILE
⊙	EXISTING SANITARY SEWER MANHOLE	⊙	C3.2 DRAIN TILE PLAN & PROFILE & DETAILS
⊙	EXISTING FIRE HYDRANT		
⊙	EXISTING WATER VALVE		
⊙	EXISTING CURB STOP		
⊙	EXISTING POWER POLE		
⊙	EXISTING LIGHT POLE		
⊙	GROUNDWATER MONITORING WELL LOCATION		
⊙	PROPOSED SANITARY SEWER MANHOLE		
⊙	PROPOSED SANITARY SEWER CLEANOUT		
⊙	PROPOSED WATER VALVE		
⊙	PROPOSED CURB STOP		
⊙	PROPOSED WATER STOP		
⊙	PROPOSED WATER WELL		
⊙	DRAINAGE DIRECTION		
→	TRAFFIC FLOW		
—	PROPERTY BOUNDARY LINE		
—	SURROUNDING PROPERTY LINE		
—	SETBACK LINE		
—	EXISTING FENCE		
—	EXISTING OVERHEAD ELECTRIC LINE		
—	EXISTING UNDERGROUND ELECTRIC LINE		
—	EXISTING GAS LINE		
—	EXISTING UNDERGROUND PHONE LINE		
—	PROPOSED WATER SERVICE		
—	PROPOSED SANITARY SEWER SERVICE		
—	PROPOSED STORMWATER SERVICE		
—	PROPOSED STORMWATER SMALL		
—	PROPOSED UNDERGROUND ELECTRIC LINE		
—	PROPOSED UNDERGROUND PHONE LINE		
—	PROPOSED CURB AND CUTTER		

DRAWING LIST

- C1.0 COVER SHEET
- C2.0 DRAIN TILE PLAN & PROFILE
- C3.1 DRAIN TILE PLAN & PROFILE
- C3.2 DRAIN TILE PLAN & PROFILE & DETAILS

BENCHMARK

TOP OF HYDRANT ABOVE BOLT (64) CP, #60, CENTER EAST SIDE OF SITE
 ELEVATION = 4806.53 FEET
 (MVD 99 FROM 1925 STDS SOLUTION)

EQUAL DESCRIPTION

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF SECTION 10, T.2S., R.5E., OF P.14M., GALLATIN COUNTY, MONTANA

SPECIFICATIONS

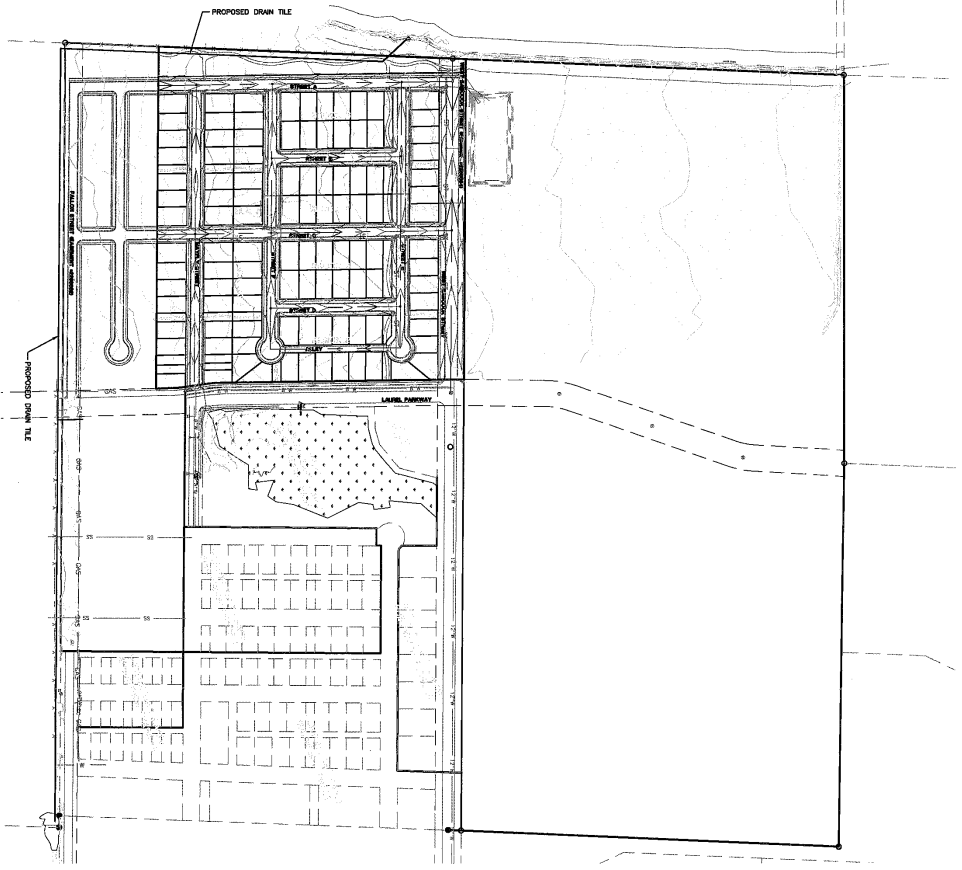
1. ALL CONSTRUCTION SHALL CONFORM TO THE FOLLOWING SPECIFICATIONS WHICH ARE HEREBY INCORPORATED BY REFERENCE TO THE NATIONAL PUBLIC WORKS STANDARD SPECIFICATIONS, SIXTH EDITION (APRIL 2010)
2. CITY OF BOZEMAN MODIFICATIONS TO MFWSS SIXTH EDITION INCLUDING ADDENDUM NO. 1 (AUG 2013)

GENERAL NOTES

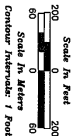
1. NO CHANGE OR MODIFICATION OF THE APPROVED PLANS AND SPECIFICATIONS SHALL BE MADE WITHOUT THE WRITTEN APPROVAL OF THE ENGINEER AND THE CITY OF BOZEMAN ENGINEERING DEPARTMENT.
2. PRIOR TO THE RECONSTRUCTION MEETING, THE CONTRACTOR SHALL SUBMIT TO THE ENGINEER AND THE CITY OF BOZEMAN, WORKING DRAWINGS, SPECIFICATION SHEETS, ETC. FOR ALL EMPLOYEES AND MATERIALS TO BE USED ON THE PROJECT AND MATERIALS ALL FOR BE APPROVED BY THE ENGINEER AND THE CITY OF BOZEMAN.
3. THE CONTRACTOR SHALL VERIFY THE LOCATION OF ALL BURIED UTILITIES PRIOR TO THE BEGINNING OF CONSTRUCTION.
4. THE ENGINEER AND THE CITY OF BOZEMAN SHALL BE NOTIFIED AT LEAST 24 HOURS PRIOR TO BEGINNING CONSTRUCTION.
5. TRENCH BACKFILL SHALL BE TYPE A FOR ALL AREAS TO BE PAVED.
6. SITE WORK TO BE PERFORMED ACCORDING TO THE RECOMMENDATIONS OBTAINED IN THE GEOTECHNICAL INVESTIGATION REPORT PREPARED BY CDR ENGINEERING, DATED MARCH 2012.
7. THE CONTRACTOR IS SOLELY RESPONSIBLE FOR ENSURING THAT THE PROJECT MEETS ALL OSHA EMPLOYER AND ANY SITE INSPECTION WORK PERFORMED BY THE ENGINEER.
8. PROPOSED GAS, ELECTRICAL AND COMMUNICATION LINE LOCATIONS ARE APPROXIMATE FINAL SERVICE LINE LOCATIONS ARE TO BE COORDINATED WITH SERVICE PROVIDER AT THE TIME OF APPLICATION FOR SERVICE.



WATER AND SEWER NOTES

1. USE JOINT RESTRAINT AT ALL REDUCERS, TEES, BENDS AND VALVES AS SPECIFIED IN JOINT RESTRAINT TABLE.

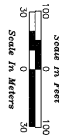
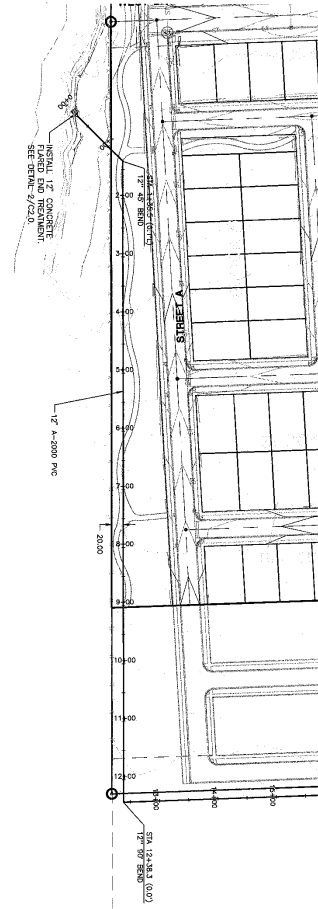


1 OVERALL SITE
 SCALE 1"=50'

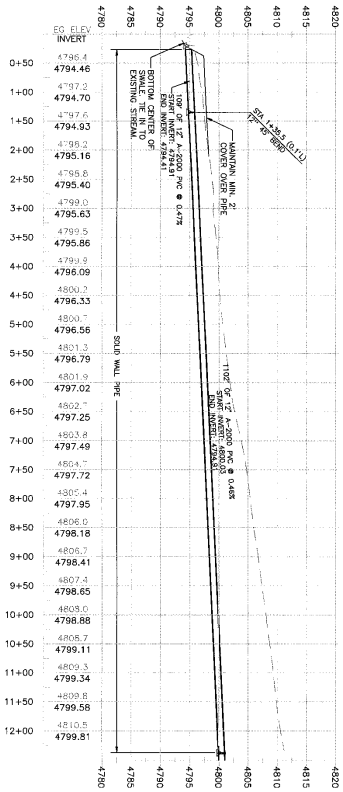


<p>C1.0</p>	<p>NORTON RANCH DRAIN TILE DESIGN BOZEMAN, MONTANA</p>	<p>COVER SHEET</p>	<p>DESIGN: CH DATE: 04/18/2016</p>	 <p>Engineering and Surveying Inc. 1021 Bonbridge Drive • Bozeman, MT 59718 Phone: (406) 582-1111 • Fax: (406) 561-9786 www.ch-engineers.com • info@ch-engineers.com</p>	<p>Sheet 1 of 4</p> 
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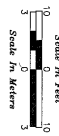
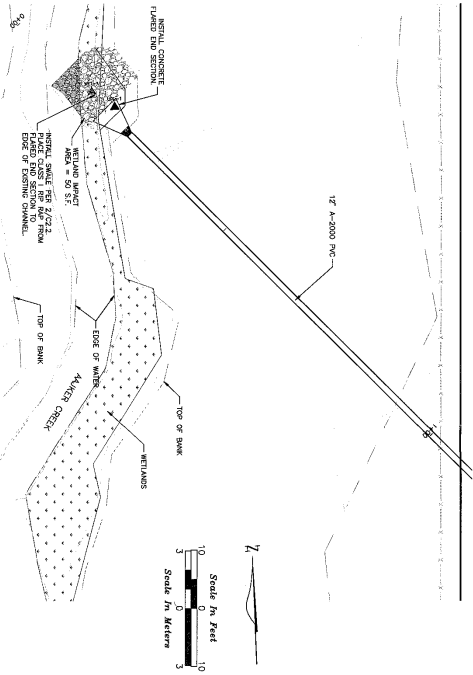
#16033



1 DRAIN TILE PLAN AND PROFILE
 C2.0 SCALE 1"=50' HORIZONTAL, 1"=5' VERTICAL



2 DRAIN TILE OUTLET DETAIL
 C2.0 SCALE 1"=10'



#16033

C2.0

Issue Date: 07/19/2016

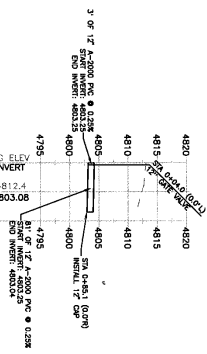
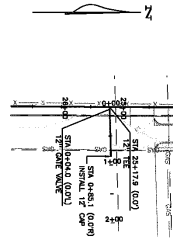
NORTON RANCH
 DRAIN TILE DESIGN
 BOZEMAN, MONTANA

DRAIN TILE PLAN &
 PROFILE

C&H
 Engineering and Surveying Inc.
 1281 Sunnyside Drive • Bozeman, MT 59716
 Phone (406) 587-1115 • Fax (406) 587-8786
 www.chengraders.com • info@chengraders.com

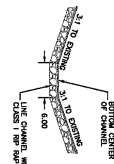
Sheet 2 of 4

AMBER A. CHANDLER
 No. 59163
 MONTANA
 PROFESSIONAL ENGINEER AND SURVEYOR

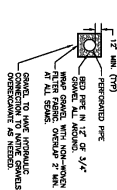


EAST OUTLET (STA 0+00 TO 1+00)

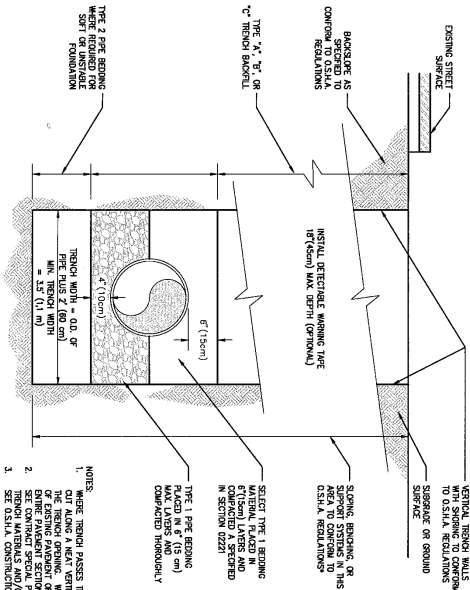
1 **DRAIN TILE PLAN AND PROFILE**
SCALE: 1"=50' HORIZONTAL, 1"=5' VERTICAL



2 **CHANNEL CROSS SECTION**
SCALE: 1"=5'



3 **PERFORATED PIPE INSTALLATION DETAIL**
SCALE: 1"=5'



4 **SOLID WALL PIPE TRENCH DETAIL**
SCALE: 1"=5'

- NOTES:
- WHERE TRENCH PASSES THROUGH EXISTING PAVEMENT THE PAVEMENT SHALL BE CUT ALONG A NEARLY VERTICAL LINE A MINIMUM OF 12" (30cm) FROM THE EDGE OF EXISTING PAVEMENT ON CURB AND ON OTHER SIDE. REMOVE AND REPLACE THE PAVEMENT SECTION BETWEEN TRENCH AND EDGE OF PAVEMENT WITH NEW PAVEMENT. REPAIR AND FINISH THE PAVEMENT TO MATCH EXISTING PAVEMENT. SEE LOCAL CONSTRUCTION STANDARDS FOR EXPANSIONS.
 - TRENCH SHALL BE 12" (30cm) WIDE AT ALL POINTS.
 - SEE LOCAL CONSTRUCTION STANDARDS FOR EXPANSIONS.

#18033

C2.2

Issue Date: 07/18/2018

**NORTON RANCH
DRAIN TILE DESIGN
BOZEMAN, MONTANA**

**DRAIN TILE PLAN &
PROFILE & DETAILS**

Sheet 4 of 4

After recording, return to:

Norton Ranch Homes, LLC
63026 NE Lower Meadow Drive Suite 230
Bend, Oregon 97701

2794885

Page 1 of 21 01/27/2023 10:22:59 AM Fee: \$178.00
Eric Semerad - Gallatin County, MT MISC



**EIGHTH DECLARATION OF ANNEXATION TO AMENDED AND
RESTATED DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS EIGHTH DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (the "**Declaration of Annexation**") is made effective as of the date of its recording in the official records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS

- A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document No. 2399078 in the official records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document No. 2382592 in the official records of Gallatin County, Montana.
- B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the official records of Gallatin County, Montana.
- C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded May 12, 2014, as Document No. 2480710 in the official records of Gallatin County, Montana.
- D. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Third Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 1, 2015, as Document No. 2516323 in the official records of Gallatin County, Montana.
- E. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fourth Declaration of Annexation to Amended and Restated

Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 8, 2015, as Document No. 2516922 in the official records of Gallatin County, Montana.

F. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fifth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 7, 2017, as Document No. 2584745 in the official records of Gallatin County, Montana.

G. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded March 30, 2018, as Document No. 2609707 in the official records of Gallatin County, Montana.

H. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Amendment to the Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded April 16, 2018, as Document No. 2611134 in the official records of Gallatin County, Montana.

I. Norton Properties LLC is the current owner of the following described real property (the "**Additional Property**"):

PHASE 5A

That part of Lot R5, NORTON EAST RANCH SUBDIVISION, PHASE 6, City of Bozeman, [Plat J-694], according to the plat thereof, on file and of record in the office of the Clerk and Recorder, Gallatin County, Montana, described as follows:

Beginning at the southwest corner of said Lot R5; thence northerly $002^{\circ}27'31''$, assumed azimuth from north, 530.31 feet along the west line of said Lot RS; thence easterly $090^{\circ}20'37''$ azimuth 50.03 feet; thence northerly $002^{\circ}27'31''$ azimuth 65.04 feet; thence easterly $090^{\circ}20'37''$ azimuth 60.04 feet; thence easterly $090^{\circ}20'37''$ azimuth 205.19 feet; thence easterly $089^{\circ}23'49''$ azimuth 60.53 feet; thence easterly $090^{\circ}20'37''$ azimuth 212.70 feet; thence easterly $087^{\circ}49'21''$ azimuth 62.04 feet; thence easterly $090^{\circ}20'37''$ azimuth 103.27 feet; thence southerly $192^{\circ}34'14''$ azimuth 70.32 feet; thence southerly $199^{\circ}43'08''$ azimuth 63.60 feet; thence southerly $180^{\circ}20'37''$ azimuth 65.00 feet; thence westerly $270^{\circ}20'37''$ azimuth 5.99 feet; thence southerly $188^{\circ}07'56''$ azimuth 55.82 feet; thence southerly $180^{\circ}50'01''$ azimuth 349.65 feet; thence westerly $270^{\circ}20'37''$ azimuth 723.18 feet along the south line of said Lot R5 to the point of beginning.

Area= 427,735 square feet, 9.8194 acres or 39,737.9 square meters

PHASE 5B

That part of Lot R5, NORTON EAST RANCH SUBDIVISION, PHASE 6, City of Bozeman, [Plat J-694], according to the plat thereof, on file and of record in the office of the Clerk and Recorder, Gallatin County, Montana, described as follows: Beginning at the northwest corner of said Lot RS; thence easterly $089^{\circ}56'33''$, assumed azimuth from north, 770.24

feet along the north line of said Lot R5; thence southerly 179°56'33" azimuth 146.79 feet; thence southerly 178°23'03" azimuth 74.76 feet; thence southerly 182°32'59" azimuth 317.59 feet; thence southerly 190°39'41" azimuth 51.20 feet; thence southerly 192°34'14" azimuth 115.91 feet; thence westerly 270°20'37" azimuth 103.27 feet; thence westerly 267°49'21" azimuth 62.04 feet; thence westerly 270°20'37" azimuth 212.70 feet; thence westerly 269°23'49" azimuth 60.53 feet; thence westerly 270°20'37" azimuth 205.19 feet; thence westerly 270°20'37" azimuth 60.04 feet; thence southerly 182°27'31" azimuth 65.04 feet; thence westerly 270°20'37" azimuth 50.03 feet; thence northerly 002°27'31" azimuth 766.36 feet along the west line of said Lot R5 to the point of beginning.

Area= 548,640 square feet, 12.5950 acres or 50,970.3 square meters

J. Declarant desires to annex the Additional Property into the Subdivision pursuant to its reserved rights under Section 13.1 of the Declaration, on terms and conditions more particularly set forth herein.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Section 13.1 of the Declaration:

1. Defined Terms. Any capitalized term not defined in this Declaration of Annexation shall have the meaning ascribed to such term in the Declaration.

2. Annexation.

2.1 The Additional Property is hereby annexed into the Subdivision and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to the terms of the Declaration. The Additional Property shall be considered part of the "**Property**" under the Declaration and the plat for the Additional Property shall be considered a "**Plat**" under the Declaration.

2.2 Each Lot within Phases 5B shall be considered a "**Lot**" under the Declaration, and each owner thereof shall be considered an "**Owner**" under the Declaration.

3. Assessment and Voting. In the event that attached or stacked multifamily Units are constructed on a Lot, the Base Assessment, Reserve Account Assessment, or Special Assessment (except Special Assessments allocated in the same manner as Specific Assessments) levied against that Lot will be calculated as follows: Fifty percent (50%) of the Base Assessment, Reserve Account Assessment, or Special Assessment (except Special Assessments allocated in the same manner as Specific Assessments) levied against a Lot with a single Unit, times the number of Units on that Lot. In the event that a development intended and approved for one or more uses other than residential use is constructed on a Lot within the Additional Property, such Lot shall be assessed the greater of (a) the assessment calculated using the formula in the preceding sentence with each separately devisable interior space intended and approved for non-residential use (whether used by the Owner or leased to a third party, hereafter referred to as a "Non-Residential Unit") deemed to be a Unit for purposes of such assessment, or (b) \$800 times the number of acres (or fraction thereof) per year. Beginning on January 1, 2020, the \$800 per acre minimum annual assessment shall be increased annually on January 1 of each year by the annual increase in the Consumer Price Index (all items, all urban consumers, U.S. city average) published by the United States Department of Labor Bureau of Labor Statistics (or

comparable index of inflation selected by the Board if such index is unavailable) for December of the immediately preceding year. Any dispute or disagreement concerning what constitutes a Non-Residential Unit for purposes of assessment shall be decided by the Declarant, or after Turnover by the Board, and such determination shall be final and binding. Each Non-Residential Unit shall be deemed to be a Unit for the purpose of voting rights under Section 2.2.

4. Maintenance. By way of clarification, the maintenance obligations of each Owner of a Lot under section 6.2 of the Declaration includes, without limitation, responsibility for maintaining, repairing, and replacing all buildings, parking areas, drive aisles, driveways, sidewalks, stairs, stoops, landings, light fixtures, play structures, and other improvements; maintaining (including watering) all grass, trees, and landscaping; and removing snow and ice from all sidewalks (on or adjacent to the Lot), stairs, stoops, landings, parking areas, drive aisles, and driveways.

5. Permitted Uses. The remaining Lots within the Additional Property may be developed in a manner consistent with the underlying City of Bozeman Zoning. The City of Bozeman is a party to the permitted uses provision provided in this Eighth Declaration of Annexation to the Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch and must be notified of any further amendment to these permitted uses.

6. Further Amendment. In addition to specific amendment rights granted in the Declaration, Declarant reserves the right to further amend the limitations, uses, restrictions, covenants, and conditions with respect to any Lot within the Additional Land prior to the conveyance of such Lot to an unaffiliated third party by recording an amendment of this Declaration of Annexation in the official records of Gallatin County, Montana.

7. Noxious Weed Control. The control of noxious weeds by the Association on those areas for which the Association is responsible and the control of noxious weeds by individual Owners on their respective Lots shall be as set forth and specified under the Montana Noxious Weed Control Act (MCA 7-22-2101 through 7-22-2153) and the rules and regulations of the Gallatin County Weed Department. The Association is responsible for control of state and county declared noxious weeds in the Common Areas (such as Subdivision Parks, Open Spaces, community areas, trails, and roadways). Each Owner shall be responsible for the control of the state and county declared noxious weeds on their own Lot. Both unimproved and improved Lots shall be managed for noxious weeds. In the event an Owner does not control the noxious weeds on his or her own Lot, after ten (10) days' notice from the Association, the Association may cause the noxious weeds to be controlled, in which case the cost and expense associated with such weed management shall be assessed against, and a lien on, that Lot.

8. Drain Tile Inspection and Maintenance. The Association shall perform maintenance of the buried 12" perforated PVC drain-tile pipe that is located approximately 15 feet south of the right-of-way boundary of Fallon Street and discharges to Aajker Creek within a drainage easement described in Document No. 2565013 in the Official Records of Gallatin County, Montana: See attached Appendix A.

9. Stormwater Maintenance. The Association shall perform maintenance of the stormwater drainage facilities within Norton East Ranch Subdivision, Phase 5: See attached Appendix B.

10. Common Areas. Common area and facility maintenance is provided for under Article 6 of the Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch.

11. Miscellaneous. In the event of a conflict between the terms of the Declaration and the terms of this Declaration of Annexation, the terms of this Declaration of Annexation shall prevail with respect to the Additional Property.

12. Wetland Outflow Pipe Inspection and Maintenance. The Association shall perform maintenance of the buried 30" PVC Wetland Overflow Pipe that drains excess surface runoff from the wetland area located south of Vaughn Drive and east of Gooseberry Drive. The pipe originates to the east of Block 27 of Norton East Ranch Subdivision, Phase SB and runs to the west in the north boulevard of Gooseberry Drive, across Westgate Avenue, and then along the north boundary of the detention pond in Park SB discharging into Aajker Creek within an easement granted by Aajker Creek Properties, LLC. A copy of the easement along with inspection and maintenance instructions for this pipe are provided in Appendix C.

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 20th day of October, 2022.

DECLARANT:

NORTON PROPERTIES LLC,
An Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Manager

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 20th day of October, 2022, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon Limited Liability Company, on behalf of the company.



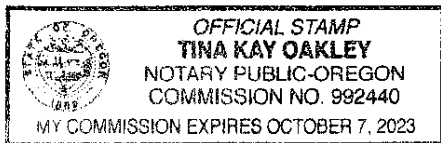
Tina Kay Oakley
Print Name:
Notary Public in and for the State
of Oregon
My Commission expires:
October 7, 2023

NORTON RANCH HOMES LLC,
An Oregon Limited Liability
Company

By: [Signature]
Name: Kevin Spencer
Title: Member

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 20th day of October, 2022, by Kevin Spencer, the Manager of NORTON RANCH HOMES LLC, an Oregon Limited Liability Company, on behalf of the company.



Tina Kay Oakley
Print Name:
Notary Public in and for the State
of Oregon
My Commission expires:
October 7, 2023

APPENDIX A
DRAIN TILE MAINTENANCE PLAN

INSPECTION AND MAINTENANCE FOR DRAIN TILE FACILITIES

Drain Tile Facilities:

1. The drain tile consists of 2,485 linear feet of 12" A-2000 PVC pipe. The PVC pipe has perforated and solid wall sections. The pipe is bedded in washed gravel and surrounded by non-woven geotextile fabric.

Semi-Annual Inspection:

1. During periods of high ground water, check outlet for signs of erosion. Ensure that groundwater is allowed to flow freely from the system.

Standard Maintenance:

1. The drain tile is a passive system, requiring minimal maintenance. If indications of erosion are found near the outlet, armor the outlet with Class 1 Rip Rap. Access to the outlet and Aajker Creek is provided via an easement on file at Gallatin County, under Document Number 2579167.

Sediment accumulation:

Sedimentation is not expected within the system. In most cases, sediment does not contain toxins at levels posing a hazardous concern. However, sediments should be tested for toxicants in compliance with current disposal requirements and if land uses in the drainage area include commercial or industrial zones, or if visual or olfactory indications of pollution are noticed. Sediments containing high levels of pollutants should be disposed of in accordance with applicable regulations and the potential sources of contamination should be investigated and contamination practices terminated.

Equipment Type/Access:

The outlet point of the drain tile system is accessible through a public park and the aforementioned easement. An excavator may be required if the outlet is found to have evidence of erosion.

Cost Estimate:

Depending on the amount of rainfall in the given year, the cost to maintain the drain tile infrastructure will vary. It is estimated that the outlet will need to be inspected once or twice a year, with an estimated cost of \$500 to do so. Placement of additional Class 1 Rip Rap has an estimated cost of \$1,500. The costs for the drain tile maintenance and repair will be covered by the standard stormwater maintenance fees associated with the subdivision.

APPENDIX B
STORMWATER MAINTENANCE PLAN

INSPECTION AND MAINTENANCE FOR STORMWATER MANAGEMENT FACILITIES

The Property Owners Association shall be responsible for the maintenance of the stormwater drainage facilities within Norton East Ranch Subdivision, Phase 5.

Storm Water Facilities:

1. Drainage swales slope toward retention ponds to collect storm water runoff and channel it to the retention ponds.
2. Retention Ponds collect storm water runoff and store the water until it evaporates and/or infiltrates into the ground.

Post Construction Inspection:

1. Observe drain time for a storm event after completion of the facility to confirm that the desired drain time has been obtained. If excessively slow infiltration rates are observed then excavate a minimum 5 ft by 5 ft drain to native gravels (or native well-draining material) and backfill with well-draining material (pit-run).
2. Observe the stormwater drywells and catch basins after installation and clear any material or obstructions in the drainage slots. Inspect the drywells after a storm event to insure proper drainage.
3. Factors responsible for clogging should be repaired immediately.

Semi-Annual Inspection:

1. Check retention ponds and dry wells following three days of dry weather after a storm event exceeding ¼ inch of precipitation. Failure for water to percolate within this time period indicates clogging or poor-draining soils. Replace/repair as necessary.
2. Remove grass clippings, litter, and debris from drainage swales, catch basins, dry wells, and retention ponds. Flush and/or vacuum drywells or stormwater pipes if excessive material is observed in the facilities.

Standard Maintenance:

1. Remove sediment and oil/grease from retention ponds.
2. Inspect and remove debris from drainage swales, catch basins, dry wells, and retention ponds.
3. Monitor health of vegetation and revegetate as necessary to maintain full vegetative cover.
4. Inspect for the following issues: differential accumulation of sediment, drain time, signs of petroleum hydrocarbon contamination (odors, oil sheen in pond water), standing water, trash and debris.

Sediment accumulation:

In most cases, sediment from a retention pond does not contain toxins at levels posing a hazardous concern. However, sediments should be tested for toxicants in compliance with current disposal requirements and if land uses in the drainage area include commercial or industrial zones, or if visual or olfactory indications of pollution are noticed. Sediments containing high levels of pollutants should be disposed of in accordance with applicable regulations and the potential sources of contamination should be investigated and contamination practices terminated.

Wet Detention Basin:

Perform As Needed

1. Remove litter/debris from all components of the WDB.
2. Repair basin inlets, outlets, and all other structural components required for the basin to operate as intended.
3. Repair and revegetate eroded areas.
4. Regularly manage all vegetation along maintenance right-of-ways and the embankment. Remove all clippings.
5. Repair maintenance access routes, if applicable.
6. Inspect the WDB for signs of mosquito larvae during summer months and provide treatment when breeding is found. If available, a local mosquito control service could be used to carry out these inspections.
7. When necessary, drain the WDB during dry periods to prevent the release of untreated water.
8. Inspect the WDB for damage and excessive sediment deposition following large storm events.

Perform Semiannually

1. Trim vegetation for aesthetics and mosquito control. Prevent excessive growth of woody vegetation on or near berms or embankments.
2. Evaluate the health of vegetation and remove and replace any dead or dying plants.

Perform Annually

1. Inspect all components of the WDB in accordance with an approved inspection form according to local jurisdiction requirements. An example inspection form is provided in Appendix F.
2. Open the riser to access and test the valves (if applicable).

Perform Every 1-4 Years

1. Remove sediment from the forebay before it becomes a significant source of pollutants for the remainder of the WDB.

Perform Every 10-20 Years (or as needed)

1. Remove accumulated sediment from the bottom of the wetpool cell to maintain volume and deter algae growth. This typically requires heavy equipment, designated corridors, and considerable expense. Harvesting of vegetation may also be desirable for nutrient removal. When removing vegetation from the pond, take care not to create or leave areas of disturbed soil susceptible to erosion. If removal of vegetation results in disturbed soils, implement proper erosion and sediment control BMPs until vegetative cover is reestablished. Dispose of sediment properly (56).

APPENDIX C
WETLAND OUTFLOW PIPE INSPECTION
AND MAINTENANCE PLAN

INSPECTION AND MAINTENANCE FOR WETLAND OUTFLOW PIPE

Wetland Outflow Pipe Facilities:

1. The Wetland Outflow Pipe consists of approximately 890 linear feet of 30-inch PVC pipe including manholes, the inlet, and the outlet structures.

Wetland Outflow Pipe Inspection:

1. Check pipe periodically for sediment and debris accumulation, and for signs of erosion at the inlet and outlet.
2. Verify that runoff is flowing freely from the system into Aajker Creek.

Wetland Outflow Pipe Maintenance:

1. Sediment accumulation is not expected to be a significant problem. In the event that sediment should be removed from the pipe, the use of a water jet to flush the accumulated sediment to the nearest downstream manhole is recommended. Sediment and other debris then can be removed from the manhole with the use of a vacuum truck. The sediment must be removed from the manhole or outlet structure prior to discharging into Aajker Creek and properly disposed of in accordance with all applicable regulations.
2. If indications of erosion are present near the outlet or inlet, these areas should be reinforced with Class 1 Rip Rap. Access to the outlet is provided by an easement from Aajker Creek Properties, Inc. included with this appendix. Excavation equipment may be necessary to repair the outlet and inlet if erosion becomes an issue.

Return to: Bozeman City Clerk
P.O. Box 1231
Bozeman, MT 59771-1231

PUBLIC STORMWATER UTILITY EASEMENT AND AGREEMENT

AAJCKER CREEK PROPERTIES, LLC, a Montana limited liability company, with a mailing address of 4700 Gooch Hill Road, Bozeman, MT 59718-9027, the GRANTOR(S), in consideration of \$1.00 and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby grant to City of Bozeman, of 121 North Rouse Avenue, P.O. Box 1230, Bozeman, MT 59771, a Municipal Corporation of the State of Montana, GRANTEE, its successors and assigns, a perpetual easement to lay, construct and maintain, repair and replace stormwater pipelines with the usual services, valves, connections, accessories and appurtenances for the purpose of transmitting stormwater in, through and across a strip of land situated in Gallatin County, Montana, 25 feet wide by 80 feet long to be located on the following described real property:

A strip of land 25 feet in width off the north end of SW 1/4, NW 1/4 of Section 9, Township 2 South, Range 5 East of P.M.M., Gallatin County, Montana. (Deed Reference Doc. No. 2579167).

The easement is the east 80 feet of said property and is more particularly shown and dimensioned on the attached **Exhibit A** which by this reference are made a part hereof.

This grant includes the right of the GRANTEE, its successors, permittees, licensees, and assigns and its and their agents and employees, to enter at all times upon the above-described land by using existing roads or trails or otherwise by a route causing the least damage and inconvenience to the GRANTOR(S) in order to survey and establish the route and location of the easement and the pipeline and to:

- (1) Construct, operate, patrol, repair, substitute, remove, enlarge, replace, and maintain the pipeline, services, connections, accessories and appurtenances;
- (2) Trim, remove, destroy, or otherwise control any trees and brush inside or outside the boundaries of the easement which may, in the opinion of the GRANTEE, interfere or threaten to interfere with or be hazardous to the construction, operation and maintenance of the pipeline;
- (3) Grade the land subject to this easement and extend the cuts and fills of this grading into and on the land adjacent to that which is subject to this easement to the extent GRANTEE may find reasonably necessary; and
- (4) Support the pipeline across ravines and water courses with structures which GRANTEE

deems necessary.

THE GRANTEE AGREES:

- (1) That, in connection with the construction, operating, patrolling, repairing, substituting, removing, enlarging, replacing, and maintaining of said storm sewer pipeline(s), it will repair or replace, at its sole expense, or pay to GRANTOR(S) the reasonable value of any damages to growing crops, existing fences, ditches and other appurtenances of said land that may be disturbed by its operation.
- (2) That, during operations involving excavation, it will remove the topsoil from the trenched area to a depth of one foot, or to the full depth of the topsoil, whichever is less, and stockpile said top soil for replacement over the trench. It will remove from the site any large rocks or surplus excavating material or any debris that may have been exposed by the excavation and remains after backfilling is completed. And, it will leave the finished surface in substantially the same condition as existed prior to the beginning of operations except that the surface of backfilled areas may be mounded sufficiently to prevent the formation of depressions after final settlement has taken place.

THE GRANTOR(S) AGREES:

- (1) At no time will they build, construct, erect or maintain any permanent structure within the boundaries of said easement without the prior written consent of GRANTEE.
- (2) At no time will they modify the finished grade of the land over the pipeline by removal of existing soil or by placement of fill material within the boundaries of said easement without the prior written consent of the GRANTEE.
- (3) That where the subject improvements are not located under improved public or private streets or other provided access, a 12 foot wide all-weather access road may be constructed within the easement where at the City's discretion such access is required for operation and maintenance purposes.
- (4) The GRANTOR(S) warrants that they are lawfully seized and possessed of the real property described above, that they have a lawful right to convey the property, or any part of it, and that they will forever defend the title to this property against the claims of all persons.
- (5) The GRANTEE may peaceably hold and enjoy the rights and privileges herein granted without any interruption by the GRANTOR(S). The terms, covenants and provisions of this easement and agreement shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

DATED this 29 day of September, 2022.

AAJKER CREEK PROPERTIES, LLC, a Montana limited liability company



By: Logan L. Happel, Managing General Partner

STATE OF MONTANA)
) :ss
County of Gallatin)

See Attached CA Notary Certificate 

This instrument was signed or acknowledged before me this _____ day of _____, 2022, by Logan L. Happel, as Managing General Partner of AAJKER CREEK PROPERTIES, LLC, a Montana limited liability company.

(SEAL)

Notary Public for the State of Montana
Printed Name: _____
Residing at _____
My Commission Expires ___/___/202__

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

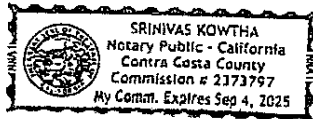
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Contra Costa)
On 09/29/2022 before me, SRINIVAS KOWTHA, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Logan Lewis Happel
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Corporate Officer — Title(s): _____

Partner — Limited General

Partner — Limited General

Individual Attorney in Fact

Individual Attorney in Fact

Trustee Guardian or Conservator

Trustee Guardian or Conservator

Other: _____

Other: _____

Signer Is Representing: _____

Signer Is Representing: _____

DATED this _____ day of _____, 202__.

ACCEPTED - CITY OF BOZEMAN

By: Jeff Mihelich, its City Manager

ATTEST:

By: Mike Maas, its City Clerk

STATE OF MONTANA)
)ss.
County of Gallatin)

On this _____ day of _____, 202__, before me, a Notary Public for the State of Montana, personally appeared Jeff Mihelich and Mike Maas, known to me to be the City Manager and City Clerk, respectively, of the City of Bozeman, and the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same for and on behalf of the City of Bozeman.

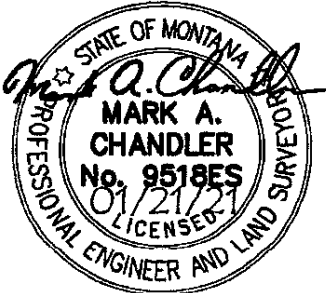
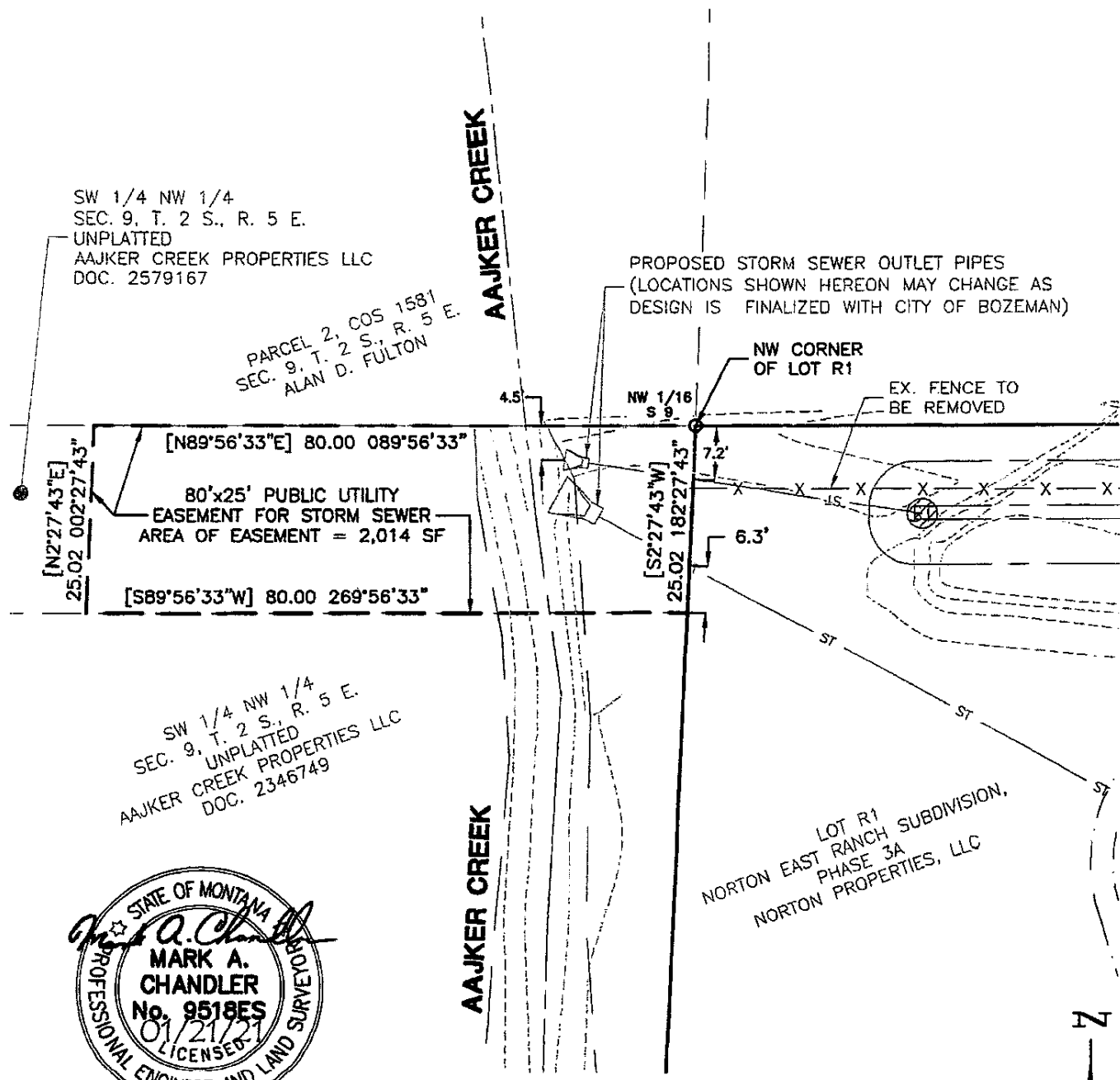
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

(SEAL)

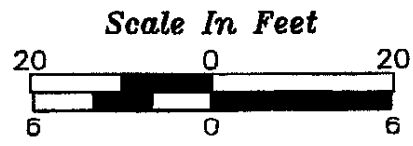
Notary Public for the State of Montana
Printed Name: _____
Residing at _____
My Commission Expires ___/___/20__

EXHIBIT A

PUBLIC STORMWATER UTILITY EASEMENT



Engineering and Surveying Inc.
 1091 Stoneridge Drive • Bozeman, MT 59718
 Phone (406) 587-1115 • Fax (406) 587-9788
 www.chengineers.com • info@chengineers.com



Contour Intervals: 1 Foot

Please return to:
Security Title Company
600 South 19th
Bozeman, MT 59718

After recording, return to:

Accommodation Recording Only
STC# G-2023

Norton Ranch Homes, LLC
63026 NE Lower Meadow Drive Suite 230
Bend, Oregon 97701

**AMENDMENT TO EIGHTH DECLARATION OF ANNEXATION TO
AMENDED AND RESTATED DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH**

THIS AMENDMENT TO EIGHTH DECLARATION OF ANNEXATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (this "**Amendment**") is made effective as of the date of its recording in the official records for Gallatin County, Montana, by NORTON PROPERTIES LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "**Declarant**").

RECITALS

- A. Declarant created a residential subdivision known as *Norton Ranch* (the "**Subdivision**") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document No. 2399078 in the official records of Gallatin County, Montana (the "**Declaration**"); and (b) that certain plat of *Norton East Ranch Subdivision Phase 1* on February 16, 2011, as Document No. 2382592 in the official records of Gallatin County, Montana.
- B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the official records of Gallatin County, Montana.
- C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded May 12, 2014, as Document No. 2480710 in the official records of Gallatin County, Montana.
- D. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Third Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 1, 2015, as Document No. 2516323 in the official records of Gallatin County, Montana.
- E. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fourth Declaration of Annexation to Amended and Restated

Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 8, 2015, as Document No. 2516922 in the official records of Gallatin County, Montana.

F. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fifth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 7, 2017, as Document No. 2584745 in the official records of Gallatin County, Montana.

G. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded March 30, 2018, as Document No. 2609707 in the official records of Gallatin County, Montana.

H. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Amendment to the Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded April 16, 2018, as Document No. 2611134 in the official records of Gallatin County, Montana.

I. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Eighth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch dated October 20, 2022, and recorded January 27, 2023, as Document No. 2794885 in the official records of Gallatin County, Montana (the "Eight Declaration").

J. Declarant owns all of the Lots annexed to the Subdivision pursuant to the Eight Declaration and desires to amend the Eight Declaration to clarify that each Lot in both Phase 5A and Phase 5B of the Additional Property (as defined in the Eighth Declaration) are considered a "Lot" under the Declaration, and each owner there if shall be considered an "Owner" under the Declaration.

NOW, THEREFORE, Declarant hereby amends the Eighth Declaration as follows:

1. Amendment. Declarant hereby amends and restates Section 2.2 of the Eighth Declaration in its entirety as follows:

2.2 Each Lot within Phases 5A and 5B shall be considered a "Lot" under the Declaration, and each owner thereof shall be considered an "Owner" under the Declaration.

2. Effect of Amendment. The Eighth Declaration shall remain in full force and effect as amended by this Amendment.

IN WITNESS WHEREOF, Declarant has executed and delivered this Declaration of Annexation as of the 19 day of July, 2023.

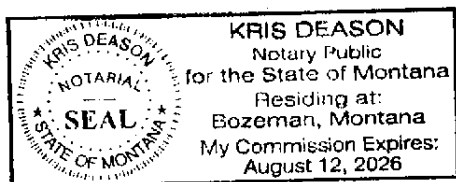
DECLARANT:

NORTON PROPERTIES LLC,
An Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Manager

to 7/19/2023
STATE OF OREGON Montana)
County of ~~Deschutes~~ Gallatin) ss.

The foregoing instrument was acknowledged before me this 19 day of July, 2023, by Kevin Spencer, the Manager of NORTON PROPERTIES LLC, an Oregon Limited Liability Company, on behalf of the company.



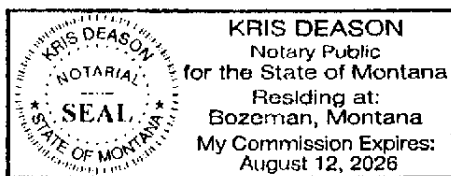
[Signature]
Print Name:
Notary Public in and for the State of Oregon
My Commission expires:

NORTON RANCH HOMES LLC,
An Oregon Limited Liability Company

By: [Signature]
Name: Kevin Spencer
Title: Member

to 7/19/2023
STATE OF OREGON Montana)
County of ~~Deschutes~~ Gallatin) ss.

The foregoing instrument was acknowledged before me this 19 day of July, 2023, by Kevin Spencer, the Manager of NORTON RANCH HOMES LLC, an Oregon Limited Liability Company, on behalf of the company.



[Signature]
Print Name:
Notary Public in and for the State of Oregon
My Commission expires:

After recording, return to:
Griffith & Associates, PC
PO Box 160748
Big Sky, MT 59716

NINTH DECLARATION TO AMENDED AND RESTATED
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS
AND RESTRICTIONS FOR NORTON RANCH

THIS NINTH DECLARATION TO AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTON RANCH (the "Ninth Declaration") is made effective as of the date of its recording in the official records for Gallatin County, Montana, by NORTON PROPERTIES, LLC, an Oregon limited liability company, and NORTON RANCH HOMES, LLC, an Oregon limited liability company (individually and collectively, the "Declarant"), NORTON RANCH COMMUNITY ASSOCIATION, a Montana nonprofit corporation, and FALLON FIRST, LLC, a Delaware limited liability company.

RECITALS

A. Declarant created a residential subdivision known as Norton Ranch (the "Subdivision") by recording (a) that certain Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch on October 14, 2011, as Document No. 2399078 in the official records of Gallatin County, Montana (the "Declaration"); and (b) that certain plat of Norton East Ranch Subdivision Phase 1 on February 16, 2011, as Document No. 2382592 in the official records of Gallatin County, Montana.

B. Declarant expanded the Subdivision by annexing additional property into the Subdivision in that certain First Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded on June 27, 2013, as Document No. 2453826 in the official records of Gallatin County, Montana.

C. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Second Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded May 12, 2014, as Document No. 2480710 in the official records of Gallatin County, Montana.

D. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Third Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 1, 2015, as Document No. 2516323 in the official records of Gallatin County, Montana.

E. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fourth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 8, 2015, as Document No. 2516922 in the official records of Gallatin County, Montana.

F. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Fifth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded July 7, 2017, as Document No. 2584745 in the official records of Gallatin County, Montana.

G. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Sixth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded March 30, 2018, as Document No. 2609707 in the official records of Gallatin County, Montana.

H. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Amendment to the Seventh Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded April 16, 2018, as Document No. 2611134 in the official records of Gallatin County, Montana.

I. Declarant further expanded the Subdivision by annexing additional property into the Subdivision in that certain Amendment to the Eighth Declaration of Annexation to Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Norton Ranch recorded January 2, 2023, as Document No. 2794885 in the official records of Gallatin County, Montana.

J. In the Seventh Declaration, Norton Properties LLC, submitted the following property to the Declaration (the "Property"):

Lots 1, 2 and 3 of Block 13 and Lots 1 and 2 of Block 14, Norton East Ranch Subdivision Phase 4, Gallatin County, MT [Plat No J-668]

K. Declarant has sold the Property to Fallon First, LLC.

L. Laurel Parkway, LLC is the owner of the real property immediately south of the Property and has established its own HOA, Urban Farms Subdivision with its own set of protective covenants, and Fallon First, LLC desires to remove the Property from the Declaration and subject the Property to the Urban Farms Subdivision protective covenants.

M. Declarant and Fallon First, LLC desire to remove the Property from Declaration pursuant to Declarant's reserved rights under Section 13.3 of the Declaration, on terms and conditions more particularly set forth herein.

NOW, THEREFORE, Declarant hereby declares the following pursuant to its reserved rights under Section 13.3 of the Declaration:

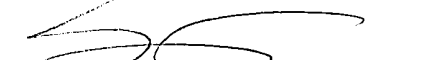
1. Removal.

1.1 The Property is hereby removed from the Declaration. The Declaration, including all amendments, no longer apply to the Property. The only set of protective covenants that apply to the Property are those that will be filed by Laurel Parkway, LLC for Urban Farms Subdivision and any amendments filed hereafter.

1.2 From and after removal of the Property from the Declaration the Norton Ranch Community Association and Declarant shall have no obligation to maintain, repair or replace any improvements or landscaping located on, in or under common area or easements abutting the Property, including but not limited to the Drantile Maintenance Easement and Common Open Space D3, both as shown on the Final Plat of Norton East Ranch Subdivision Phase 4, Gallatin County, Montana [Plat no J-668] and the sidewalks abutting the Property (collectively, the "Common Area Improvements"). Fallon First LLC, on behalf of itself and its successors and assigns, agrees to maintain, repair and replace the Common Area Improvements, and to indemnify, defend, protect, and hold harmless Norton Ranch Community Association and Declarant from and against any and all losses, liabilities, claims, costs, and expenses (including reasonable attorney fees) arising out of or in any way related to Fallon First, LLC's failure to maintain, repair or replace the Common Area Improvements, or arising out of the use of the Common Area Improvements by Fallon First, LLC or its agents, employees, contractors, customers, or invitees, successors and assigns from and after the date of this Ninth Declaration.

DATED: This 4 day of Feb, 2024

Fallon First, LLC



By: Fallon First Holdings, LLC

Its: Sole Member

By: Outlaw Real Estate Partners, LLC

Its: Manager

By: Eric Ladd, Manager
Its: Manager

Fallon First, LLC

A handwritten signature in black ink, appearing to read "Mike Magrans", is written over a horizontal line.

By: Fallon First Holdings, LLC

Its: Sole Member

By: Outlaw Real Estate Partners, LLC

Its: Manager

By: Mike Magrans

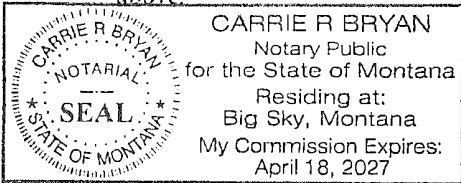
Its: Manager

STATE of Montana)
County of Mallatin)

:ss.

On this 4th day of February, 2025, before me, a Notary Public in and for said State, personally appeared Eric Ladd and Mike Magrans, as Managers of Outlaw Real Estate Partners, LLC, a Delaware limited liability company, Manager of Fallon First Holdings, LLC, a Delaware limited liability company, the Sole Member of Fallon First, LLC, a Delaware Limited Liability Company and acknowledged to me that they executed the same on behalf of the corporation pursuant to the power and authority vested in them.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal the day and year written above.



A large, stylized handwritten signature in black ink, appearing to read "Carrie R. Bryan".

Carrie R. Bryan (print name)
Notary Public for the State of Montana
Residing at Big Sky, MT, 59716
My Commission Expires: April 18, 2027
(mm/dd/yyyy)

(SEAL)

Norton Ranch Community Association

[Signature]
By: Kevin Spencer
Its: Sole Director

Norton Properties, LLC

[Signature]
By: Kevin Spencer
Its: Manager

Norton Ranch Homes, LLC

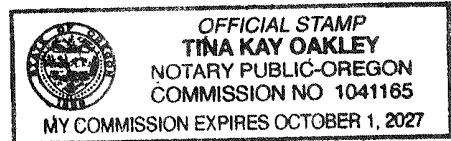
[Signature]
By: Kevin Spencer
Its: Member
STATE OF OREGON)

County of Deschutes)

)
) ss.
)

The foregoing instrument was acknowledged before me this 26th day of December, 2024, by Kevin Spencer, the Sole Director of the NORTON RANCH COMMUNITY ASSOCIATION, a Montana nonprofit corporation, on behalf of the corporation.

[Signature]
Notary Signature
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 10/1/2027



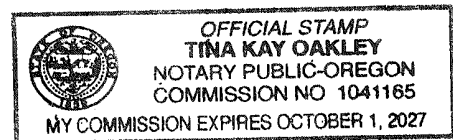
STATE OF OREGON)

County of Deschutes)

)
) ss.
)

The foregoing instrument was acknowledged before me this 26th day of December, 2024, by Kevin Spencer, the Manager of NORTON PROPERTIES, LLC, an Oregon limited liability company, on behalf of the company.

[Signature]
Notary Signature
Print Name: Tina Kay Oakley
Notary Public in and for the State of Oregon
My Commission expires: 10/1/2027



STATE OF OREGON)
) ss.
County of Deschutes)

⁴ The foregoing instrument was acknowledged before me this 26th day of December, 202~~3~~, by Kevin Spencer, the Member of NORTON RANCH HOMES, LLC, an Oregon limited liability company, on behalf of the company.

Tina Kay Oakley

Notary Signature

Print Name: Tina Kay Oakley

Notary Public in and for the State of Oregon

My Commission expires: 10/1/2027

