

After recording, please return to:
WH Willson 16, LLC
21080 Centre Pointe Parkway
Santa Clarita CA 91350

2653830

Page: 1 of 18 08/08/2019 03:18:43 PM Fee: \$126.00
Eric Semerad - Gallatin County, MT MISC



DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR 16
WILLSON TOWNHOUSE DEVELOPMENT AND BYLAWS FOR 16 WILLSON
TOWNHOUSE OWNERS ASSOCIATION, INC.

WH WILLSON 16, LLC, a California limited liability company ("Declarant") hereby declares the following Protective Covenants and Restrictions regarding the following described real property:

Lots 1A, 2A, 3A, 4A, 5A, 6A, 7A, 8A, 9A, 10A, 11A, 12A, 13A, 14A, 15A and 16A of the Amended Plat of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and in 16 in Block 5 of Beall's Third Addition to the City of Bozeman together with 8-1/2 feet adjoining the East Side of said Lots, located in the NW $\frac{1}{4}$ of Section 7, Township 2 South, Range 6 East, P.M.M., City of Bozeman, Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder of Gallatin County, Montana [Plat Reference: C44-H]("the Property")

The following Bylaws of the 16 Willson Townhouse Owners Association, Inc. a Montana nonprofit mutual benefit corporation, were also adopted by the Declarant and the Board of Directors of the 16 Willson Townhouse Owners Association, Inc.

ARTICLE I
DEFINITIONS

16 Willson Townhouse Development. The Property and all associated improvements.

Association or 16 Willson Townhouse Owners Association, Inc. The 16 Willson Townhouse Owners Association, Inc., a Montana nonprofit mutual benefit corporation, which is all of the Lot Owners acting as a group and in accordance with these duly adopted Bylaws and this Declaration.

Board of Directors or Board. The body responsible for administration of the Association serving as the board of directors under Montana law.

Bylaws. The Bylaws adopted by the Association as set forth in Article III herein.

Common Areas. The sidewalk running parallel to (and providing access therefrom) North Willson Avenue and any other area designated as common by this Declaration or on the Plat.

Common Expenses. All maintenance, repair, and replacement costs designated herein as common to all Lots.

Declarant. WH WILLSON 16, LLC, a California limited liability company, and its designated successors and/or assigns.

Front Yard. An open space extending across the full width of a Lot between the permitted front building line and the front Lot line.

Lot or Lots. A parcel of real property subject to this instrument.

Lot Owner or Lot Owners. One or more persons who hold the record title to any Lot, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Lot is sold under a contract for sale, the purchaser (rather than the fee owner) will be considered the Lot Owner.

Member. A person entitled to membership in the Association.

The Property. The real property described in the first paragraph of page 1.

ARTICLE II PROTECTIVE COVENANTS AND RESTRICTIONS

A. PURPOSE OF COVENANTS; RUN WITH THE LAND

These Protective Covenants and Restrictions are adopted for the benefit, convenience, and enjoyment of the Lot Owners. It is the purpose of these Protective Covenants and Restrictions to preserve and protect the quality of the Property and to preserve and protect the interests and investment of the individual Lot Owners. These Protective Covenants and Restrictions shall attach to and run with the land and shall constitute an equitable servitude upon the Property and every part of it, including all titles, interest and estates as may be held, conveyed, owned, claimed, devised, encumbered, used, occupied and improved. These Protective Covenants and Restrictions are declared for the benefit of the entire Property and every part of it and for the benefit of each Lot Owner. They shall constitute benefits and burdens to Declarant and to all persons or entities hereafter acquiring any interest in the Property.

B. COMPLIANCE WITH LAWS, ZONING ORDINANCES, AND REGULATIONS

No unlawful use shall be made of the Property nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed and followed. All Lot Owners and prospective purchasers are advised to investigate and examine all applicable zoning ordinances. Where the provisions of any valid law, zoning ordinance and regulation of any governmental bodies having jurisdiction is in conflict with these Protective Covenants and Restrictions, the more restrictive shall control.

C. GENERAL DESIGN STANDARDS AND RESTRICTIONS

Section 1. Design Review. No structure or other improvement (including fencing) shall be built, commenced, erected, or located upon the Property, nor shall any exterior

addition to or change or alteration thereto be made (including exterior painting), by any Lot Owner (other than the Declarant), until the plans and specifications showing the nature, and shape, height, materials, color and location of the same shall have been submitted to and approved in writing by the Board of Directors of the Association. The Board may also adopt and amend Design Review Guidelines consistent with these Covenants governing the design of improvements to be located on the Property. The Design Review provisions of this Section shall not apply to any Lot owned by the Declarant.

Section 2. Design Approval Process. In addition to compliance with the provisions of these Covenants and the Design Review Guidelines (if any), the Board shall consider the proposed improvement's quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, and finish grade elevation, among other matters. In the event the Board fails to approve or disapprove a properly submitted application within sixty (60) days, approval will not be required and this Section will be deemed to have been fully complied with, provided that plans and specifications that contain inaccurate or missing data or information when submitted shall not be deemed to be approved notwithstanding the foregoing. The reasons for any disapproval (or for approval with conditions) will be set forth by the Board in writing. If an application has been denied, or the approval is subject to conditions that the Lot Owner feels are unacceptable, the Lot Owner may request a hearing before the Board to justify the Lot Owner's position. The Board will hold such hearing within thirty (30) days of written request of the Lot Owner. The Board will consider the arguments and facts presented by the Lot Owner and notify the Lot Owner of its final decision within ten (10) days of the hearing. Approval granted by the Board for any plans shall be effective for a period of twelve (12) months. Approval shall lapse if the Lot Owner has not completed work within twelve (12) months from the date of approval.

Section 3. No Liability. Approval by the Board neither represents, nor shall the Board offer any opinion as to whether plans and specifications conform to building codes or state and local regulatory requirements. Approval does not include examination for errors or omissions. Neither the Board, the Association, Declarant nor any member of the foregoing shall bear any responsibility for ensuring structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Board, the Association, Declarant nor any member of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Lot.

Section 4. Fencing. All fence construction within the entire Property shall be of uniform style and material as determined by the Association. Before constructing any fence, the Lot Owner shall first obtain, in writing: (1) any permit or approval necessary from the City of Bozeman; and (2) the Association's approval. Chainlink fence is specifically prohibited. All fences shall be constructed so that the finished side faces outward. The Lot Owner shall, at his or her sole expense, be responsible for maintaining the fence in a good and slightly condition at all times, including (but not limited to) staining the fence on a regular schedule as determined by the Board. In the event the Lot Owner does not perform the required maintenance within thirty (30) days of written demand from the Association, the Association may (but is not required to) perform such maintenance and charge the cost thereof plus ten percent (10%) to the Lot as an assessment, which shall immediately become due and payable. Approval of fencing by the Association does not represent any opinion of the Association as to whether such fencing conforms to building codes or local regulatory requirements. The Association shall not bear any responsibility for ensuring structural integrity or soundness of fencing.

Section 5. Exterior Lighting. Downlighting is required for all exterior lighting, and all lights shall be shielded to prevent glare. Lot Owners are encouraged to consult the International Dark-Sky Association (<http://www.darksky.org>) standards for all outdoor lighting. Large outdoor lights such as "barn lights", "shop lights" or mercury vapor lights that illuminate large portions of a Lot are not permitted.

D. MAINTENANCE

The Association shall maintain and keep in good repair the Common Areas to the extent not maintained by the City of Bozeman. The Association shall be responsible for snow removal from the Common Areas to the extent not performed by the City of Bozeman. The Association shall also be responsible for landscaping and lawn maintenance for the Front Yards. Repairs of Common Areas shall be performed on an "as needed" basis as determined by the Board. Expenses for repair and maintenance shall be paid by the Treasurer of the Association from Association funds received as assessments consistent with this Declaration. In order to implement maintenance resolutions and repairs, the President shall employ any personnel reasonably necessary to properly effect said maintenance.

E. USE

Section 1. Residential Use. All Lots within the Subdivision shall be used only for residential purposes. No Lot shall ever be occupied or used for any commercial or business purpose except for a home occupation that is incidental and secondary to the residential use of the Lot. Home occupations are permissible so long as: there is no on-site employment of any employee who is not also a full-time resident of the Lot; no generation of customer, vendor, or delivery traffic greater than five (5) total round-trip vehicle trips per day; and the home occupation is consistent with the residential use of the Lot.

Section 2. General Maintenance Obligation. Lot Owners shall maintain their Lots and improvements in good repair and appearance at all times. For any portion of the Lots not maintained by the Association, all landscaping improvements and property shall be kept and maintained in good, clean, safe, sound, attractive, thriving and sightly condition and in good repair at all times.

Section 3. Garbage. No garbage, trash, unsightly debris, or waste shall be collected and/or permitted by a Lot owner to accumulate on any Lot or in any road adjacent thereto, but shall be promptly and efficiently disposed of, by a garbage service.

Section 4. Junk Vehicles. No junk or unregistered vehicles shall be allowed upon the Property. A junk vehicle is one which cannot be driven away under its own power. Any expense incurred by the Association in connection with the towing of any vehicle shall be paid to the Association upon demand by the owner of the vehicle and any amounts unpaid shall be a lien upon the Owner's Lot and the Association may enforce collection of said lien in the same manner provided for in this Declaration for the collection of assessments.

Section 5. Recreational Vehicles and Equipment. All campers, trailers, motorhomes, boats, and all other recreational equipment and the like shall be stored within an enclosed garage and shall not be stored in the open on any Lot or any other portion of the Property and shall not be parked for more than twelve (12) hours on any roadway adjacent to the Property.

Section 6. Signs. No signs, billboards, posters, displays, advertisements, or similar structures shall be permitted on the Property except as approved in writing by the Association and in accordance with local laws and regulations then in effect. Standard "For Sale" and "For Rent" no greater than six (6) square feet and located on the Lot for sale or rent are permitted without advance approval. All residences shall have address numbers that are visible and legible from the public roadway.

Section 7. Exterior Elements and Decorations. Lot Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of a building, and no sign, awning, canopy, radio or television antenna shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior written consent of the Association. Seasonal decorations that are promptly removed after the season and reasonable name plates or identification signs for individual residences are allowed.

Section 8. Nuisances Prohibited. No nuisances shall be allowed upon the Property nor shall any use or practice be allowed which is a source of annoyance to Lot Owners or which interferes with the peaceful possession and proper use of the Property by its residents. No offensive or unlawful use shall be made of the Property nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

Section 9. Animals. No animals of any kind shall be raised, bred, or kept on any Lot, except that no more than a total of three (3) household pets may be kept subject to rules and regulations from time to time adopted or amended by the Association. All dogs must be kept on a leash or otherwise confined while on the Property. Notwithstanding the foregoing, no dogs shall be kept in outside kennels or tethered on a lead outside. Additionally, Lot Owners, their tenants, and any guests, shall be responsible for the immediate clean-up of any pet waste and the repair of any damage caused by pets to any Lots or the Common Areas. Any pet which bites another animal or a human upon the premises shall be immediately and permanently removed unless it can be shown by clear and convincing evidence, as determined by the Board, that the animal was unreasonably provoked into such action. For purposes of the foregoing sentence, any animal which is restrained in some reasonable fashion but is approached by another animal or human shall be presumed to be the non-aggressor. Failure of a Lot Owner to adhere to pet regulations and requirements shall be grounds for the Association and other Lot Owners to maintain a nuisance action to remove the offending pet(s). The Association shall have the authority to ban certain breeds of dogs or individual dogs from the Property, provided that such actions are based upon objective criteria related to aggressive tendencies of the breed or individual dogs. In the event that a Lot Owner leases his or her Lot to a person who has pets, the Lot Owner shall be responsible for the enforcement of the pet restrictions and rules, and any fines imposed shall be a charge against the Lot, for which the Association may obtain satisfaction in the same manner as if the Lot Owner failed to pay an assessment imposed against the Lot.

F. EASEMENTS

Section 1. Maintenance Easements. There is hereby reserved a perpetual easement across each Lot for the Association to maintain the Common Areas and Front Yards.

Section 2. Utility Easements. A non-exclusive easement is hereby reserved and

granted across each Lot for the benefit of each Lot and the Association for the inspection, installation, maintenance, replacement and repair of utility lines, gas lines, meters, water lines, sewer lines, and mechanical equipment for the use of all of the Lot Owners or the Lot Owners being serviced by such lines and/or equipment, and said utility easements are located where the existing utilities and facilities are currently located on the Property and as more particularly described on Exhibit A attached to that certain Utility Easement recorded January 16, 2019 as Document No. 2636140 in the office of the Clerk and Recorder of Gallatin County, Montana. Ingress and egress for the purpose of inspection, installation, maintenance, replacement or repair of such easement rights shall only be done under the direction and approval and with the authority of the Association unless an emergency exists in which event any action may reasonably be taken which is justified under the circumstances to minimize damage which would otherwise occur as a consequence of such emergency.

G. COMMON WALL

A common wall exists, or shall exist, common to the townhouses constructed on Lot 1 and Lot 2. Said wall is on the South property line of Lot 1 and on the North property line of Lot 2. Said wall shall be a party wall and the owners of said Lot 1 and Lot 2 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 2 and Lot 3. Said wall is on the South property line of Lot 2 and on the North property line of Lot 3. Said wall shall be a party wall and the owners of said Lot 2 and Lot 3 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 3 and Lot 4. Said wall is on the South property line of Lot 3 and on the North property line of Lot 4. Said wall shall be a party wall and the owners of said Lot 3 and Lot 4 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 4 and Lot 5. Said wall is on the South property line of Lot 4 and on the North property line of Lot 5. Said wall shall be a party wall and the owners of said Lot 4 and Lot 5 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 5 and Lot 6. Said wall is on the South property line of Lot 5 and on the North property line of Lot 6. Said wall shall be a party wall and the owners of said Lot 5 and Lot 6 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 6 and Lot 7. Said wall is on the South property line of Lot 6 and on the North property line of Lot 7. Said wall shall be a party wall and the owners of said Lot 6 and Lot 7 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 7 and Lot 8. Said wall is on the South property line of Lot 7 and on the North property line of Lot 8. Said wall shall be a party wall and the owners of said Lot 7 and Lot 8 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 8 and Lot 9. Said wall is on the South property line of Lot 8 and on the North property line of Lot 9. Said wall shall be a party wall and the owners of said Lot 8 and Lot 9 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 9 and Lot 10. Said wall is on the South property line of Lot 9 and on the North property line of Lot 10. Said wall shall be a party wall and the owners of said Lot 9 and Lot 10 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 10 and Lot 11. Said wall is on the South property line of Lot 10 and on the North property line of Lot 11. Said wall shall be a party wall and the owners of said Lot 10 and Lot 11 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 11 and Lot 12. Said wall is on the South property line of Lot 11 and on the North property line of Lot 12. Said wall shall be a party wall and the owners of said Lot 11 and Lot 12 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 12 and Lot 13. Said wall is on the South property line of Lot 12 and on the North property line of Lot 13. Said wall shall be a party wall and the owners of said Lot 12 and Lot 13 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 13 and Lot 14. Said wall is on the South property line of Lot 13 and on the North property line of Lot 14. Said wall shall be a party wall and the owners of said Lot 13 and Lot 14 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 14 and Lot 15. Said wall is on the South property line of Lot 14 and on the North property line of Lot 15. Said wall shall be a party wall and the owners of said Lot 14 and Lot 15 shall have the right to use it jointly and this agreement shall constitute a grant of mutual easement for such purpose.

A common wall exists, or shall exist, common to the townhouses constructed on Lot 15 and Lot 16. Said wall is on the South property line of Lot 15 and on the North property line of Lot 16. Said wall shall be a party wall and the owners of said Lot 15 and Lot 16 shall have the right to use it jointly and this agreement shall constitute a grant of mutual

easement for such purpose.

In the event it is necessary to repair or rebuild any of the above described party walls, each adjacent Lot Owner thereto shall contribute equally to said rebuilding or repair, subject however to the right of any such Lot Owner to call for a larger contribution from the other Lot Owner under any rule of law regarding liability for negligent or willful acts or omissions.

H. ASSESSMENTS

Section 1. Authority and Obligation. The Board shall have the authority to levy assessments on each Lot for Association expenses as the Board may specifically authorize from time to time. No Member may exempt him or herself from liability for assessments by any means. The obligation to pay assessments is a separate and individual covenant on the part of each Lot Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or the 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.

Section 2. Annual Assessments. The Board shall annually prepare a budget covering the estimated Common Expenses during the coming year. The annual assessment shall be levied equally against all Lots regardless of the size of the Lots and shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including reserves and administrative overhead. The Board shall be responsible to adjust the assessment to meet changed needs. If the Board fails for any reason to determine the budget for any year, then until such time as a budget is determined, the budget in effect for the immediately preceding year plus ten percent (10%) shall continue for the current year. Failure of the Board to levy an annual assessment shall not be deemed a waiver, modification, or a release of any Member from the obligation to pay the annual assessment. In such event, each Member shall continue to pay the annual assessment on the same basis as for the last year for which an assessment was made, if any, until a new annual assessment is made, at which time the Association may retroactively assess any shortfalls in collections.

Section 3. Special Assessments. In addition to other authorized assessments, the Association may levy special assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the special assessment is approved.

Section 4. Reserve Fund. The Association shall establish a reserve account for capital expenses. The reserve account established under this section shall be funded by reserve assessments against the Lots in such amount as the Board may approve as a part of the annual Association budget. Any reserve account shall be established in the name of the Association. The Association shall be responsible for administering the account. Assessments paid into the reserve account are the property of the Association and are not refundable to sellers or Lot Owners.

Section 5. Enforcement and Recovery. All assessments shall be a charge upon the land and shall be a continuing lien upon the Lot upon which the assessments are made. Each assessment shall also be a personal obligation of the person who is the owner of the Lot at the time the assessment falls due. Upon delivery to the Lot Owner of the

notice of assessment, the assessment shall be a lien upon the Lot Owner's Lot until paid. The Association may record a notice of the lien with the Clerk and Recorder of Gallatin County, Montana. In the event of nonpayment within 30 days after recording the notice of the lien, the Association may foreclose the lien in a manner set forth under Montana law for the foreclosure of liens against real property. The Association may also bring an action at law or equity against the persons personally obligated to pay the delinquent assessments. A suit to recover a money judgment for assessments may be maintainable without foreclosing or waiving the lien securing the same.

In the event of action to collect a past due assessment, the Association shall be entitled to recover its costs, the maximum interest allowable by law, and its reasonable attorney's fees in addition to the amount of the past due assessment. The Association may bid for the Lot at a foreclosure sale and acquire, hold, lease, mortgage, and convey the Lot. While a Lot is owned by the Association following foreclosure, no right to vote shall be exercised on its behalf and no assessment shall be levied on it.

The sale, transfer, or encumbrance of any Lot shall not affect the assessment lien or the personal liability of the Lot Owner. No sale, transfer or encumbrance shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

I. FINES

The Association, acting through the Board, shall have the authority to levy fines against Lots for any violation of the Covenants set forth herein or for any violation of the rules and regulations duly adopted by the Board. Violations caused by a tenant shall be assessed against the occupied Lot and shall be the responsibility of the Lot Owner. For each violation, the Lot Owner may be fined according to the following fine schedule:

First Offense: \$50.00
Second Offense: \$100.00
Third Offense and More: \$200.00

The fine schedule may be amended by the Board at any duly called meeting. However, the Lot Owners may alter, revoke, or terminate the fine schedule by vote of at least sixty percent (60%) of the Lot votes at any regular or special meeting of the Association. All fines shall be considered final and shall be considered an assessment and a lien against the Lot unless the Lot Owner makes a written appeal to the Board within five (5) business days of receiving the fine and the Board subsequently overturns such fine. The Board shall have thirty (30) days to meet and render its decision regarding the fine, which decision shall be final. All fines may be collected by the Association in the same manner as an assessment as set forth herein. All fines not paid within thirty (30) days shall accrue interest at the then maximum current legal rate of interest per annum on the amount of the fine from the due date thereof.

ARTICLE III - BYLAWS OF 16 WILLSON TOWNHOUSE OWNERS ASSOCIATION, INC.

A. FORMATION

The Declarant has organized an Association of all Lot Owners organized under the

name of 16 Willson Townhouse Owners Association, Inc., as a nonprofit Montana mutual benefit corporation. The Association shall have powers and obligations as set forth in the Articles of Incorporation, the Declaration and these Bylaws for the benefit of the Property and the Members. The Articles of Incorporation of the Association provide for its perpetual existence. In the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of all Lot Owners of the same name. In such event, all of the property, powers, and obligations of the incorporated Association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association, and such vesting shall, thereafter, be confirmed and evidenced by appropriate conveyances and assignments. To the greatest extent possible, any successor unincorporated association shall be governed by the Articles of Incorporation and the Bylaws of the Association as if they had been made to constitute the governing documents of the unincorporated association. The Association shall be governed by a Board of Directors appointed in the manner set forth in these Bylaws.

B. MEMBERSHIP

Section 1. Qualifications. Every Lot Owner shall automatically be a Member of the Association and shall remain a Member until such time as he or she no longer owns a Lot at which point his or her membership in the Association shall automatically cease. Membership shall be appurtenant to and may not be separated from the ownership of a Lot. No person who is not a Lot Owner shall be a Member of the Association.

Section 2. Voting. Members shall be entitled to one (1) vote for each Lot, however, Declarant shall be entitled to four (4) votes for each Lot owned by Declarant. When more than one (1) person holds an interest in any Lot, all such persons shall be Members; however, the vote for such Lot shall be exercised as said Owners among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot except for Lots owned by Declarant. If more than one (1) person seeks to exercise that Lot's vote, the Lot's vote shall be suspended. Members may vote by written proxy or by written ballot. If any Lot Owner fails to pay any assessments, fines or other amounts due to the Association within thirty (30) days after such payment is due or if any Lot Owner violates any other provision of this Declaration or the Board's rules and regulations and such violation is not cured within fifteen (15) days after the Association notifies the Lot Owner of the violation, the Board shall have the right to suspend the vote for such Lot until such time as all payments, including interest and attorney's fees, are brought current, and until any other infractions or violations are corrected to the Board's satisfaction.

Section 3. Quorum. A quorum for the transaction of business at any meeting shall consist of a majority of the total voting interest, but the Members present at any meeting where less than a quorum is present, may adjourn the meeting to a future time. All meetings of the Members shall be presided over by the President, or in his or her absence the Secretary, and shall be conducted in accordance with the most recent version of Robert's Rules of Order.

Section 4. Annual Meeting. The date, time, and place of the annual meeting of the Members and the Board of Directors shall be noticed by a majority of the members of the Board. At such annual meeting, the Members shall appoint the Directors to the Board and conduct such other business as permitted by this Declaration and these Bylaws. A vote may be cast either in person, by proxy, or by written ballot. All proxies shall be in

writing and shall be filed with the secretary, and entered in the minutes of the meeting. No proxy shall be valid after eleven (11) months from the date it was made, unless otherwise provided in the proxy. Notice of the time, place, and description of the items to be considered shall be mailed by the Association to all Members not less than thirty (30) nor more than ninety (90) days in advance of the annual members meeting. A quorum for the transaction of business at any meeting shall consist of a majority of the Lots, but the Members present at any meeting where less than a quorum is present, may adjourn the meeting to a future time. Action may be taken without a meeting if the action is taken by all the Members and the action is evidenced by one or more written consents describing the action taken, signed by all the Members, and delivered to the Association for filing with the Association records. All meetings of the Members shall be presided over by the President, or in his or her absence the Secretary, and shall be conducted in accordance with the most recent version of Robert's Rules of Order. The first annual meeting of the Members shall be the Turnover Meeting as set forth below in Section 6.

Section 5 Special Members Meeting After the Turnover Meeting (as defined below), special meetings of the Members may be called for any purpose at any time by the President of the Association, the Board of Directors, or by a petition signed by not less than owners of forty percent (40%) of the Lots. If a special meeting is called by any person or persons other than the Board of Directors, a written request to notice the meeting, specifying the time of the meeting and the general nature of the business to be transacted, shall be delivered personally or sent by registered mail or facsimile transmission to the Association. The officer receiving the request shall cause notice to be promptly given, personally or by mail to each Member's last known address, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than ten (10) nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice.

Section 6. Turnover Meeting. The Declarant shall call a meeting for the purposes of turning over administrative control of the Association from the Declarant to the Members (the "Turnover Meeting") within ninety (90) days of the date when eighty percent (80%) of the Lots have been conveyed by the Declarant. The Declarant shall give notice of the Turnover Meeting to each Lot Owner in the manner prescribed in this Article. If the Declarant does not call the Turnover Meeting within the required time, any Lot Owner may call the Turnover Meeting by giving notice to the other Lot Owners in the manner prescribed in this Article. The Declarant shall not be responsible for the failure of the Lot Owners to assume control of the Association in accordance with this section. After the Turnover Meeting, the Declarant shall be relieved of any further responsibility for the administration of the Association.

C. BOARD OF DIRECTORS

Section 1. Powers and Duties. The business and affairs of the Association shall be managed by the Board of Directors. The Board is authorized to manage the business of the Association and is authorized to take such actions as shall be necessary and reasonable to carry out the functions and purposes of the Association. Pursuant to the provisions of this Declaration, the Board shall have the power and duty to:

- (1) Prepare an annual budget and levy assessments;
- (2) Adopt rules and regulations;
- (3) Review proposals for development on the Property as set forth in Article II above;

- (4) Call annual and special meetings of the Association and give due notice thereof;
- (5) Enforce provisions of this Declaration and any duly adopted rules and regulations;
- (6) Make provisions for the general management, improvement, repair and maintenance of the Common Areas and landscaping maintenance of the Front Yards;
- (7) Enter into contracts or hire personnel for the management of the affairs of the Association and the maintenance, management, improvement, and repair of the Common Areas;
- (8) Provide a means of hearing grievances of Lot Owners and to respond appropriately thereto;
- (9) Meet at regularly scheduled times and to hold such meetings open to all Lot Owners or their agents;
- (10) Defend in the name of the Association any and all lawsuits wherein the Association is a party defendant;
- (11) Take appropriate legal action to collect delinquent assessments;
- (12) Initiate legal action for purposes other than collection of delinquent assessments if at least 60% of the Lot votes approve;
- (13) Enter into contracts necessary to carry out the duties herein set forth;
- (14) Establish a bank account for the Association and handle Association funds;
- (15) Arrange, keep, maintain and renew insurance for the Association;
- (16) To delegate authority to a Manager for the routine conduct of Association business, however, such authority shall be precisely defined with ultimate authority at all time residing in the Board of Directors; and
- (17) In general, to act for and carry on the administration and affairs of the Association as authorized and prescribed by this Declaration, and to do all those things which are necessary and reasonable in order to carry out the governance and operation of the Property.

Section 2. Number, Selection, Vacancy. There shall be three (3) Directors elected by the Members via non-cumulative voting by majority of the Lot votes. The number of Directors may be expanded by resolution adopted and approved by at least fifty-one percent (51%) of the Lot votes at a meeting duly called for that purpose. Should a vacancy occur on the Board, the Board shall appoint a Member to serve until the next annual or special meeting at which time the Members shall elect a director to fill the vacancy.

Section 3. Annual Board Meetings. The annual meeting of the Board shall be held at a time and place designated by the Board. All meetings of the Board of Directors shall be presided over by the President, or in his or her absence the Secretary, and shall be conducted in accordance with the most recent version of Robert's Rules of Order.

Section 4. Special Board Meeting Special meetings of the Board may be called for any purpose at any time by a notice signed by not less than fifty percent (50%) of the Board members and sent by mail to each Member's last known address specifying the place, time, and date (which shall not be less than 5 nor more than 60 days after the notice is sent) of the meeting and the general nature of the business to be transacted.

Section 5. Quorum and Voting. A quorum for the transaction of business of any meeting of the Board shall consist of a majority of the Board, but in no event less than two (2) members of the Board. At every Board meeting, each director shall be entitled to one vote. Unless otherwise required by Montana law or this Declaration and these Bylaws, the affirmative vote of the majority of the directors present at a duly held meeting at which a

quorum is present shall be the act of the Board and of the Association. A Director may participate in any meeting by means of a conference telephone or similar communication equipment through which all persons participating in the meeting may communicate with the other participants; provided, however, that all participants shall be advised of the communications equipment and the names of the participants in the meeting shall be divulged to all participants. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Section 6. Action Without Meeting. Action may be taken without a Board meeting if the action is taken by all the directors. The action must be evidenced by one or more written consents describing the action taken, signed by all the directors, and delivered to the Association for filing with the Association records.

Section 7. Compensation. No director shall receive any compensation for acting as such. Nothing herein, however, shall be construed to preclude compensation being paid for any services rendered in any other capacity for the Association, whether as employees, independent contractors or otherwise.

D. OFFICERS

Section 1. Selection, Removal, Vacancy. There shall be a President, a Secretary, and a Treasurer elected by and from the Board. An officer may be removed at any time by a majority vote of the Board. Any vacancy shall be filled by the directors until a replacement can be elected at an annual or special meeting. One person may hold multiple offices.

Section 2. Duties of the President. The President shall be the principal executive officer of the Association and, subject to the control of the Board, shall in general supervise and control all the business and affairs of the Association, including the filing of liens for unpaid assessments in accordance with this Declaration and the enforcement of activities of the Association. The President shall preside at all meetings, shall sign all written contracts, deeds, mortgages, bonds or other instruments of the Association which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or this Declaration to some other officer or agent of the Association or shall be required by law to be otherwise signed or executed. The President shall perform all such other duties as are incidental to the office of President; in case of the absence or disability of the President, the presidential duties may be performed by the Secretary.

Section 3. Duties of the Secretary. The Secretary shall issue notice of all meetings and shall: attend and keep the minutes of the same; maintain the names and addresses of all Members; have charge of all Association records and papers; and perform all such other duties as are incidental to the office of Secretary.

Section 4. Duties of Treasurer. The Treasurer shall be the custodian of the Association's monies and securities, shall deposit the same in the Association's name as directed by the Board, and shall keep legal books of account, and shall submit them, together with all vouchers, receipts, records and other papers, to the Board for their examination and approval, as often as they may require, and shall perform all such other duties as may be incidental to this office.

Section 5. Compensation. No officer shall receive any compensation for acting as such. Nothing herein, however, shall be construed to preclude compensation being paid

for any services rendered in any other capacity for the Association, whether as employees, independent contractors or otherwise.

E. NOTICES

Each Member shall register with the Association, a current mailing address and shall promptly notify the Association of any change in said address. All notices, demands, and other communication to any Member shall be sufficient for all purposes if personally served or mailed to the Member at the last mailing address on file with the Association.

F. CONTRACTS, LOANS, AND DEPOSITS

The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless properly authorized by a majority vote of the Board. All funds of the Association not otherwise employed shall be deposited from time to time in such banks, trust companies or other depositories as the directors may select.

G. INDEMNIFICATION

The Association shall indemnify each of its directors, officers, employees or agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by such person by reason of such person having been made or having been threatened to be made a party to a proceeding because said person was or is a director, officer, employee or agent of the Association if said individual conducted him or herself in good faith and reasonably believed that his or her conduct was in the Association's best interests or, in the case of any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The Association may not indemnify a director, officer, employee, or agent if said person is adjudged liable to the Association in an action brought by the Association or if in any action said person has been found to have received improper personal benefit at the expense of the Association. If the Board determines the person qualifies for indemnification under this paragraph, the Association shall advance the expenses reasonably expected to be incurred.

H. RULES AND REGULATIONS

The Association may adopt such additional rules and regulations as shall be reasonable and necessary to carry out its authority and duties under the terms of this Declaration and these Bylaws, provided such rules and regulations are reasonable and consistent with and are in compliance with this Declaration and these Bylaws. Originals of all duly adopted rules and regulations shall be kept by the Secretary and copies thereof shall be provided to each Lot Owner and prospective purchaser of a Lot upon request. In the event of a conflict between any new rule or regulation and this Declaration and these Bylaws (as subsequently amended), the terms of this Declaration and these Bylaws shall control. New rules and regulations may be adopted by:

(1) the affirmative vote of seventy-five percent (75%) of the Lot votes at any duly called meeting of the Association; or

(2) the Board if the proposed rule or regulation is not overturned within 90 days by a vote of seventy percent (75%) of the Lot votes at a duly called meeting of the Association.

ARTICLE IV
ENFORCEMENT

A. STANDING, COSTS, AND ATTORNEY'S FEES

These Protective Covenants and Restrictions may be enforced by the Association, individual Lot Owners, or the Declarant. In the event of violation or threatened violation of any of said Protective Covenants and Restrictions, legal proceedings may be brought in a court of law or equity for injunctive relief and/or damages. In the event of action to enforce said Protective Covenants and Restrictions, the prevailing party shall be entitled to costs and a reasonable attorney's fee.

B. NO WAIVER

The failure by the Declarant or his successors or assigns, the Association, the Board, or any subsequent Lot Owner to enforce these Protective Covenants and Restrictions shall in no event be deemed a waiver or in any way prejudice the right to enforce these Protective Covenants and Restrictions at any time against any person breaching the same or to collect damages for any subsequent breach.

ARTICLE V
AMENDMENT

The provisions of this Declaration and these Bylaws shall remain in effect until amended or terminated. The provisions of this Declaration and these Bylaws, or any portion thereof, may only be amended, terminated or supplemented at any time by the execution of a written document containing the terms of the amendment, supplement or termination of any of the provisions of this Declaration or these Bylaws, duly acknowledged by a Notary Public, and recorded with the office of the Gallatin County Clerk and Recorder, executed by at least seventy-five percent (75%) of the Lot votes. Any right or privilege granted to the Declarant in this instrument may only be amended or deleted with the signed written consent of the Declarant or its designated successors or assigns. So long as Declarant is the owners of at least fifty percent (50%) of the Lots, Declarant may unilaterally amend this instrument for any purpose.

Any or all of the special rights and obligations of the Declarant set forth in this Declaration and these Bylaws may be transferred or assigned to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained in this Declaration and these Bylaws.

ARTICLE VI
MISCELLANEOUS PROVISIONS

A. SEVERABILITY

Invalidation of any provision of this Declaration and these Bylaws, in whole or in part, or any application of a provision of this Declaration and these Bylaws by judgment or court order shall in no way affect other provisions or applications.

B. PERPETUITY

The provisions of this Declaration and these Bylaws shall continue in full force and

effect and shall run with land as legal and equitable servitudes in perpetuity unless amended as set forth herein.

C. MORTGAGEES AND LIENHOLDERS

A breach of any of the foregoing restrictions, covenants, or bylaws shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value upon any Lot or portion of the real property or any improvements thereon. However, these restrictions, covenants, and duly adopted rules, regulations, and guidelines shall be binding upon and inure to the benefit of any subsequent owner who acquired by foreclosure, trustee sale or otherwise, title to any of the Property.

D. APPLICATION

All of the Property shall be subject to the provisions of this Declaration and these Bylaws whether or not there is a reference to the same in a deed or conveyance.

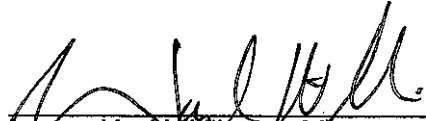
[SIGNATURE ON FOLLOWING PAGE]

DATED this 5 day of August, 2019.

DECLARANT:

WH WILLSON 16,LLC, a California limited liability company, by

WILLIAMS COMMUNITIES, LLC, a California limited liability company, Manager, by



Lance Karl Williams, Manager

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

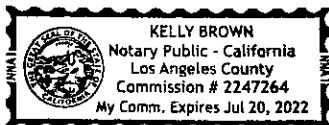
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of LOS ANGELES)
On AUGUST 5, 2019 before me, Kelly Brown, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared LANCE KARL WILLIAMS
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 _____
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: Dec. of CC+RS - WILLSON 16
Document Date: AUG. 5, 2019 Number of Pages: 17
Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer(s)

Signer's Name: LANCE KARL WILLIAMS
 Corporate Officer — Title(s): manager
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____