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DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS FOR COBBLESTONE SUBDIVISION

This Declaration, made on the date hereinafter set forth by **POTTER CLINTON DEVELOPMENT, INC.** a Montana Corporation, hereinafter referred to as "Declarant".

WITNESETH:

WHEREAS, Declarant is the owner of certain property in the County of Gallatin, State of Montana, which is more particularly described as:

The Cobblestone Subdivision located in the N 1/2 of the NE 1/4 of Sec. 4, Township 1 South , Range 4 East, P.M.M., Gallatin County, Montana.

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

ARTICLE I - DEFINITIONS

- Section 1. "Association" shall mean and refer to Cobblestone Homeowners Association, Inc., its successors and assigns.
- Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is part of the properties. Owner shall also include the purchaser under a Contract for Deed.
- Section 3. "Property" or "Properties" shall mean and refer to that certain real property hereinbefore described and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
- Section 4. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision of the properties.
 - Section 5. "Declarant" shall mean and refer to Potter Clinton Development, Inc.



ARTICLE II - MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The term "Directors" shall mean the Directors of the Association and shall consist of three lot owners who shall be elected at the annual meeting by a simple majority of the members of the Association. That Board of Directors shall be elected for a term set by a simple majority of the membership but not less than one year. Each director shall serve until replaced by his successor. Any vacancy in the Board of Directors occurring before the next annual meeting of the members shall be filled by the remaining directors.

Section 3. The Directors shall have the authority to act on behalf of the Association and its members as shall be reasonably necessary to carry out the purposes of the Association and enforce these Covenants. The Directors shall act by majority vote. The officers of the Association shall follow the directions of the majority vote of the Directors.

Section 4. The Directors shall serve as the Architectural Control Committee until and unless a majority of the members vote to have a separate Architectural Control Committee.

Section 5. Directors shall also serve as officers which shall be designated by a simple majority of the members at the annual meeting unless and until a majority of the members vote to have officers elected separate and apart from the directors.

Section 6. The duties of each of the officers shall be as follows:

- a. <u>President</u>. The President shall preside over all meetings of the Association. He shall call the membership together whenever necessary. The President shall be the general administrative and executive officer of the Association. He shall perform such duties as may be specified, and exercise such powers as may be delegated to him by the Association.
- b. <u>Vice President</u>. The Vice President shall exercise the powers of the President in the absence of the President.
- c. <u>Secretary/Treasurer</u>. The Secretary shall give notice of all meetings of the Association. He shall keep a record of the proceedings of the meetings of the Association. He shall be authorized to sign, on behalf of the Association, all records, documents and instruments when such are authorized to be signed by the Association. He shall exercise such other duties as may be designated by the Association.

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The Treasurer shall keep and maintain adequate and correct accounts of the properties and business of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains and losses of the Association. He shall prepare and render such periodic accountings as shall be required of the Association.

Section 7. A vacancy in any office of the Association shall be filled by appointment by the Board of Directors until the next annual meeting or his/her successor is duly appointed or elected.

Section 8. The annual meeting of the Association shall occur within 15 days, before or after, May 1st of each year. Any special meeting may be called by the President, or in his absence, by the Vice President. In addition, a special meeting shall be held upon call of 25% of the owners. Special meetings shall require 48 hours notice, in writing. Notice of annual and special meetings shall be mailed to owners at the address for each owner which is listed as such on the official plats and records of Gallatin County, as maintained by the Clerk and Recorder, Gallatin County, or at such address as shall be designated, in writing, by any owner. The presence of members representing 60% of the total votes of the membership shall constitute a quorum.

Section 9. If proposed action is favored by a majority of the votes cast at a meeting, but such vote is less than the requisite sixty percent (60%) of the members, members who were not present in person or by proxy may give their assent to any action in writing, provided the same is received by the appropriate officer of the Association not later than thirty (30) days from the date of such meeting wherein the action was voted on.

ARTICLE III - HOMEOWNERS ASSOCIATION

The Association, acting through its Board of Directors, shall have the power and authority to take such actions as shall be necessary or reasonable to care for, protect and maintain the roads, easements, boundary fences, drainage easements and common areas; to enforce these Covenants; to collect assessments; to set annual and/or special meetings; and to act in any other matters set forth herein or which may serve the development, including the formation of special improvement districts, either public or private, for such improvements as the Association shall approve.

The Association shall hold an annual meeting each year at such date, place and time as shall be set by the Board of Directors. At the annual meeting, the members shall review and approve a budget for the next year, shall elect Directors to fill any expired term or vacant position, and shall conduct such other business as shall be reasonable or necessary to carry out the purpose of the Association. The members shall have the authority to set the number of Directors, which initial number shall be three.

The annual meeting of the Board of Directors shall be held immediately after the annual meeting of the members. At the annual meeting, the Directors shall elect a President, Vice President and Secretary/Treasurer for the Association from among the Directors, except that the Secretary/Treasurer may be a member who is not a Director.

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For the purpose of determining membership, at any meeting a person(s) or entity(ies) shall be deemed to be a member upon the recording of a duly executed deed to an owner or upon the recording of a Notice of Purchaser's Interest or an Abstract of Contract for Deed showing a contract purchase by an owner. The legal title retained by the vendor selling under contract shall not qualify such vendor for membership.

Foreclosure of a mortgage, trust indenture or the termination or foreclosure of a contract for deed wherein title is vested in the mortgage, beneficiary or original seller on a contract or repossession for any reason of a lot or unit sold under a contract shall terminate the vendee's membership, whereupon all rights to such membership shall vest in the legal owner.

ARTICLE IV - COVENANT FOR MAINTENANCE ASSESSMENT

Section 1. Creation of the Lien for Personal Obligation of Assessments. The Owner of any Lot by acceptance of a Contract of Sale or a deed therefore, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree to pay to the Association (a) annual assessments or charges and (b) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time the assessment fell due.

Section 2. **Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Association.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot in Cobblestone Subdivision to an Owner, the maximum annual assessment shall be \$450.00 per Lot. Notwithstanding any other provision herein, no Lot owned by Declarant shall be subject to annual or other special assessments unless and until such Lot has been sold or transferred to a third party. Thereafter, annual assessments shall be determined by the Board of Directors, provided, however, that from and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may not be increased each year more than ten percent (10%) above the maximum assessment for the previous year without the vote or written assent of sixty percent (60%) of the membership.

The Board of Directors shall create a <u>Septic System Maintenance Fund</u> and a portion of the annual assessment (\$150.00 minimum) shall be deposited in the Maintenance Fund in order to finance the requirements of Article IV, Section 6.

Section 4. Notice of Quorum for any Action Authorized Under Section 3. Any action authorized under Section 3 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than ten (10) days in advance of the meeting.

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Section 5. **Uniform Rate of Assessment.** Both annual and special assessments must be fixed at a uniform rate for all deeded Lots.

Section 6. Septic Tank Maintenance. As part of the annual assessment, the Association shall be allowed to cause each member's individual septic tank and system to be inspected and pumped on a bi-annual basis by a licensed septic system pumping and service contractor selected by the Association. The inspection and pumping costs are to be paid for with a portion of the annual assessment described in Article IV, Section 3. If, during inspection a failure of the system is detected, the Association shall cause the failure to be corrected and the cost of the correction shall be levied against the property on which a septic system has failed. All powers given the Association in Article IV, Sections 1 and 8, apply to any costs levied against a property for the purposes of this section.

Section 7. Date of Commencement of Annual Assessments - Due Dates. The annual assessments provided herein shall be levied on the first day of January following the closing of the sale to an individual Owner. Voting rights attributable to property interest shall not vest until assessments against those interest have been levied by the Association. The first annual assessment for each Lot shall be prorated based on the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each deeded Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on specific Lot have been paid.

Section 8. **Delinquent Dues and Assessments.** After any dues or assessments have been delinquent for a period of two months or more, the Association may mail to the owner a notice of delinquency. After any dues or assessments have been delinquent for a period of four months or more, the Association shall be entitled to file a lien against the owner's property, provided said Association has given notice of delinquency 30 days in advance which shall be filed in accordance with the provisions of Title 71, Chapter 3, M.C.A. The Association shall have all rights and remedies as provided herein.

The Declarant and each Lot Owner, by entry into an agreement to purchase a Lot and taking title to the same, waive the right to protest any special improvement district created and of public record in existence prior in time to Owner receiving title to any Lot. Additionally, Owners are advised that the right to protest the creation of special improvements districts for a future park district and for a district for water and sewer infrastructure access have been waived. In this regard, Owner, prior to taking title to a Lot, is advised to review or seek advice with respect to the public record in the Gallatin County Clerk and Recorder's Office.

Section 9. Water Supply Ownership and Rates. The Association shall own and operate the water main infrastructure located within the boundaries of the Cobblestone Subdivision. The Association shall establish rates and charges and shall bill the members of the Association on a monthly basis. The rate shall be based on actual water usage. The rate shall be approved by the Montana Public Service Commission. The rate shall be based upon and include the following

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components; the cost of purchasing water from the River Rock Water and Sewer District, a repair and replacement reserve, infrastructure debt service, and operational expenses. The rate shall not include a profit calculation.

The water system shall be operated according to an adopted set of Rules and Regulations. The Board of Directors shall adopt the Rules and Regulations and they shall be in effect prior to any monthly water bills being processed. The Rules and Regulations shall not be contrary to State of Montana laws.

Section 10. Regional Waste Water System Connection Reserve. The Association shall maintain a reserve fund equal to \$3,000.00 for each residential lot in the Association for the purpose of connecting the individual lots within the Association to a regional waste water collection and treatment system, if and when one is available. The fund shall be an asset of the Association and shall be invested in an account that will bear interest. The Association may not use the funds in the reserve without the express written approval of the Gallatin County Commission. The fund is to be created upon the transfer of ownership from the Declarant to the first record owner of each lot. The reserve shall not be funded by the annual assessments.

ARTICLE V - SIDEWALKS

Street sidewalks (5' wide), constructed to the attached standards exhibit, shall be installed on both sides of the streets at the time houses are constructed on individual lots. Upon the third anniversary (3 years) of each final plat phase recordation, any Lot Owners, other than the Declarant, who have not constructed their sidewalks shall be required to install sidewalks on their lots, regardless of whether a home is constructed on the Lot or not. In the event that said Lot Owner shall fail to do so, the Association may do so and the cost shall be added to and become a part of the assessment to which such Lot is subject. Entry walks leading directly from the street sidewalk to the front porch/door entry are strongly encouraged. The Architectural Control Committee shall determine in its best judgement whether an entry walk is justified for pedestrian circulation purposes.

ARTICLE VI - MAINTENANCE

Owners are required to establish lawn or other suitable landscaping for their Lot. They shall also mow, irrigate, control noxious weeds and otherwise maintain their Lot so that the landscaping does not detract from the general appearance of the subdivision in the opinion of the Architectural Control Committee. To prevent the potential for groundwater contamination, the amount and type of chemicals applied to yards shall be restricted to acceptable standards.

The irrigation of the yard area shall occur only from the Association owned potable water supply. No Association members may drill a water well on their respective properties for any purpose. Professionally designed underground irrigation systems are required on each lot for the purposes of watering the approved landscaping, including street trees.

In the event that the need for maintenance or repair or weed control is caused through the willful or negligent act of the Owner, his family, guests or invitees, the cost of such maintenance or



repairs shall be added to and become a part of the assessment to which such Lot is subject. For purposes of this Article, maintenance and repair caused by willful acts of the Owners shall include maintenance and repairs required as a result of utility repairs or other actions or contractors or agents of the Owner performed outside the boundary of his Lot.

The covenants and restrictions of this Declaration on exterior maintenance shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association and the Owner of any Lot subject to this Declaration.

ARTICLE VII - UTILITIES

Section 1. Refuse Disposal. No part of the above described property shall be used or maintained as a dumping ground for rubbish, trash or garbage. All waste shall be kept in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and shall comply with all applicable laws and regulations.

Section 2. Easements. At no time will patios, barbecues or other permanent structures be erected upon any utility easement within the exterior boundary of a Lot. Fencing of a permanent nature shall be permitted only if it is of a type that is easily and quickly removed in the form of panels, gates or other similar units of construction.

Section 3. Reservations of Utility Easements. Each Lot in the above-described property shall be subject to an easement for the purposes of constructing, operating, maintaining, enlarging, reducing, removing, laying or relaying lines and related facilities and equipment for utilities including but not limited to those providing heat, communication, electrical power, water, sewer, gas and television. Specifically, the Association or its designated agents shall have access at all times to the required septic tank and drainfield installations. Septic tanks shall be installed with appropriate maintenance access so that no digging must occur to perform routing maintenance. The Architectural Control Committee shall review and approve all septic tank and drainfield locations.

ARTICLE VIII - ARCHITECTURAL CONTROLS

Section 1. Land Use and Building Type. Any housing structure constructed within Cobblestone Subdivision shall be built and used for single-family residential, non-commercial dwellings only.

Section 2. Architectural Control. No buildings, construction, landscaping, parking, fence, wall or other improvements shall be placed, constructed, erected, repaired, restored, reconstructed, altered, remodeled, added to or maintained on any Lot or area until building and site plans and specifications, and such other information as the Committee may reasonably require, including, without being limited to colors, building materials and models, have been submitted to, and approved by a majority of the Architectural Control Committee in writing; nor may the same be

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commenced until the Architectural Control Committee shall have issued a permit allowing such improvements.

Section 3. **Architectural Control Committee**. The Architectural Control Committee may make such reasonable rules and bylaws and adopt such procedures as it deems necessary to carry out its functions, which rules, bylaws and procedures may not be inconsistent with the provisions of these covenants.

The Architectural Control Committee shall require that all construction complies with the provisions of the following standard codes or their amendments:

- (1) Uniform Building Code;
- (2) National Plumbing Code;
- (3) National Electric Code;
- (4) National Fire Protective Association:

The Architectural Control Committee shall have the authority to reject materials, designs submitted with plans, or the plans themselves if they are not compatible with, or are inappropriate for the rest of the subdivision.

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

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

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

The criteria outlined below will be of paramount importance in the review and approval process of house plans by the Architectural Control Committee:

- Highly visible and useable covered front entry porches which provide well accented and weather protected front entry areas.
- Architectural roof lines using dormers and "shed" roofs to visually break up long expanses of roof area.



- Appropriate orientation and colors of garage doors so that the garage is subdued and
 is not the dominant visual feature of the house when viewed from the street.
- Appropriate use of natural "earth-tone" colors with emphasis placed on horizontal siding materials with pleasant and accenting trim colors.

The theming outlined above is not intended to inhibit creative architectural solutions, but is specifically intended to create a friendly rural neighborhood setting.

Section 4. **Temporary Structures, Trailers Forbidden**. No residential structure of a temporary character, residential trailer, basement, tent, shack, garage or any other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently. All structures must be maintained in a reasonable manner to present a neat and attractive exterior appearance.

Section 5. **Minimum Residence Requirements**. All single family dwellings shall have a minimum of 1,400 square feet of floor space together with at least a single-car attached or detached garage. The 1,400 square feet must be at or above grade and is excluding basements, garages, carports, porches, etc. It is the intention of this covenant to insure that all dwellings shall be of a quality workmanship and materials substantially the same as, or better than, other dwellings in the development and conform with Uniform Building Codes. All plans must be approved by the Board of Directors or their assigned representatives and shall include a 1"=20' site plan, scaled elevations and floor plans of all structures. A list of exterior colors and materials shall be submitted.

Section 6. Exterior Siding. The exterior siding of the structure shall consist of wood, wood look-alikes or wood products, brick, stone, stucco or other manufactured exterior good quality materials. However, no sheet or panel metal siding nor cement block siding is allowed. No plywood sheet siding is allowed unless specifically approved as part of an accent.

Section 7. **Roofs of Structures.** The roofs shall be covered with shakes, tiles or shingles which may be wood or asphalt, and no rolled roofing shall be allowed. Exposed aluminum or silver flashing around the chimneys or roof valleys shall not be allowed unless colored, textured or painted to match the roof design and color. Rain gutters are required, provided the same are colored to match the trim or color of the roof. Steel galvanized gutters are not allowed. The main portion of the roof shall have a minimum pitch of 6/12. Further, all structures shall be constructed so that the roof overhang and gable end are a minimum of 12 inches. No bright colored roofs will be allowed such as white or light gray. The use of dormers and shed roofs will be required to create a visual break in long ridge lines. The requirement for this shall be at the discretion of the Architectural Control Committee.

Section 8. Foundation of Structures. All foundations for living structures constructed on the real property which is the subject of this Declaration shall be permanent.

Section 9. Colors of Structures. The exterior colors of the structures shall be earth tones, pastels, white or wood colors. No bright or shiny colors on exterior siding shall be allowed. For example, bright oranges, royal blues, pinks, purples and like bright colors are not allowed.

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"Craftsman" colors such as darker reds and greens are encouraged, however all colors are to be compatible with the balance of the neighborhood. Trim colors shall contrast appropriately with the main body color of the home. Use of wood shingles, stone and other architectural materials to contrast the main body are encouraged.

Section 10. Exterior of Structures. The exterior design, style and colors of each of the outbuilding and structures on a Lot shall conform to the design, style and colors of the residence. Roof fascia trim on any structure constructed on the real property which is the subject of this Declaration shall extend downward on the roof and be visible for at least 6 inches. The building should be a visual combination of forms that does not give a "box" appearance. Breaks in the roof lines and wall lines that add interest to the form and help define the design of the building are encouraged.

Section 11. Entrances. The main entrance to the living structures constructed on the real property which is the subject of this Declaration shall be architecturally defined and enhanced by incorporating an entry porch extending over the entrance denoting a clear sense of arrival. It shall provide weather protection and visual definition. The outer porch shall extend out from the exterior wall of the home at least 6 feet and shall be a minimum of 72 square feet total. The floor shall be constructed of a weather proof wood deck, or concrete, or other wood look-a-like weather proof material. A UBC code approved wooden handrail shall be installed around the entire perimeter, except for an opening to gain access to the front door if the grade of the porch in relation to the finish ground grade requires a handrail. All entry porches must be covered and finished with trimming and colors to match the main portion of the house.

Section 12. Garage Design and Orientation. The attached or detached garages constructed on the homes shall be arranged in a manner that the garage door(s) are approximately perpendicular to the street which the driveway accesses. Consideration shall be given to corner lots. In certain cases where the garage is set back a minimum of 6 feet from the front of the house, the garage doors may be parallel to the street. In no case can the garage doors be the dominant visual feature of the home when viewed from the street that the required front entry porch faces. In cases where the garage is sized to accommodate more than two vehicles, the last ½ of the garage must be set back a minimum of two feet from the front of the remainder of the garage.

Section 13. **Building Height**. The height of all structures erected within the confines of the real property which is the subject of this Declaration shall in no cases be higher than 32'. Building height shall be measured from the ground elevation to the mid-point of the main roof

Section 14. Set Backs, Building Locations. The front yard set back for any dwelling shall be a minimum of 25 feet. The setbacks from the side lot line for any dwelling shall be a minimum of 10 feet. The setback from the rear lot line shall be a minimum of 20 feet. On corner lots, the corner side lot line setback shall be a minimum of 15 feet.

Section 15. Accessory Buildings. All accessory buildings, such as garages and storage buildings, shall be architecturally compatible with the residence on or being constructed on the Lot.

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Section 16. **Fencing.** One type of fencing is allowed on individual lots. The attached standard exhibit details the materials and construction methods to be used. All fencing must adhere strictly to the design. Any alternate fencing style constructed on the premises will be removed by the Association without warning or notice and the cost of removing said fence will be assessed against the violating property owner. Following are additional stipulations regarding fencing that must be adhered to in all cases.

- Fencing cannot exceed six (6) feet in height.
- Fencing cannot be constructed beyond the front of the house.
 - Fencing must be built with 6 × 6 treated posts spaced a maximum of eight (8) feet apart.
 - All Fencing materials must be brown treated posts and rails and cedar slats and must be stained within 3 months of completion. All stains must be either clear, or cedar colored.
 - All Fence posts must be set in concrete back filled holes.
 - The fence must be treated/stained with UV protective coating

It is the intent of this section to grant members of the Association the ability to keep and store employment related items, personal recreational vehicles and pets on their respective lots in a reasonable and screened manner and to ensure quality workmanship and design of the fences. A properly constructed fence according to this section may serve as screening for employment related items, personal recreational vehicles and pets.

Section 17. Antennas and Satellite Dishes. Antennas and satellite dishes are allowed but may not be mounted in a visually dominant way. The Architectural Control Committee shall interpret this section at its discretion. In no case shall a satellite dish exceed 24" in diameter.

Section 18. **Dog Kennels.** Dog kennels are allowed provided they do not exceed 10 feet by 20 feet in size and are located in the rear yards and screened or fenced from the neighbors' direct view. Such kennels are to be kept in a clean and odor free condition at all times.

Section 19. **Entry/Drive Lighting.** Upon construction of each home, a standard light of a design prescribed by the Architectural Control Committee shall be installed by the Owner where the driveway intersects the front property line. The Owner shall be required to provide power and maintenance for the light and the light shall be controlled by a photo-cell type switch.

Section 20. **Street Lighting.** A street lighting district for Cobblestone will be responsible for any other street lighting requirements.

Section 21. **Landscaping**. Landscaping shall be completed by the end of the first growing season after completion of construction of the home. As part of the landscape plan 3 street trees per single family lot are required. The trees shall be Patmore Ash and planted on 20' to 30' centers in the center of the street boulevard. These trees are to be a minimum of 1 1/2" diameter trunk at ground line and 8' in height. The boulevard strip areas between the curb and walk is to be Blue Grass lawn throughout the subdivision. The Blue Grass boulevard lawn areas and Patmore Ash trees

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are to be watered by the contiguous lot owners to assure healthy growth. The boulevard lawn and trees are to be properly maintained, fertilized, and the lawn mowed regularly during the growing season.

Section 22. **Sight Distance at Intersections**. For elimination of traffic hazards and to promote traffic safety, no fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 10 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street corner curbs and a line connecting them at points 40 feet from the property corner. (See detail at end of Covenants)

Section 23. Construction Completion. All improvements, construction, reconstruction, alterations, or remodeling requiring the approval of the Architectural Control Committee must be completed in substantial compliance with the plans and specifications initially approved by the Committee. All such construction must be completed within one (1) year from the date construction is commenced.

Section 24. **Driveway Standards.** All driveways serving property which is the subject of this Declaration shall not exceed 24' in width and shall be constructed according to the attached driveway detail. All driveways shall be constructed of concrete in the area between the required street walk and the curb. All driveways shall be constructed of concrete or asphalt from the required street walk to the garage doors. Driveways leading to structures other than the main living unit may be constructed of 1 ½" minus gravel.

ARTICLE IX - USE RESTRICTIONS

Section 1. No Commercial Use. No commercial or business use, (except for home occupations and hobby-businesses allows in these Covenants), commercial livestock yards or feed lots, wrecking yards, storage yards, stores, gas stations, wholesale or retail outlets or the like shall be allowed on the lots. Domestic gardens for the owner's personal use are allowed. No dumps, commercial dog or cat farms, trash, junk, un-licensed motor vehicles or junked cars or parts shall be allowed or maintained upon the lots or property nor shall any noxious or offensive activities be permitted to be done on said lands which are a nuisance or might become a nuisance to the owner or owners of any of the said described lands. No lot shall be used in any manner or for any purpose which might endanger the health or safety of the residents of any lots within the property. Wood neatly stacked for use in the home fireplace or stove is allowed.

The use of the property for a home occupation or hobby-business may be permitted by the Design Review Committee upon the application of an owner. The home occupation or hobby-business shall be clearly incidental and secondary to the primary use of the lot for residential purposes and shall be limited in location to the inside of a dwelling or outbuilding. The home occupation or hobby-business shall not use or occupy more than twenty-five percent (25%) of the gross floor area of a dwelling, or more than five hundred square feet (500 sq. ft.) of an outbuilding. Measurements of the floor area shall be taken from the inside walls of the dwelling or outbuilding.

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Only a resident of the dwelling may conduct the home occupation or hobby-business in the dwelling or outbuilding. No employee shall be allowed to work on the premises. The home occupation or hobby-business shall not be allowed if there will be materials or equipment stored outside of the buildings, or if there will be excessive traffic to and from the dwelling, if there will be or is excessive noise or pollution, or if the use is not clearly secondary to the use of a residence.

Anyone applying for permission to use the premises for a home occupation shall make application and shall supply the Architectural Control Committee with a description of the home occupation or hobby-business, the proposed location, the square footage area, the extent to which the premises is to be used for the home occupation or hobby-business, samples of what will be made or sold, and such other information as may be required by the Design review Committee as may be necessary or reasonable to allow the Architectural Control Committee to determine if the criteria set forth in these Covenants is being complied with.

Section 2. Animals. Dogs, cats or other household common pets may be kept in reasonable numbers provided they are confined to the Lot of their Owner. Household pets may not be kept, bred or maintained for any commercial purposes. Pets cannot be allowed to become a nuisance or annoyance to neighboring property Owners nor can they be allowed to wander at large or bark uncontrolled. No livestock or poultry shall be allowed.

Section 3. **Storage of Equipment.** No Lot shall be used for the storage of any inoperable vehicle, machinery or equipment. No Lot shall be used for storage of any articles, vehicles, equipment or other personal property of any quantity in excess of the immediate needs and personal use of the Owner of a Lot or the occupants thereof as the case may be.

Section 4. Recreational Equipment. All campers, trailers, motor homes, boats, and all other recreational equipment and the like shall only be parked on the Lot in compliance with the limitations of Sections 3 above. In no event shall such equipment be parked on roads. Such equipment and vehicles must be enclosed in a garage or otherwise screened areas. Screening design must be approved by the Board of Directors. The attached fence design is approved screening for such equipment.

Section 5. Parking. The owner of each Lot shall provide off-street parking for their own vehicles. Walkways and sidewalks shall not be used by motorized vehicles. Street parking is allowed for guests, deliveries or short temporary periods but not overnight parking by residents.

Section 6. Offensive Activity.

- a. No noxious or offensive activity shall be carried on upon any portion of the above described property, nor shall anything be done thereon which may be, or may become, an annoyance to the neighborhood.
- b. No fireworks of any kind may be bought, brought into, discharged or stored on the above-described property.

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No firearms shall be discharged on the above-described property.

Any violation of county ordinances, zoning or other regulations shall be a violation of these covenants and can be enforced by the Association or individual Lot Owners.

Section 7. Irrigation Ditches (Bell-Dunlop Ditch and D.N. Hoffman Ditch). The Owner or Occupant of any Lot shall at all times conduct its use and activities in a manner that will preserve the integrity of waterways within the commonly owned areas including the prevention of any degradation of water quality, any reduction or increase in the flow of said waterways, any damage to the stream bed or banks of said waterways. The Owner or Occupant of any Lot shall not conduct or permit the conduct of the following activities:

- The discharge of any liquid, solid, or gas into waterways;
- b. The use of any fertilizers or herbicides other than those specifically approved by Declarant; or the polluting of waterways; or
- c. Any refuse encouraging activities.

c.

d. Routine maintenance of the irrigation ditches may involve removal of sediments and placement along the ditch bank, which if occurs, said sediment pile removal will be the responsibility of the Cobblestone Property Owner's Association.

Section 8. Signs. No sign of any kind shall be displayed to the public view on any Lot except one sign of not more than ten square feet advertising the property for sale or rent or such signs used by a builder to advertise the property during the construction and sales period. Developer shall be allowed to maintain subdivision information signs until all lots are sold.

Section 9. Mining Operations. No oil or gas drilling, development operations, oil refining, quarrying or mining operations shall be permitted on any Lot.

ARTICLE X - GENERAL PROVISIONS

Section 1. Effects of Covenants on Mortgage. A breach of any of the foregoing provisions, conditions, restrictions or covenants shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value on any Lot, or portion of any Lot, and any improvements thereon, but said provisions, conditions, restrictions and covenants shall be binding upon and effective against any Owner thereof whose title thereto was acquired by foreclosure, trustee sale or otherwise.

Section 2. **Incorporation by Reference.** In any conveyance of the lands covered hereby, it shall be sufficient to insert a provision therein to the effect that the conveyance is subject to the restrictions and covenants contained in this document, without setting forth such restrictions and covenants verbatim or in substance in such conveyance.

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Section 3. **Enforcement.** Enforcement of these covenants shall be by procedure of law or in equity against any person or persons violating or attempting to violate any covenants, and the legal proceedings may be either to restrain the violation of the covenants or to recover damages, or both. Each person who has been found by a court of competent jurisdiction to have violated one or more of these covenants shall be liable for all attorneys' fees and costs incurred in connection with the litigation. The failure of any Owner or Owners of any Lot to enforce any of the restrictions set forth herein shall be personally binding upon any person, persons or corporation, only with respect to breaches committed during its, his or their ownership of or title to any of said tracts and any part thereof.

Section 4. Severability. Invalidation of any of these covenants by a judgment or a court order shall in no way affect any of the other provisions, but they shall remain in full force and effect.

Section 5. Amendment. The covenants and restrictions of this Declaration shall run with an bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by the Owners of not less than sixty percent (60%) of the Lots, each Lot being entitled to one (1) vote. Notwithstanding the above, until 90% of the lots are sold to the initial owner or five years from the date hereof, the Declarant may amend the covenants in their sole discretion.

Section 6. No Waiver. The failure of the Board or its agents to insist, in one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or relinquishment, for the future, of such term, covenant, condition or restriction; but such term, covenant, condition or restriction shall remain in full force and effect. The receipt and acceptance by the Board or its agent of the payment of any assessment from an Owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and duly signed by or on behalf of the Board.

Section 7. Variances. The Architectural Control Committee may allow reasonable variances and adjustments of the foregoing covenants, conditions and restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the covenants contained herein, or to grant variances for the purpose of enhancing or protecting views, utilizing a lot to better advantage, preventing the removal of trees, and enhancing the placement of improvements on the property, provided this may be done in conformity with the intent and purpose thereof, and also provided in every instance that such grants or adjustments shall not be materially detrimental or injurious to other property or improvements in the neighborhood. Notwithstanding the foregoing provision, no variance shall be allowed which has the effect of creating additional lots.

Any variances or adjustments of these conditions, covenants and restrictions granted by the Architectural Control Committee, or any acquiescence or failure to enforce any violation of the conditions and restrictions herein, shall not be deemed to be a waiver of any of the conditions and restrictions in any other instance.

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ARTICLE XI - GALLATIN COUNTY COMMISSION REQUIRED COVENANTS

- A. 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 Control District. The landowner 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 a landowner does not control the noxious weeds, after 10 days notice from the Property Owners Association, the Association may cause the noxious weeds to be controlled. The cost and expense associated with such weed management shall be assessed to the lot and such assessment may become a lien if not paid within thirty (30) days of the mailing of such assessment.
- B. Lot owners and tenants of the subdivision are informed that adjacent uses may be agricultural. Lot owners accept and are aware that standard agricultural and farming practices can result in dust, animal odors, flies, smoke and machinery noise. Standard agricultural practices feature the use of heavy equipment, chemical sprays and the use of machinery early in the morning and sometimes late into the evening.
- C. All fences bordering agricultural lands shall be maintained by the Homeowners in accordance with State Law.
- D. All structures must meet the fire flow requirements as outlined in the current adopted edition of the Uniform Fire Code unless alternative provisions are approved by the Fire Chief.
- E. Site plans of all lots must be submitted for review and approval by the Belgrade Rural Fire District.
- F. A Property Owners Association shall be established and be required to maintain all interior subdivision roads.
- G. The Homeowners Association shall be responsible for the maintenance of all parks within the subdivision.
- H. No lot owner may remove water or cause to be removed water from irrigation ditches without deeded water rights, and before any maintenance or improvements are performed on any of the ditches, the owner of the waterway must give written permission for the work to be done.

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- I. Lot owners accept and are aware that irrigation ditches are hazardous to children.
- J. Any covenant which is included herein as a condition of preliminary plat approval and required by the County Commission may not be amended or revoked without the mutual consent of the owners in accordance with the amendment procedures in these covenants and the governing body of Gallatin County.
- K. A septic monitoring program shall be established, including the provision for fees to provide for inspections by qualified personnel and requirements for having each septic system pumped every two years.
- L. Individual wells are prohibited within the subdivision except for a well that serves the park.

IN WITNESS	WHEREOF,	the undersigned,	being the	Declarant herein,	has hereunto set
its hand and seal the $_$	day of		_, 2001.		

POTTER CLINTON DEVELOPMENT, INC.

Michael E. Potter, President Potter Clinton Development, Inc.

Thomas L. Clinton, Vice President Potter Clinton Development, Inc.

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STATE OF MONTANA) :ss	2216151
County of Gallatin)	Shelley Vance-Gallatin Co MT MISC 148.00
known to me to be the Pre DEVELOPMENT, INC., a same pursuant to the power a	esident and Wyoming (and authority	F, I have hereunto set my hand and affixed my Notarial Seal
as of the day and year first al	Not Res	tary Publicator the State of Montana siding at Bozeman Montana Commission Expires July 31,2007