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**SECOND RESTATEMENT OF  
DECLARATION OF RESTRICTIONS  
FOR  
SUN WEST RANCH  
AND  
REVOCATION OF EARLIER RESTRICTIONS**

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**SECOND RESTATEMENT OF  
DECLARATION OF RESTRICTIONS  
AND  
REVOCATION OF EARLIER RESTRICTIONS**

THIS JOINT DECLARATION OF RESTRICTIONS, made this \_\_\_\_day of \_\_\_\_\_, 2009, by MADISON VALLEY PROPERTIES, INC., a Montana corporation, d/b/a SUN WEST RANCH (hereinafter called "Declarant" or "MVP Declarant"), and by Sun West Ranch Property Owners' Association (SWRPOA), (hereinafter called "Declarant" or "Sun West Declarant");

**WITNESSETH:**

A. This declaration is made by the two entities which own or legally represent the following described properties:

(i) Declarant **MADISON VALLEY PROPERTIES, INC.** is owner of that certain real property situated in Madison County, State of Montana which is more particularly described as:

Lots 1A, 3, 9A, 10A, 11A, 22, 23, 29, 31, 32, 33A,  
34, 35, 36, 37, 38, 39, 40 of the Amended Plat of Sun West Ranch  
Subdivision filed in Plat Book 4, Page 198-A, records of Madison County, Montana

which real property is referred to herein as "Property

(ii) Declarant **SUN WEST RANCH PROPERTY OWNERS ASSOCIATION** is a Property Owners Association organized and existing under the laws of the State of Montana, and is the owner of or the duly appointed legal representative of the individual, in-fee property owners of the following described Lots within the Sun West Ranch which are more particularly described as:

Lots 2, 4, 5, 6, 7, 8A, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 24, 25, 26, 27,  
28, 30, 41, 42, 43A, 44, 45A, 46A, 47, 48, 49, 50A, 51, 52, 53A, 54A, and 55A and Lots  
A-1, B and C-1 of the Amended Plat of Sun West Ranch Subdivision filed in Plat Book 4,  
Page 198-A, records of Madison County, Montana

which real property is also referred to herein as "Property".

Together these Joint Declarants own or legally represent 100% of the Sun West Ranch as described in previous recordings in the office of the Madison Valley Clerk and Recorder.

B. Declarants intend that the Property will be developed for residential and recreational purposes:

(i) The declarants file this joint declaration as the owner and/or legal representative of property owners, respectively, and reserve unto themselves, jointly and singularly, all rights, duties, and obligations relating to the

administration and enforcement of these restrictions in accordance with the laws of the State of Montana.

(ii) The declarants, as owners or as legal representatives of owners of 100% of the Lots do hereby approve and adopt this joint Second Restatement of Declaration of Restrictions, which is intended to supercede and replace all prior recorded restrictions.

C. MVP Declarant caused the following documents to be recorded in the Madison County Records which cover the Property:

(i) Declarations of Restrictions which was recorded August 5, 1981 in Book 279, Page 01.

(ii) A Declaration of Annexation And Restrictions which has recorded June 3, 1982 in Book 285, Page 678.

(iii) Declaration of Restrictions for Sun West Ranch which was recorded May 25, 1993, in Book 370, Page 852.

(iv) First Amendment to Declaration of Restrictions for Sun West Ranch which was recorded July 7, 1993, in Book 371, Page 807.

(v) Declaration of Restrictions and Revocation of Earlier Restrictions which was recorded April 15, 1994 at 11:46 A.M., Volume 379 of Records, pages 382 -421.

(vi) First Amendment to the First Restatement of Declaration of Restrictions for Sun West Ranch which was recorded December 6, 1994, in Book 385, Page 760.

(vii) Second Amendment to the First Restatement of Declaration of Restrictions for Sun West Ranch which was recorded February 15, 2000, in Book 438, Page 170.

(viii) Third Amendment to the First Restatement of Declaration of Restrictions for Sun West Ranch which was recorded September 17, 2004, in Book 516, Page 286.

The Common Area and Common Easements have been conveyed by the MVP Declarant to the Sun West Declarant, which is also sometimes referred to herein as the "Association", the members of which are the Owners of Lots. No owner will be allowed to place fencing or other improvements within any portion of the Common Area, other than septic facilities if approved by the Board or other improvements approved by the Board.

D. MVP Declarant has previously allowed portions of the Property to be used for cattle grazing and other agricultural operations pursuant to lease arrangements. It is currently intended that such use be continued within the Common Area to preserve the

rural and aesthetic values which result from these agricultural operations. It is not expected or intended that such operations will be profitable, and income which may be derived from gazing activity will be used only to offset Common Area expenses of the Association which would otherwise be assessed against the Owners.

NOW, THEREFORE, Declarants hereby certify and declare and restate the following general plan for the protection and benefit of the Property, the following protective covenants and restrictions upon each and every ownership interest in the Property. Each ownership interest in the Property shall be hereafter held, used, occupied, leased, sold, encumbered, conveyed and/ or transferred subject to the covenants and restrictions set forth in this Declaration. Each and all of said covenants and restrictions are for the purpose of protecting the value and desirability of and shall inure to the benefit of the Property and shall run with and be binding upon and pass with the Property and each and every ownership interest therein and shall inure to the benefit of, apply to and bind the respective successors in title or interest of Declarant. All of the provisions of this Declaration shall be enforceable as covenants which run with the land and as equitable servitudes.

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.** “**ARC**” means and refers to the Architectural Review Committee appointed pursuant to the Article herein entitled “Architectural Review Committee”.

**Section 2.** “**Articles**” shall mean and refer to the Articles of Incorporation of the association as they may from time to time be amended.

**Section 3.** “**Association**” shall mean and refer to the SUN WEST RANCH PROPERTY OWNERS’ ASSOCIATION, INC., a Montana nonprofit corporation, its successors and assigns.

**Section 4.** “**Board**” shall mean and refer to the Board of Directors of the Association.

**Section 5.** “**Bylaws**” shall mean and refer to the Bylaws of the Association as they may from time to time be amended.

**Section 6.** “**Common Area**” shall mean all real property (including lots and easements and improvements thereon) owned by the Association for the common use and enjoyment of the Owners. The Common Area lots to be owned by the Association at the time of the first conveyance of a Lot to an owner is described as follows:

PARCEL A:

Lots A-1, B and C-1 shown on the Amended Plat of Sun West Ranch Subdivision filed on Plat Book 4, Page 198-A, records of Madison County, Montana situated in portions of Sections 17, 20, 21, 28, 29, 32 and 33, Township 10



South, Range 1 East, P.M.M. subject to the reservations and exceptions set forth in the deed of conveyance.

PARCEL B:

A nonexclusive easement for ingress and egress and private utilities over, under, upon and across that certain real property described on the exhibit attached hereto. This easement is appurtenant to PARCEL A above described and to each lot within the Plat of Sun West Ranch Subdivision described in PARCEL A above.

The Common Area will also include all Common Area easements granted to the Association by MVP Declarant or other Owners pursuant to the Article below entitled "COMMON AREA EASEMENTS".

**Section 7.** "Declarant" shall mean and refer to either or both of MVP Declarant and Sun West Declarant.

**Section 8.** "Declaration" shall mean and refer to this enabling Declaration of Restrictions as it may from time to time be amended.

**Section 9.** "First Mortgagee" shall mean and refer to any person who holds a Mortgage which is not inferior in priority to any other Mortgage.

**Section 10.** "Lot" shall mean and refer to any plot of land which is or has been made subject to this Declaration or another Declaration which requires the Lot Owner to be a member of the Association and is shown as a separate lot upon any recorded subdivision or survey map of the Property. Lot shall not refer to Common Area.

**Section 11.** "Mortgage" shall mean and refer to a deed of trust as well as a mortgage encumbering a Lot.

**Section 12.** "Mortgagee" shall mean and refer to the beneficiary of a deed of trust as well as the mortgagee of a mortgage encumbering a Lot.

**Section 13.** "MVP Declarant" shall mean and refer to MADISON VALLEY PROPERTIES, INC., a Montana corporation, d/b/a SUN WEST RANCH, and its successors and assigns, if MVP Declarant assigns to such successors the rights of MVP Declarant under this Declaration and if such successors assume any obligations of MVP Declarant hereunder. Such assignment of rights need not include all of the original MVP Declarant's rights. Any such assignment and assumption may result in there being more than one MVP Declarant.

**Section 14.** "Owner" shall mean and refer to the record owner, whether one (1) or more persons or entities, of fee simple title to any Lot which is a part of the Property and is subject to this Declaration, including contract purchasers who have a

possessory interest pursuant to their contract to purchase, and excluding contract sellers having such interest merely as security for the performance of an obligation.

**Section 15. "Property"** shall mean and refer to that certain real property located in Madison County, Montana described in recital A of this Declaration.

**Section 16. "Sun West Declarant"** shall mean and refer to Sun West Ranch Property Owners Association (POA), who is a joint Declarant herein, and shall mean and refer to itself, and its successors and assigns, if Sun West Declarant assigns to such successors the rights of Sun West Declarant under this Declaration and if such successors assume any obligations of Sun West Declarant hereunder. Such assignment of rights need not include all of the original Sun West Declarant's rights. Any such assignment and assumption may result in there being more than one Sun West Declarant.

## **ARTICLE II**

### **COMMON AREA EASEMENTS**

**Section 1. Statement of Intent.** The plan for improvements to a Lot which an Owner submits to the ARC pursuant to the Article below entitled "ARCHITECTURAL REVIEW COMMITTEE" may show a "Residential Portion" of the Lot and Common Area portions of the Lot. Buyers are asked to fence only that portion of the lot they intend to dedicate as residential so the remainder of their lot can be maintained by the Association. Subject to approval by both the ARC and the Board of the Common Area easement locations, the Owner may transfer to the Association and the Association will accept a Common Area easement over portions of the Lot. The locations of the residence, fencing, private landscaping, patios, decking and other residential improvements shall be restricted to the residential portion of the Lot. Construction of corrals or barns is discouraged and generally will not be approved. The area covered by the Common Area easement will be within the jurisdiction and control of the Association and maintained by the Association.

**Section 2. Granting of Easement.** The Owner of the lot over which a Common Area easement is to be granted shall cause the Common Area portion of such Lot to be surveyed and an appropriate legal description of the Common Area easement to be prepared at such Owner's expense. The Association shall prepare the form of the easement to be used, which form shall require both the signature of the Lot Owner and an acceptance by the Association. Such Common Area easement deeds shall be properly recorded by the Association or the Owner with the Records of Madison County. The easements so granted to the Association are not subject to amendment pursuant to the Section entitled "Amendments" of the Article below entitled "GENERAL PROVISIONS". However, a Lot Owner and the Association shall have the right to adjust the boundaries of any Common Area easement by deed.

**Section 3. Exclusivity of Easement.** Each Common Area easement shall exclusively benefit the Association, and no Owner shall have the right to use of any of the Common Area except as allowed by his Declaration (including those rights provided

for in the Article below entitled "SEPTIC SYSTEMS") or as may be allowed by the deed which conveys (or later adjusts) the Common Area.

**Section 4. Easement Rights.** Each Common Area easement may be used by the Association for open space, access, grazing, recreation, water wells, sewer facilities and other utilities, grazing and other purposes allowed by this Declaration.

### **ARTICLE III**

#### **PROPERTY RIGHTS IN COMMON AREA**

**Section 1. Owner's Easement of Enjoyment.** The Common Area generally consists or will consist of private roadways, natural open space, grazing lands and access to the Madison River. Appurtenant to each Lot shall be the right to use the Common Area for access to the Lot, access to the Madison River, private utilities, passive recreational purposes and those other purposes allowed by the Board. Use of the Common Area will be subject to the following provisions:

(a) The right of the Association to charge reasonable fees for the use of any equestrian facility, recreational facility, parking area or similar facility situated upon the Common Area. The Association will not have the right to charge any fees for hiking, for access to the Madison River, or for usual and ordinary access to the Owner's Lot. The Association will have the right to charge reasonable costs incurred for the benefit of a particular Owner or Owners. For example, the Association shall have the right to charge for its reasonable costs of snow removal from roadways within the Common Area and the Association shall make such service available to individual Owners, who request the service, at the local prevailing urban rate.

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities, if any, by an Owner for any period during which any assessment by the Association against his Lot remains unpaid.

(c) The right of the Association to suspend the voting rights and right to use of the recreational facilities, if any, by an Owner for a period not to exceed thirty (30) days for any infraction of the Association's published rules and regulations after reasonable written notice and an opportunity for a hearing before the Board which complies with the Section entitled "Suspension of this Article. In no event will the Association have the right to deny any Owner access to his or her Lot.

(d) The right of the Association to establish and enforce reasonable rules and regulations pertaining to the use and enjoyment of the Common Area and any facilities thereon.

(e) The right of the Association to dedicate or transfer all or substantially all of its assets, including all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by a majority of each class of members (i.e. a conservation easement, not taken by MVP Declarant). The granting of easements for utilities to serve the project shall not require the consent of the members.

(f) The right of the Association to limit the number of guests of members and to limit or prevent the use of the Common Area by persons not in possession of a Lot.

(g) The right of the Association to grant easements to Owners giving such Owners the right (including the exclusive right) to use portions of the Common Area and/or to adjust boundaries between the Common Area and one or more of the Lots, provided that the Lot Owner agrees to such adjustment.

(h) The right of the Association to enter into leases for allowing cattle grazing and other agricultural operations in the Common Area; however, no such lease shall have a term in excess of one year.

(i) Subject to a concomitant obligation to restore, MVP Declarant and its sales agents, employees and independent contractors shall have:

(i) a non-exclusive easement over the Common Area for the purpose of constructing, marketing and maintaining the project, including residences on the Lots it owns and the Common Area;

(ii) the other easements referred to in this Declaration.

**Section 2. Delegation of Use.** Subject to Section 1 above, any Owner may delegate the right of enjoyment to the Common Area and facilities to the members of the Owner's family or to the Owner's tenants or contract purchasers who reside on the Owner's Lot.

**Section 3. Transfer of Common Area Lots.** The Common Area lots have been transferred to the Association subject to all covenants, conditions, restrictions, reservations, dedications and easements of record at the time of transfer.

**Section 4. Suspension.** No membership in the Association or privilege of membership in the Association may be suspended except according to the procedures of this Section. Any suspension must be done in good faith and in a fair and reasonable manner. Any procedure which conforms to this Section shall be deemed to be fair and reasonable, but a court may find other procedures to also be fair and reasonable when the full circumstances of suspension are considered. A procedure is fair and reasonable when:

(a) At least 15 days' prior notice of suspension and reason therefore are given to the member; and

(b) The Board gives an opportunity for the member to be heard, orally or in writing, not less than five days before the effective date of the suspension.

Any notice required by this Section may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first class or

registered mail sent to the last address of the member shown on the Association's records. Any such suspension must be temporary. In no event shall the Association be empowered to cause a forfeiture or abridgement of an Owner's right to the full use and enjoyment of the Owner's Lot on account of the failure of the Owner to comply with provisions of this Declaration or the Board's rules and regulations except by judgment of a court or decision arising out of an arbitration or on account of a foreclosure or sale under the power of sale for failure of the Owner to pay assessments duly levied by the Association.

**Section 5. Access Easements Over Common Area.** Appurtenant to each Lot and granted to the Owner of each Lot is the right and easement to construct and use an access road or driveway over the Common Area from the general and main subdivision roads to the Lot. The easement appurtenant to each Lot over the Common Area for such an access road or driveway shall consist of a perpetual twenty-five foot (25') in width easement for ingress and egress to the Lot only. The approximate locations of these access roads to each Lot from the main subdivision roads are shown on the Sun West Ranch Subdivision Final Plat recorded in the records of Madison County, Montana. Owners must build their access roads or driveways over the Common Area in the approximate location shown on the Final Plat. Once an access road or driveway is built the easement shall consist of twelve and one half feet (12 1/2') on either side of the centerline of the road or driveway as built. An access road or driveway easement in favor of a Lot is exclusive to that Lot and the Lot Owner's use and enjoyment unless the access road or driveway over the Common Area is one which serves more than one Lot as is shown on the Final Plat, in which case the easement is non-exclusive to each Lot and each Lot Owner over the portion of the easement shared by each.

**Section 6. Maintenance.** The main roads shall be maintained in a good condition by the Association not to include snow removal except as defined in Article VIII, Section 26. Owners are responsible for maintenance of their own access roads and driveways.

**Section 7. Exact Locations.** The exact locations, designs and plans of any and all access roads or driveways must be submitted to and approved by the ARC prior to construction in accordance with Article VI. Any deviations from the routes shown on the Final Plat or deviations from as-built roads (as in the case of a need to replace a route), must also be reviewed and approved by the ARC in accordance with Article VI.

## **ARTICLE IV**

### **MEMBERSHIP AND VOTING RIGHTS IN ASSOCIATION**

**Section 1. Membership Association.** 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 a Lot which is subject to assessment.

**Section 2. Classes of Membership.** The Association shall have two (2) classes of voting membership.

**Class A.** Class A members shall be all Owners, with the exception of the MVP Declarant until conversion of Class B, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any one (1) Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

**Class B.** The Class B member(s) shall be the MVP Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership at such time as the total outstanding votes held by Class A members equal or exceed the total outstanding votes held by Class B members.

Notwithstanding anything herein stated to the contrary, no voting rights shall be attributable to a Lot unless the Association's annual assessments have commenced against the Lot.

## **ARTICLE V**

### **COVENANT FOR MAINTENANCE ASSESSMENTS TO ASSOCIATION**

**Section 1. Creation of the Lien and Personal Obligation of Assessments.** The MVP Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees 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, late charges and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, late charges and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

**Section 2. Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of its members and for the improvement and maintenance of the Common Area.

**Section 3. Maximum Annual and Special Assessments.** The Board shall levy annual and special assessments sufficient to perform the obligations of the Association as provided in this Declaration and Bylaws. However, except for assessment increases necessary for emergency situations, the Board may not impose an annual

assessment that is more than twenty percent (20%) greater than the annual assessment for the Association's preceding fiscal year nor special assessments which in the aggregate exceed five percent (5%) of the budgeted gross expense of the Association for the fiscal year, without the approval of Owners casting a majority of the votes at a meeting or election of the Association conducted in accordance with the Bylaws and at which a quorum was present or participated. For purposes of this Section, "quorum" means the Owners of more than fifty percent (50%) of the Lots. An emergency situation is any one of the following:

- (a) An extraordinary expense required by an order of a court;
- (b) An extraordinary expense necessary to repair or maintain the Property or any part of it for which the Association is responsible where a threat to personal safety on the Property is discovered;
- (c) An extraordinary expense necessary to repair or maintain the Property or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the proforma operating budget required by the Bylaws. However, prior to the imposition or collection of an assessment under this Subsection (c), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process, and the resolution shall be distributed to the members of the Association with the notice of assessment.

Notwithstanding the above stated limitation against increases in annual assessments the Board may levy special assessments pursuant to the Section in the Bylaws entitled "Limitation on Expenditure of Reserve Funds".

Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

**Section 4. Special Assessments for Capital Improvements.** In addition to the annual assessments authorized above and subject to the limitations stated above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto.

**Section 5. Non-Lien Assessments to Reimburse Association.** The Board may impose assessments against individual Owners to reimburse the Association for costs and expenses incurred in enforcing compliance by such Owner of his or her Lot with the provisions of this Declaration, the Articles and Bylaws of the Association, and

the rules and regulations adopted by the Board, which assessment may be imposed upon the vote of the Board after notice and an opportunity for a hearing which satisfies the requirements set forth in the Section entitled "Suspension" of the Article above entitled 'PROPERTY RIGHTS IN COMMON AREA". No assessments imposed pursuant to this Section shall constitute a lien on the Owner's Lot.

**Section 6. Uniform Rate of Assessment.** Both annual and special assessments (other than the special assessments referred to in Section 5 above) must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, and the Owner of each Lot shall pay the same assessment amounts.

**Section 7. Uncompleted Facilities.** The Board may exclude from payment of Association assessments that portion which is for the purpose of defraying expenses and reserves directly attributable to the existence of a Common Area improvement that is not complete at the time assessments commence. Any such exemption from the payment of assessments attributable to an Association maintained facility shall be in effect only until the earliest of the following events:

- (a) A notice of completion of the improvement has been recorded; or
- (b) The improvement has been installed or placed into use

**Section 8. Date of Commencement of Annual Assessments: Due Dates.** The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the close of sale of any such Lot by MVP Declarant. The annual assessments provided for herein shall commence as to all Lots within subsequent Phases, respectively, on the first day of the month following the conveyance of the first Lot in each respective Phase to an Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of changes in the annual assessment shall be sent to every Owner subject thereto. Although the amount of assessments (other than special assessments) shall be determined annually, such assessments shall be due and payable on a monthly, quarterly, semi-annual or annual basis, as determined by the Board of Directors of the Association.

**Section 9. Effect of Nonpayment of Assessments: Remedies of the Association.** Any assessment made in accordance with this Declaration shall be a debt of the Owner of a Lot at the time the assessment is made. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum and the Association may impose late charges not exceeding the maximum amount allowed by Montana law for any assessment not paid within thirty (30) days of its due date. The Association may bring an action at law against the Owner personally obligated to pay the same, and in addition thereto or in lieu



thereof, except for assessments imposed pursuant to Section 5 above, the Association may foreclose the lien of an annual or special assessment against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Owner's Lot or nonuse of the Common Area.

Any assessment not paid within thirty (30) days after the due date shall be delinquent. Except for assessments imposed pursuant to Section 5 above, the amount of any such delinquent regular or special assessment, plus any other charges thereof, as provided for in this Declaration, shall be and become a lien upon the Lot when the Association causes to be recorded with the Records of Madison County, a Notice of Assessment Lien, which shall state the amount of such delinquent assessment and such other charges thereon as may be authorized by this Declaration, a description of the Lot against which the same has been assessed and the name of the record owner thereof. Such notice shall be signed by any officer of the Association and a copy of the notice shall be sent to the Owner who is delinquent. No action shall be brought to foreclose the lien unless and until such Notice of Assessment Lien (i) is recorded in the Madison County Records and (ii) deposited in the United States mail, certified or registered, postage prepaid, addressed to the Owner of the Lot. Upon payment of such delinquent assessment and charges in connection with which such notice has been so recorded, or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction and the release of the lien thereof.

Such lien may be enforced by foreclosure and sale conducted in accordance with the laws of the State of Montana relating to liens, mortgages or deeds of trust. The Association, through its duly authorized agents, shall have the power to bid on the Lot at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

The lien for unpaid assessments and the rights of foreclosure and sale shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including suit to recover a money judgment for unpaid assessments and charges as provided herein.

**Section 10. Subordination of the Lien to First Mortgages.** The lien of the assessments provided for herein, together with any interest, costs, late charges or fines pertaining thereto, shall be subordinate to the lien of any First Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a First Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereon.

## **ARTICLE VI**

### **ARCHITECTURAL REVIEW COMMITTEE**

**Section 1. The ARC.** There shall be an initial ARC consisting of three (3) persons, each appointed by MVP Declarant. Members of the Board may be appointed as ARC members but ARC members need not be Board members. Upon appointment or replacement of an ARC member, a notice thereof shall be mailed to each Owner. Until

one (1) year following the closing date of the first sale of a Lot, each ARC member shall be subject to removal at the direction of MVP Declarant at any time and from time to time, and all vacancies on the ARC shall be filled by appointment of MVP Declarant. Commencing one (1) year following the closing date of the first sale of a Lot, and ending on the fifth (5th) anniversary of such closing date, or on the date ninety percent (90%) of the aggregate number of the Lots within the Property have been sold and escrow closed by MVP Declarant to retail purchasers thereof, whichever shall first occur, MVP Declarant shall have the power to appoint two (2) of the members of the ARC and the Board shall have the power to appoint one (1) member thereof. Thereafter, the Board shall have the power to appoint all of the members of the ARC. Members of the ARC need not be members of the Association. A majority of the ARC may designate a representative to act for it. Any member of the ARC may at any time resign therefore by submitting a resignation to the Board in all cases, and additionally to MVP Declarant if MVP Declarant still holds the power to appoint 2 or more ARC members under the preceding sentences.

**Section 2. No Improvement Without Approval.** No building or other structure or improvement, including, but not limited to, landscaping, grading and fencing, shall be erected, placed or altered upon any Lot until the location and the complete plans and specifications thereof (including the color scheme of each building, fence and/or wall to be erected) have been approved in writing by the ARC. Any such approval may be made subject to conditions imposed by the ARC. Such plans and specifications shall, at the request of the ARC, include an analysis of whether the proposed improvements or landscaping would impair any view from another residence or Lot within the Property. After final inspection and compliance approval by the ARC, it is not intended that the ARC have jurisdiction over the interior portions of any residence except to the extent visible from outside or relevant to multi-family well water systems, sanitation, sewage, safety and like matters that could effect other residents. Reconstruction shall be subject to ARC approval and generally any structures which are reconstructed shall be of the same size, configuration and architectural theme as the original structure.

The ARC may set a design review fee, which is currently \$2,000.00. This fee is required for review of submittals in accordance with the "Sun West Ranch Design Guide". This is a one-time fee which shall cover all the steps of design review through completion of construction. The fee may be increased if excessive re-submittals are necessary to comply with the design guide requirements. Any money left over from each design review fee, if any, shall be retained by the ARC to aid in the review and enforcement of the design review standards and this Declaration of Restrictions. The ARC may amend the "Sun West Ranch Design Guide"; however, no amendment may violate this Declaration of Restrictions.

The ARC may, in its discretion, consult with architects, engineers and other professionals who are not members of the ARC to assist it in rendering its decision. The ARC may, in its discretion, establish categorical exemptions.

The ARC shall provide guidelines for the submission of plans and specifications which may be amended by the ARC from time to time. Failure to comply with the requirements for ARC approval shall be deemed sufficient basis for the ARC to refuse to review the submission. The guidelines may also set forth those improvement criteria which the ARC deems appropriate. No improvement shall be made which interferes with any easement encumbering any Lot. In the event the ARC fails to approve or disapprove the location,

plans and specifications or other request made of it within sixty (60) days after the submission thereof to it, then such approval will not be required, provided any improvement so made conforms to all other conditions and restrictions herein contained and is in harmony with similar improvements erected within the Property. No alteration shall be made in the exterior of any structure (including, but not limited to, color, design or openings of any building or other construction) unless written approval of said alteration shall have been obtained from the ARC. The grade, level or drainage characteristics of any Lot or portion thereof, shall not be altered without the prior written consent of the ARC. When the ARC issues an approval as provided for herein, a copy of the plans and specifications shall be returned to the ARC for permanent record. Nothing herein stated is intended to give the ARC architectural control over the Common Area. The Common Area shall be managed and controlled by the Association and no improvements shall be built thereon or no changes made thereto without the prior written consent of the Board.

**Section 3. Interpretations.** All questions of interpretation or construction of any of the terms or conditions in this Article shall be resolved by the ARC, and its decision shall be final, binding and conclusive on all of the parties affected.

**Section 4. Failure to Comply.** In the event of the failure of any individual Owner to comply with a written directive or order from the ARC, then, in such event, the ARC shall have the right and authority to perform the subject matter of such directive or order, including, if necessary, the right to enter upon the Lot, and the cost of such performance shall be charged to the Owner of the Lot in question, which cost shall be due within five (5) days after receipt of written demand therefore, and may be recovered by the ARC in an action of law against such individual Owner.

**Section 5. Plans and Specifications; Fees: Violations.** In addition to the design review fee, the ARC shall require a deposit of a reasonable sum (not in excess of \$3,000.00 subject to increase according to an appropriate cost of living index designated by the ARC.) to guarantee that the construction site during the course of construction will be maintained reasonably free of debris at the end of each working day and that construction will be completed and the Lot drainage swales and structures will correctly drain surplus water to approved locations, all as shown on the plans and specifications submitted to the ARC for approval. This deposit shall be requested by the ARC at the time the final plans are approved by the ARC and if requested by the ARC, must be paid by the Owner to the ARC prior to commencement of any construction on the Lot. In the event of a violation of this restriction, the ARC may give written notice thereof to the Owner of the Lot in question that if such violation is not cured or work commenced to cure the same within forty-eight (48) hours after the mailing of such notice, the ARC may correct or cause to be corrected said violation and use said deposit or as much thereof as may be necessary to cover the cost of such corrective work. In the event that the cost of curing said violation shall exceed the amount of said deposit, said excess cost shall be paid by the Owner of the Lot in question to the ARC. Said deposit, or any part thereof remaining in the hands of the ARC at the completion of the construction work, shall be returned by the ARC to the person who made the deposit.

**Section 6. Inspection.** Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon the completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the ARC.

(b) Within ninety (90) days thereafter, the ARC or its duly authorized representative, may inspect such improvement. If the ARC finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such non-compliance within such ninety (90) day period, specifying the particulars of non-compliance, and shall require the Owner to remedy the same.

(c) If, upon expiration of thirty (30) days from the date of such notification, the Owner shall have failed to remedy such non-compliance, the ARC shall notify the Board in writing of such failure. After affording such Owner notice and hearing, the Board shall determine whether there is a non-compliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a non-compliance exists, the Owner shall remedy or remove the same within a period of not more than thirty (30) days from the date of announcement of the Board ruling. If the Owner does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying improvement or remedy the non-compliance, and the Owner shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board shall levy a special assessment against such Owner for reimbursement.

(d) If for any reason the ARC fails to notify the Owner of any non-compliance within ninety (90) days after receipt of written notice of said completion from the Owner, the improvement shall be deemed to be in accordance with said approved plans.

**Section 7. No Waiver.** The approval of the ARC to any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the ARC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matter whatsoever subsequently or additionally submitted for approval or consent.

**Section 8. No Compensation.** The members of the ARC shall receive no compensation for services rendered, other than an outside professional person (i.e. architect) who has been asked to serve on the ARC and other than reimbursement by the Association for expenses incurred by them in the performance of their duties hereunder.

**Section 9. Painting.** All buildings and fences on any Lot which are of frame construction shall be painted or stained with at least two (2) coats upon completion, unless otherwise approved in writing by the ARC.

**Section 10. No Liability.** Neither Declarants nor the ARC, nor any member thereof, nor their duly authorized representatives shall be liable to the Association or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the ARC'S duties hereunder, unless due to the willful misconduct or bad

faith of the ARC. The ARC shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and the Property generally. The ARC shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, topography, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes.

**Section 11. No Move-Ons.** No structure of any kind shall be moved from any other place onto any Lot without the prior written permission of the ARC.

## **ARTICLE VII**

### **MVP DECLARANT EXEMPTION**

MVP Declarant is exempt from the requirements of the preceding Article entitled "ARCHITECTURAL REVIEW COMMITTEE". Furthermore, nothing in this Declaration shall be understood or construed to:

(a) Prevent MVP Declarant, or its contractors or subcontractors, from doing on any of the Property owned by it whatever they determine to be necessary or advisable in connection with the completion of said work, including, without limitation, the alteration of construction plans and designs as MVP Declarant deems advisable in the course of development; or

(b) Prevent MVP Declarant, or its representatives, from erecting, constructing and maintaining on any of the Property owned or controlled by MVP Declarant, or its contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing said work and establishing the Property as a residential community and disposing of the same by sale, lease or otherwise; or

(c) Prevent MVP Declarant, or its contractors or subcontractors, from conducting on any land owned or controlled by MVP Declarant, its or their business of developing, subdividing, grading and constructing dwelling units and other improvements on the Property as a residential community and of disposing of dwelling units thereon by sale, lease or otherwise; or

(d) Prevent MVP Declarant, its contractors or subcontractors, from maintaining such sign or signs on any land owned or controlled by any of them as may be necessary in connection with the sale, lease or other marketing of Lots or dwelling units on the Property; or

(e) Prevent MVP Declarant, at any time prior to acquisition of title to a Lot by a purchaser from MVP Declarant, to establish on that Lot additional licenses, reservations and rights of way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Property; or

(f) Prevent MVP Declarant from using any Lot owned or leased by it for model home display purposes or for real estate sales purposes during the period of time described in Section 1 of the Article herein entitled "USE RESTRICTIONS; or

(g) Limit or interfere with the right of MVP Declarant to complete improvements to the Common Area nor to any Lot owned by MVP Declarant nor to construct additional improvements as MVP Declarant deems advisable in the course of selling the Property, including constructing and maintaining on the Property such structures and displays as may be reasonably necessary for the conduct of its business of completing the work of development of the property and disposing of the same by sale, lease or otherwise; or

(h) Require MVP Declarant to seek or obtain ARC approval of any improvement constructed or placed by MVP Declarant on any portion of the Property owned by MVP Declarant; or

(i) Limit the right of MVP Declarant to non-exclusive use of the Common Area; provided, however, that such use shall not unreasonably interfere with the rights of enjoyment of the other Owners as provided herein.

Anything herein stated to the contrary notwithstanding, MVP Declarant in exercising its rights under this Article shall not unreasonably interfere with the use of the Common Area by any Owner, and MVP Declarant shall not unreasonably interfere with the use by an Owner of his Lot. Except as specifically stated otherwise, MVP Declarant, as well as each Owner, shall be subject to the provisions of the next following Article entitled "USE RESTRICTIONS".

## **ARTICLE VIII**

### **USE RESTRICTIONS**

**Section 1. Residential Purposes Only.** No Lot shall be used except for residential purposes; provided, however, MVP Declarant may use any of the Lots owned by it for model homes and sales office purposes until the sale by MVP Declarant to Owners of all Lots.

**Section 2. New Building Only.** No building of any kind shall be moved from any other place onto any Lot, nor from one Lot to another Lot, without the prior written permission of the Board or the ARC.

**Section 3. Balconies and Decks.** No balcony or deck shall be higher above the ground than the highest dwelling floor level, except with the written approval

of the Board or the ARC. No balcony or deck shall at any time be used for storage purposes and each shall at all times be kept in a neat and clean appearance and in good repair.

**Section 4. No Second-Hand Materials, Painting Required.** No second-hand materials shall be used in the construction of any building or other structure on any Lot without the prior written approval of the Board or the ARC. All buildings and fences which are of frame construction shall be painted or stained upon completion with the paint or stain coverage (including the number of coats) as provided in the approval of the plans therefor by the Board or the ARC.

**Section 5. Diligence in Construction Required.** The work of constructing and erecting on any Lot any building or other structure or improvement shall be prosecuted diligently from the commencement thereof, and the same shall be completed within a reasonable time in accordance with the requirements herein contained. No outbuilding shall be completed prior to the completion of the dwelling, except that temporary storage and convenience facilities may be erected for workmen engaged in building a dwelling on the Lot, but such temporary facilities shall be removed as soon as the dwelling is completed.

**Section 6. No Antennae.** There shall be no outside television, radio antennae or satellite dish constructed, installed or maintained on any Lot for any purpose whatsoever unless the same is completely screened from view from another Lot and the Common Area.

**Section 7. Drying Yards.** No drying yards shall be permitted unless screened from all views exterior to the Lot on which the drying yard is located by fence, hedge or shrubbery, which screening and the adequacy thereof shall be subject to the approval of the Board or the ARC.

**Section 8. No Tents, Shacks or Vehicles.** No tent, shack, recreational vehicle, trailer, mobile home, basement, garage or outbuilding shall at any time be used on any Lot as a residence, either temporarily or permanently, nor shall any residence of a temporary character be constructed, placed or erected on any Lot.

**Section 9. No Signs.** No signs shall be placed or displayed on any Lot, building or other structure other than (i) one (1) sign of customary and reasonable dimensions advertising a Lot for sale or lease, (ii) another sign of customary and reasonable dimensions informing the public of the existence of a burglar alarm or similar device, if any, (iii) another uniform sign identifying the address of the residence as defined by the ARC on the Lot and (iv) such other signs as may be approved by the Board or the ARC. Anything herein to the contrary notwithstanding, so long as MVP Declarant retains ownership of any Lot, it may erect such signs as it reasonably determines is necessary for the sales promotion of such Lots.

**Section 10. No Mining Or Drilling.** No mining, quarrying, tunneling,

excavating or drilling for any substances within the earth, including oil, gas, minerals, gravel, sand, rock and earth shall be permitted on the surface of any Lot or Common Area. Notwithstanding the foregoing, an Owner may drill one or more water wells on his or her Lot, and with the Board's consent, within the Common Area, for the purpose of providing water to the improvements constructed on the Lot for drinking, home and landscaping use.

**Section 11. Refuse and Junk Prohibited.** Owners shall not dump or store refuse or garbage in the Property nor shall an Owner cause the accumulation or existence of animal waste, junk, or a condition causing an offensive or noxious odor. Each Owner shall provide suitable receptacles for the temporary storage and collection of refuse and all such receptacles shall be screened from the public view and protected from disturbance. All such receptacles shall be bear proof.

**Section 12. Livestock and Pets.** Subject to reasonable rules established by the Association, owners may keep dogs, cats or other common household pets. Saddle horses may be kept in pastures on portions of Lot B of the common area under such rules as the Association may prescribe. The Association may also provide a Lot Owner a revocable permit under such rules as the Association may prescribe, for an Owner to keep and maintain one or more saddle horses on a Lot owned by that person. All such animals must be under the control of the Owner at all times. No animals may be bred or maintained for commercial purposes on a Lot. No goats, pigs or other barnyard animals (other than horses as permitted hereby) may be kept on an Owner's lot.

**Section 13. No Subdivision or Partition.** No Lot may be further subdivided or partitioned. No Lot may be severed from the appurtenant interest in the Common Area or appurtenant easements, nor may any Lot be transferred without, or separate from its appurtenant interest in the Common Area and easements. No Owner's interest in the Common Area and easements may be transferred without, or separate from, the Lot to which such interests are appurtenant.

**Section 14. No Commercial Activity; No Nuisance.** No commercial business shall be conducted on any of the Lots except for an office or studio contained in the Owner's residence; or a detached workshop or studio consistent with the design guidelines, which structure and activity must be approved by the ARC and the Association's Board of Directors. Nothing shall be done upon any Lot which may become an annoyance or nuisance to the neighborhood or other Lot Owners. No external speakers, bells or horns shall be permitted on any Lot. Nothing herein stated shall disallow installation of a burglar alarm system. Any Owner who has an alarm system installed shall use reasonable care to prevent false alarm occurrences.

**Section 15. Drainage.** No structure, planting or other material shall be placed or permitted to remain, and no grading or other activities undertaken on any slope area or any other area within the Property which might damage or interfere with established slope ratios, create erosion or sliding problems, or unreasonably interfere with established drainage systems or patterns. Any area drains and other drainage facilities and systems not maintained by the Association shall be maintained by the Owner thereof in a neat, orderly and safe condition and in such a manner as to facilitate the orderly discharge of water by means of same.



**Section 16. Slope Control, Use and Maintenance.** Each Lot Owner will take reasonable precautions to protect slope banks located on such Owner's Lot (unless such slopes are located within the Common Area), so as to prevent erosion.

**Section 17. Motorized vehicles.** The use of all motorized vehicles on the Property shall be restricted to roadways and driveways, except for riding mowers and other equipment necessary for gardens and maintenance. Use of snowmobiles, ATV's, scooters, and motorcycles are prohibited on the ranch except for vehicles necessary for agricultural and maintenance activities and by ranch personnel and Madison Valley Properties, Inc. for their respective business activities.

**Section 18. Environment and Maintenance.** Every attempt shall be made by Owners and the Association to preserve and protect the natural environment indigenous to the area. Disturbance, destruction, or damage to any plant life, animal life or their natural habitats shall be minimized and allowed only with respect to the proper and orderly development of the Property as an environmentally sensitive residential and recreational community. All portions of a Lot disturbed by construction or other human activity shall be promptly returned to its natural condition and replanted with native plant life, except for improvements allowed by the ARC. Living trees naturally existing upon a Lot shall not be cut, trimmed, or removed except as approved in advance by the Board or ARC. Owners shall maintain their Lots in good appearance and condition at all times. All landscaping, all property and improvements on each Lot shall be kept and maintained by the Owner thereof in clean, safe, attractive, thriving and slightly condition.

**Section 19. Leasing of Lots.** Each Owner shall have the right to lease his lot, provided that all such leases must be in writing and shall provide that the lease is subject in all respects to the provisions of this Declaration and to the Articles and Bylaws, and that any failure of the lessee to comply with the provisions of each such document shall constitute a default under the lease. A lessee shall have no obligation to the Association to pay assessments imposed by the Association nor shall any lessee have any voting rights in the Association. No Owner may lease his Lot or improvements thereon for hotel, motel, time-share or transient purposes. Any lease which is either for a period fewer than seven (7) days or pursuant to which the lessor provides any services normally associated with a hotel shall be deemed to be for transient or hotel purposes.

**Section 20. No Recreational Vehicles.** No boat, camper, trailer, motor home or other type of recreational vehicle shall be parked on any Lot, private street or other portion of the Property unless such recreational vehicle is completely screened from view from other Lots and from the Common Area.

**Section 21. Equipment.** No automobile or other equipment may be dismantled, repaired or serviced on any Lot except in the garage.

**Section 22. Weeds, Rubbish, Sanitary Containers, Etc.** No weeds, rubbish, debris, objects or material of any kind shall be placed or permitted to accumulate upon any Lot which render such portion unsanitary, unsightly, offensive or detrimental to any other Lot in the vicinity thereof or its occupants. Trash, garbage, rubbish and other waste shall be kept only in sanitary containers. All service yards or service areas, sanitary containers and storage piles on any Lot shall be enclosed or fenced in such a manner, and by approval of the ARC that such yards, areas, containers and piles will not be visible from other Lots or from the Common Area.

Each Owner shall control all noxious weeds on the Owner's Lot consistent with County Weed Board or other applicable governmental agency policies and regulations. This shall be carried out by the Association at the Owner's expense if an Owner does not comply.

**Section 23. Plants.** No plants or seeds infected with noxious insects or plant disease shall be brought upon, grown or maintained upon any Lot.

**Section 24. Right of Entry.** During reasonable hours and after reasonable notice, MVP Declarant or any agent thereof, so long as MVP Declarant is an Owner of at least twenty-five percent (25%) of the Lots, and the Association shall have the right to enter upon any Lot when necessary in connection with construction, maintenance or repair to the Common Area or for the purpose of ascertaining whether or not the provisions of this Declaration are being complied with and such entries shall not be deemed trespasses.

**Section 25. Liability of Owners.** Each Owner shall be liable to the Association for any damage to the Common Area or to any of the equipment or improvements thereon which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family, relatives, guests or invitees, both minor or adult.

**Section 26. Street Grades, Cuts and Fills.** MVP Declarant reserves the right to make such cuts and fills as are necessary to grade the streets or private ways within the Property whether dedicated or not dedicated to Madison County or other political subdivision and the right to provide the necessary support and protection of streets so graded, including to slope upon abutting Lots. The MVP Declarant may assign said rights or any of them to the Association. Due to the geographical location of the Property and seasonal snow or other inclement weather, Lots may not be accessible at all times of the year without snow removal. Snow removal will be made available by the Association to requesting Owners provided that the Owner reimburses the Association at the local prevailing urban rate. The Association shall be responsible for snow removal from Highway 287 to Lot B Headquarters Common Area as shown on the Amended Plat and for such additional snow removal as the Board shall authorize.

**Section 27. Siting of Residences.** All Lots shall have a pin, placed by MVP Declarant, which locates the MVP Declarant's determination of the ideal center location for a residence to be installed on the Lot. Ninety (90%) percent of the main residence must be within the one-hundred (100') foot radius from the pin unless the ARC allows otherwise. The siting of each residence is also subject to ARC approval prior to construction.

**Section 28. Maximum Height: Single Story.** No single story building constructed on a Lot shall exceed twenty feet (20') and in no event shall any structure exceed twenty six feet (26') in height. The ARC shall have jurisdiction in determining the appropriate measuring points in all cases in which any ambiguity might exist (e.g. the

appropriate ground elevation measuring point defined as average natural grade of the footprint of the house if a building is to be built on sloping topography). Each building shall be of one (1) story construction unless the ARC approves construction of more than one story.

**Section 29. Minimum Square Footage.** Each residence shall have a minimum of 2,000 square feet of living space. The ARC shall have jurisdiction to determine the manner in which square footage is measured.

**Section 30. Hunting and Firearm Restrictions.** No hunting nor use of firearms shall be permitted on any Lot or Common Area unless the Board adopts policies or regulations permitting and governing such activities.

**Section 31. Limitation on Number of Occupants.** This restriction shall apply only to those Lots which are supplied with domestic water from a Multi-Family Water System as defined in Article X below. No Lot which is supplied domestic water from a Multi-Family Water System may be permanently occupied by more than that number of persons which is the quotient of the number of Lots served by the particular Multi-Family Water System divided into twenty-four. However, this restriction shall automatically terminate in the event the Administrative Rules of Montana are amended to remove the limitation on the number of people who can be served by a Multi-Family Water System. Should the Administrative Rules of Montana be amended to allow more than twenty-four persons be served by any one Multi-Family Water System, then this restriction shall be automatically changed to increase the number of persons who may permanently occupy a Lot to that number which is the quotient of the number of Lots served by a Multi-Family Water System divided into the number of persons who may be served by the Multi-Family Water System pursuant to the amended Administrative Rules of Montana. "Permanent occupancy" means occupancy of more than sixty (60) days during a calendar year. This restriction only applies to those Lots which are supplied with domestic water from a Multi-Family Water System.

## **ARTICLE IX**

### **SEPTIC SYSTEMS**

Each Owner assumes the responsibility of providing a septic system for the Owner's Lot at the Owner's expense. Septic systems must be installed and maintained at all times in accordance with the applicable rules and regulations of public agencies having jurisdiction. All sewer lines and septic tanks must be underground. The Board shall allow any Owner to install sewage disposal improvements within the Common Area provided that the Board determines that the physical condition of the Owner's Lot makes it reasonably necessary for such improvements to be extended in the Common Area. The Board shall grant and provide the Owner with any necessary written easements to the Common Area for these purposes. If an Owner must use the Common Area for such improvements, the Owner is responsible for complying with all regulations and rules governing such improvements and their installation. The type and location of proposed sewage facilities improvements are subject to review and approval of the ARC pursuant to the Article above entitled "ARCHITECTURAL REVIEW COMMITTEE." After installing a septic system, an Owner shall restore the surface of the ground to its prior condition.

## **ARTICLE X**

### **WATER SYSTEMS AND WELL PROTECTION EASEMENTS**

It is intended that each Lot be served by either (i) a well located in such Lot and/or (ii) a Multi-Family Water System from wells located within the Common Area. "Multi-Family Water System" refers to a non-public water supply system established pursuant Administrative Rules of Montana Section 16.16.101(11). Each Multi-Family Water System will be designed to provide water for human consumption to serve two (2) to nine (9) living units. The total people served from any one Multi-Family Water System may not exceed twenty-four (24) unless the Administrative Rules of Montana are amended to allow more than 24 persons to be served from any one system. The Association shall periodically sample the water produced by each Multi-Family Water System and cause the same to be tested pursuant to the Administrative Rules of Montana applicable to Multi-Family Water Systems.

There is hereby created around each Multi-Family Water System residential well, a Well Isolation Zone. Each Well Isolation Zone consists of a one hundred foot (100') radius around each Multi-Family Water System residential well to provide continued protection against possible contamination of groundwater and potential sources of groundwater. Neither the Association nor any Owner shall do anything within a Well Isolation Zone which would cause detriment to the quality of the groundwater, including, but not limited to, placing any septic tank or septic drainage field within a Well Isolation Zone. The Well Isolation Zones shall also be considered easements in favor of and enforceable by the Association and the Association shall have the reasonable right to reasonably inspect any Well Isolation Zone.

## **ARTICLE XI**

### **FIRE PRECAUTIONS**

**Section 1. Statement of Intent.** The purpose of the provisions of this Article is to minimize the likelihood and affect of an uncontrolled fire within the Property.

**Section 2. Trimming of Grasses.** It is presently expected that the grazing of cattle, horses, or other grazing livestock within the Property will reduce to reasonable levels the danger of fire from grasses within the Property. However, should such grazing activities cease, or should the Board determine that grazing has not sufficiently reduced the risk of fire, the Association, with respect to the Common Area, and each Owner, with respect to such Owner's Lot, shall cause grasses to be trimmed pursuant to the Board's directives in order to reduce the danger of fire within the Property.

**Section 3. Annual Meeting.** The Board shall hold a fire prevention meeting annually within the Property. Potential fire conditions and safety precautions to prevent fires will be discussed at these meetings.

**Section 4. Owner's Precautions.** Each Owner shall:

(a) Maintain green spaces of at least fifty (50) feet in circumference around the Owner's residential structure and any outbuildings. This means that the 50 foot area shall be kept free of all vegetation (except trees and shrubbery) over a height of six (6) inches and shall be kept as green as possible during the summer months. Shrubby shall not be placed within five (5) feet of the residence unless precautions (e.g. frequent irrigation) are taken to prevent the same from becoming dry and therefore a fire hazard.

(b) Keep the roof, eaves and eave troughs of the Owner's residence free from any debris such as leaves, pine needles or other materials which may be flammable.

(c) Not allow any burning barrels or pits of any sort.

(d) Keep chimneys free from creosote or other materials which may prove flammable.

(e) Not install a shake roof unless the ARC expressly allows the same.

(f) Install smoke detector in the Owner's residence

(g) Install numbering on the residence which is clearly visible outside the residence.

**ARTICLE XII**

**INSURANCE; RECONSTRUCTION**

**Section 1. Liability Insurance.** The Association shall procure and keep in force public liability insurance in the name of the Association and the Owners against any liability for personal injury or property damage resulting from any occurrence in or about the Common Area in an amount not less than One Million Dollars in indemnity against the claim of one (1) person in one (1) accident or event and not less than Two Million Dollars against the claims of two (2) or more persons in one (1) accident or event, and not less than Five Hundred Thousand Dollars for damage to property.

**Section 2. Fidelity Bond.** At the request of any First Mortgagee or absent such request, should the Board deem it appropriate to do so, the Association shall maintain a fidelity bond in an appropriate amount naming the Association as obligee and insuring against loss by reason of the acts of the Board, officers and employees of the Association, and any management agent and its employees, whether or not such persons are compensated for their services.

**Section 3. Hazard Insurance Policy.** Should the Common Area improvements include a building or buildings with replacement value of \$50,000 or more, the Association shall obtain and at all times keep in force a policy of hazard insurance with extended coverage and special form endorsements covering such buildings and related insurable improvements located on the Common Area. The proceeds from such insurance shall be paid to the Association which shall use such funds for reconstruction of the improvements which are covered by the insurance.

**Section 4. Copies of Insurance Policies.** Copies of all such insurance policies (or certificates thereof showing the premiums thereon to have been paid) shall be retained by the Association and open for inspection by Owners at any reasonable time(s). All such insurance policies shall (i) provide that they shall not be cancelable by the insurer without first giving at least ten (10) days' prior notice in writing to the Association, and (ii) contain a waiver of subrogation by the insurer(s) against the Association, Board and Owners.

**Section 5. FNMA and FHLMC Requirements.** Anything contained herein to the contrary notwithstanding, the Association shall maintain such insurance coverage as may be required by the Federal National Mortgage Association ("FNMA") or the Federal Home Loan Mortgage Corporation ("FHLMC") so long as FNMA or FHLMC holds a Mortgage on or owns any Lot.

**Section 6. Other Insurance.** Nothing stated in this Article shall be deemed to limit the amount or type of insurance which the Board may obtain on behalf of the Association.

### **ARTICLE XIII**

#### **CONDEMNATION**

In the event the Common Area or any portion thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, then the award or consideration for such taking or transfer shall be paid to and belong to the Association. No such sums shall be disbursed to the Owners (or their Mortgagees as their interests then appear) except on an equal basis. In the event the Common Area is destroyed or damaged, the Board shall cause the same to be reconstructed or repaired provided adequate insurance proceeds exist therefore; should insurance proceeds be deficient for such purposes, the Board may specially assess the Owners the amount of such deficiency provided that the requirements stated in Section 4 of Article V hereof are met. No insurance proceeds shall be disbursed to the Owners (or their Mortgagees as their interests then appear) except on an equal basis.

### **ARTICLE XIV**

#### **MAINTENANCE RESPONSIBILITIES**

**Section 1. Improvement of Common Area.** MVP Declarant and the Association may install those landscaping and other improvements as they deem appropriate to the Common Area (including those portions of the Common Area which cover the Lots); provided, however, no such additional Common Area improvements shall be made without the approval of Owners casting a majority of the votes at a meeting or election of the Association conducted in accordance with the Bylaws and at which a quorum was present or participated if such additional improvements would result in an increase of twenty percent or more of the Association's annual assessments for the preceding fiscal year or special assessments which in the aggregate exceed five percent (5%) of the budgeted gross expense of the Association for the fiscal year. For purposes of this Section, "quorum" means the Owners of more than fifty percent (50%) of the Lots.

**Section 2. Association Maintenance.** The Association shall, in perpetuity, maintain and provide for the maintenance of all the Common Area in good repair and appearance and working order. Such maintenance shall include all portions of the Common Area water systems except as stated in the next section entitled "Owner Maintenance".

The Association shall have the right to enter onto any Lot (but not within the dwelling thereon) as may be necessary for the construction, maintenance or repair of the Common Area or, if necessary, for the benefit of the Owners in common.

**Section 3. Owner Maintenance.** Each Owner shall, in perpetuity, keep and maintain in good repair and appearance all portions of his Lot and improvements thereon (other than any improvements within Common Area), including, but not limited to, his residence, any private drainage system located within his Lot boundaries, any fence or wall and concrete terrace drains which are located on his Lot, the sewer system servicing his Lot regardless of whether such system is located on his Lot or in the Common Area. Each Owner shall also maintain the water improvements installed by Owner on his or her Lot, such as the water lateral line which connects the Lot to the Common Area water improvements and a holding tank and pump for the Lot.

The Owner of each Lot shall water, weed, maintain and care for the landscaping located on his Lot (other than the Common Area, the maintenance of which is the responsibility of the Association) so that the same presents a neat and attractive appearance. The Owner of each Lot shall keep and maintain the exterior of his residence in good condition and appearance at all times. No Owner shall interfere with or damage the Common Area nor interfere with or impede MVP Declarant or the Association in connection with the maintenance thereof as provided herein.

The Owner of each Lot shall control or arrange for control of all noxious weeds within such Lot (other than the Common Area, the weed control of which is the responsibility of the Association) in a manner which is consistent with the County Weed Board or other applicable governmental agency policies and regulations.

**Section 4. Fences.** Owner installed fences should be constructed within the Residential Portions of Lots in the locations approved by the ARC. Each Owner shall be solely obligated to maintain any fence or wall located between such Owner's Lot and

Common Area unless the Board decides to maintain such fence or wall at its expense. Fences and walls which are installed by MVP Declarant between Lots and Common Area shall be deemed to establish the boundary line between such Lots and the Common Area.

**Section 5. Association's Right to Repair Neglected Lots.** In the event an Owner of any Lot should fail to maintain the Residential Portion of his Lot (including, but not limited to, weed control) and improvements situated thereon in a manner satisfactory to the Board, the Association, after approval by two-thirds (2/3) vote of the Board, shall have the right through its agents and employees, to enter on such Residential Portion and to repair, maintain and restore the Lot and exterior of the building and any other improvements erected thereon. However, no entry into a dwelling unit may be made without the consent of the Owner, and such entry shall be made only after not less than three (3) days written notice has been given to the Owner. Such entry shall be made with as little inconvenience to the Owner as possible and any damage caused thereby shall be repaired by the Association. The cost of such exterior maintenance shall be added to and become a part of the assessment to which such Lot is subject. There is hereby created an easement in favor of the Association to enter onto each Residential Portion of a Lot to provide maintenance as hereinabove stated, subject to the foregoing notice and consent requirements.

**Section 6. Control of Common Area Noxious Weeds.** The Association shall control or arrange for control of all noxious weeds within the Common Area in a manner which is consistent with County Weed Board or other applicable governmental agency policies and regulations.

## **ARTICLE XV**

### **ANNEXATION**

**Section 1. By Association.** Additional residential property, Common Area lots and Common Area easements may be annexed to the Property and to the Declaration upon vote or written assent of two-thirds (2/3) of the voting power of members of the Association, excluding the vote of the MVP Declarant. Upon such approval, the owner of the property wishing it to be annexed may file of record a Declaration of Annexation which shall extend the scheme of this Declaration to such property.

**Section 2. By MVP Declarant.** Additional land may be annexed as Lots and Common Area to the Declaration and to the jurisdiction of the Association by MVP Declarant without the consent of members of the Association or the Board at any time within three (3) years following the closing of the sale of the first Lot to a retail purchaser. Such a proposed annexation shall not be allowed if it will cause a substantial increase (more than 20% increase) in assessments against existing Owners unless such Owners by two-thirds (2/3) of the voting power of the members of the Association, excluding the vote of MVP Declarant, agree to such annexation. MVP Declarant shall have the right to de-annex any such property annexed by MVP Declarant provided such de-annexation occurs prior to the time of conveyance of any lot within such annexed property. Any such



de-annexation will be by means of a recorded Declaration of De-annexation executed by MVP Declarant.

## ARTICLE XVI

### RIGHTS OF LENDERS

**Section 1. Payments of Taxes or Premiums by First Mortgagees.** First Mortgagees may, jointly or severally, pay taxes or other charges which are in default and which may or have become a charge against the Common Area, unless such taxes or charges are separately assessed against the Owners, in which case, the rights of First Mortgagees shall be governed by the provisions of their security agreements and documents. First Mortgagees may, jointly or severally, also pay overdue premiums on casualty insurance policies, or secure a new casualty insurance coverage on the lapse of a policy for the Common Area, and First Mortgagees making such payments shall be owed immediate reimbursement thereof from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any First Mortgagee who requests the same to be executed by the Association.

**Section 2. Priority of Lien of Mortgage.** No breach of the covenants, conditions or restrictions herein contained shall affect, impair, defeat or render invalid the lien or charge of any First Mortgage made in good faith and for value encumbering any Lot, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise, with respect to a Lot.

**Section 3. Curing Defaults.** A Mortgagee who acquires title by judicial foreclosure, deed in lieu of foreclosure or trustee's sale shall not be obligated to cure any breach of the provisions of this Declaration which is incurable or of a type which is not practical or feasible to cure. The determination of the Board made in good faith as to whether a breach is incurable or not feasible to cure shall be final and binding on all Mortgagees.

**Section 4. Approval of First Mortgagees.** Unless at least sixty-seven percent (67%) of the First Mortgagees (based on one vote for each first Mortgage owned) have given their prior written approval, the Association shall not be entitled to:

(a) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area. The granting of easements pursuant to the Article above entitled "PROPERTY RIGHTS IN COMMON AREA" shall not be deemed a transfer within the meaning of this Subsection. Any restoration or repair of the Common Area after partial condemnation or damage due to an insurable event, shall be performed substantially in accordance with this Declaration and original plans and specifications unless other action is approved by eligible holders of Mortgages on Lots which have at least fifty-one percent (51%) of the votes of Lots subject to eligible Mortgage holders. "Eligible Mortgage holder" as used in this Article, means a holder of a first Mortgage on a Lot who has requested notice from the Association of those matters described in Section 5 below.

(b) Change the method of determining the obligations, assessments,

dues or other charges which may be levied against an Owner.

(c) By act or omission, change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or exterior appearance of residences, the exterior maintenance of residences, the maintenance of Common Area walks or common fences and driveways, or the upkeep of the Common Area and other portions of the project.

(d) Fail to maintain fire and extended coverage insurance on any buildings within the Common Area as required by this Declaration on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost).

(e) Use hazard insurance proceeds for losses to any portion of the Common Area for other than the repair, replacement or reconstruction of such Common Area.

(f) When professional management has been previously required by any eligible Mortgage holder, whether such entity became an eligible Mortgage holder at that time or later, any decision to establish self-management by the Association shall require the prior consent of at least sixty-seven percent (67%) of the voting power of the Association and the approval of eligible holders of Mortgages on Lots which have at least fifty-one percent (51%) of the votes of Lots subject to eligible Mortgage holders.

**Section 5. Notice to Eligible Mortgagees.** Upon written request to the Association identifying the name and address of the holder and the Lot number or address, any eligible Mortgage holder will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the project or any Lot on which there is a First Mortgage held by such eligible Mortgage holder.

(b) Any delinquency in the payment of assessments or charges owed by an Owner subject to a First Mortgage held such eligible holder which remains uncured for a period of sixty (60) days.

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(d) Any proposed action which would require the consent of a specified percentage of eligible Mortgage holders as specified above.

**Section 6. Documents to be Available.** The Association shall make available to Owners and Mortgagees, and holders, insurers or guarantors of any First Mortgage, current copies of the Declaration, the Bylaws, other rules concerning the project and the books, records and financial statements of the Association. "Available"

means available for inspection, upon request, during normal business hours or under other reasonable circumstances. The holders of fifty-one percent (51%) or more of First Mortgages shall be entitled to have an audited statement for the immediately preceding fiscal year prepared at their expense if one is not otherwise available. Any such financial statement so requested shall be furnished within a reasonable time following such request.

**Section 7. Conflicts.** In the event of any conflict between any of the provisions of this Article and any of the other provisions of this Declaration, the provisions of this Article shall control.

## **ARTICLE XVII**

### **GENERAL PROVISIONS**

**Section 1. Enforcement.** The Association, Declarants and any Owner shall have the right to enforce, by any proceedings at law or in equity, all restrictions, covenants and reservations now or hereafter imposed by the provisions of this Declaration. Failure by Declarants, the Association or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. Enforcement shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violations and/or to recover damages.

**Section 2. Severability.** Should any provision in this Declaration be void or become invalid or unenforceable in law or equity by judgment or court order, the remaining provisions hereof shall be and remain in full force and effect.

**Section 3. Amendments.** During the period of time prior to conversion of the Class B membership to Class A membership, this Declaration may be amended by an instrument in writing signed by the secretary of the Association certifying that at least sixty-seven percent (67%) of the voting power of each class of members of the Association have approved such amendment, which amendment shall become effective upon the recording thereof in the Records of Madison County. After conversion of the Class B membership in the Association to Class A membership, the Declaration may be amended by an instrument in writing signed by the secretary of the Association certifying that at least (i) sixty-seven percent (67%) of the total voting power of the Association, and (ii) at least sixty-seven percent (67%) of the voting power of members of the Association other than MVP Declarant have approved such amendment. Anything contained herein to the contrary notwithstanding, no amendment material to a Mortgagee may be made to this Declaration without the prior written consent of fifty-one percent (51%) or more of the Mortgagees of First Mortgages encumbering Lots within the Property (based upon one vote for each such Mortgagee); provided, however, that each Mortgagee has informed the Association in writing of its appropriate address. For purposes hereof, any amendments to provisions of this Declaration governing any of the following subjects, shall be deemed "material to a Mortgagee":

- (a) The fundamental purpose for which the project was created (such as a change from residential use to a different use).
- (b) Assessments, assessment liens and subordination thereof.
- (c) The reserve for repair and replacement of the Common Area.
- (d) Property maintenance obligations.
- (e) Casualty and liability insurance.
- (f) Reconstruction in the event of damage or destruction.
- (g) Rights to use the Common Area.
- (h) Annexation.
- (i) Voting.
- (j) Any provision which, by its terms, is specifically for the benefit of the First Mortgagees, or specifically confers rights on First Mortgagees.

Any First Mortgagee shall be deemed to have approved an amendment to this Declaration if such First Mortgagee fails to submit a written response to any written proposal for an amendment within 30 days after such First Mortgagee receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

The percentage of voting power necessary to amend a specific clause or provision of this Declaration shall not be less than any percentage of affirmative votes prescribed for action to be taken under that clause.

Notwithstanding any other requirement or approval necessary to amend these covenants, any amendment relating to the following must be approved by Madison County through a majority vote of a quorum of its Board of County Commissioners:

- (i) Any proposed amendment to change Lot use from residential to a different use.
- (ii) Any proposed amendment necessary to allow further subdivision of Lots.
- (iii) Any proposed amendment necessary to allow development or subdivision of the Common Area inconsistent with these covenants as presently adopted.

(iv) Any amendment to change Article III (entitled "PROPERTY RIGHTS IN COMMON AREA"), Article IX (entitled "SEPTIC SYSTEMS", Article X (entitled "WATER SYSTEMS AND WELL PROTECTION EASEMENTS") or to this Section 3.

Nothing herein constitutes a waiver or relinquishment of the Declarants, any Owner or the Association of any remedies any of these parties may have against the County for unconstitutional or illegal interference with private property.

**Section 4. Extension of Declaration.** Each and all of these covenants, conditions and restrictions shall terminate on December 31, 2050, after which date they shall automatically be extended for successive periods of ten (10) years unless all the Owners and Madison County through a majority vote of a quorum of its Board of County Commissioners have executed and recorded at any time within six (6) months prior to December 31, 2050, or within six (6) months prior to the end of any such ten (10) year period, in the manner required for a conveyance of real property, a writing in which it is agreed that said restrictions shall terminate on December 31, 2050 or at the end of any such ten (10) year period.

**Section 5. Additional Reservations of Easements by MVP Declarant.**  
MVP Declarant hereby reserves the following easements:

(a) There is hereby reserved by MVP Declarant, together with the right to grant and transfer the same, easements over the Property for the installation, maintenance, service, repair, reconstruction and replacement of electric, telephone, cable television, water, gas, sanitary sewer lines and drainage facilities as shown on the recorded tract of the Property.

(b) There is hereby reserved by MVP Declarant, including, without limitation, its sales agents, representatives and prospective purchasers of Lots, together with the right of MVP Declarant to grant and transfer the same, non-exclusive easements over the Common Area for construction, display, sales offices, incidental parking and exhibit purposes in connection with the construction, development and sale of residential Lots within the Property and for other related purposes. Anything herein stated to the contrary notwithstanding:

(i) MVP Declarant in exercising its rights under this Section shall not unreasonably interfere with the use of the Common Area by any Owner;

(ii) MVP Declarant shall not unreasonable interfere with the use by an Owner of his Lot; and

(iii) MVP Declarant's rights under this Subsection (b) shall terminate upon the closing of MVP Declarant's sale of its last Lot.

**Section 6. Litigation.** In the event the Association, Declarants or any Owner shall commence litigation to enforce any of the covenants or restrictions herein contained, the prevailing party in such litigation shall be entitled to costs of suit and such

attorney's fees as the Court may adjudge reasonable and proper. The "prevailing party" shall be the party in whose favor a final judgment is entered.

**IN WITNESS WHEREOF**, the undersigned, being MVP Declarant herein, has set its hand and seal as of the date first hereinabove written.

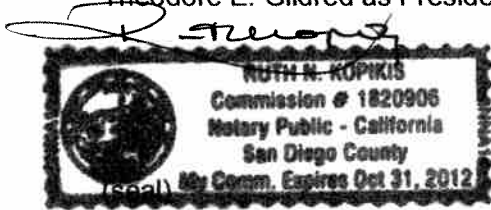
MADISON VALLEY PROPERTIES, INC., a  
Montana corporation, d/b/a SUN WEST RANCH

By: *Theodore E. Gildred*  
Theodore E. Gildred, President

STATE OF California )  
:ss.

County of San Diego )

This instrument was acknowledged before me on February 2, 2007 by Theodore E. Gildred as President of Madison Valley Properties, Inc.



*Ruth N. Kopikis*  
Notary Public for the State of California  
Residing at 265 Santa Helena, Suite 200  
My Commission Expires: Oct, 31, 2012

**IN WITNESS WHEREOF**, the undersigned, being Sun West Declarant herein, has set its hand and seal as of the date first hereinabove written.

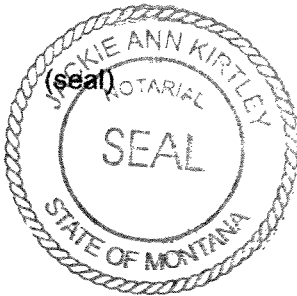
SUN WEST RANCH PROPERTY OWNERS ASSOCIATION

By: *Jarl Ulvin*  
Jarl Ulvin, President of SWRPOA Board of Directors

STATE OF MONTANA )  
:ss.

County of MADISON )

This instrument was acknowledged before me on FEBRUARY 12 <sup>2009</sup> ~~2007~~ by Jarl Ulvin as President of SWRPOA Board of Directors.



Vickie Ann Kirtley  
Notary Public for the State of MONTANA  
Residing at ELWIS  
My Commission Expires: 10-27-2010

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego }

On February 2, 2009 before me, Ruth N. Kopikis  
Date Here Insert Name and Title of the Officer

personally appeared Theodore E. Gildred  
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature [Handwritten Signature]  
Signature of Notary Public



Place Notary Seal Above

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

### Description of Attached Document

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

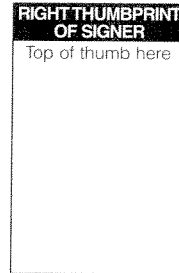


Signer Is Representing: \_\_\_\_\_

\_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

\_\_\_\_\_




CERTIFICATION

I hereby certify that the foregoing Second Restatement of Declaration of Restrictions for Sun West Ranch and Revocation of Earlier Restrictions was approved by at least sixty-seven percent (67%) of the voting power of each class of members of the Sun West Ranch Property Owners Association.

DATED this 18 day of March 2009

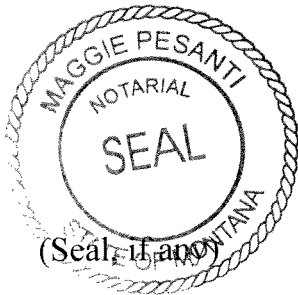
Sun West Ranch Property Owners Association

  
By: Heidi Gildred  
Its Secretary

State of Montana

County of Silver Bow

This instrument was acknowledged before me on the 18 day of March 2009 by Heidi Gildred as Secretary of the Sun West Ranch Property Owners Association.



Maggie Pesanti

(Name) Maggie Pesanti

Notary Public for the State of Montana

Residing at Bozeman

My Commission Expires: 10-31-2011