

**AMENDED DECLARATION OF COVENANTS, CONDITIONS,
BUILDING STANDARDS AND RESTRICTIONS FOR THE
YELLOWSTONE RIVER RANCH**

KNOW ALL MEN BY THESE PRESENTS:

That YELLOWSTONE RIVER RANCH, INC., a Montana corporation, hereinafter referred to as "Developer", does hereby subject all of the lands described herein and not specifically excepted, to those certain covenants, conditions, building standards and restrictions set forth herein below.

PREAMBLE: Developer, in order to preserve, promote and maintain the rural character and beauty of the lands described herein does hereby adopt and establish the following covenants, conditions, building standards and restrictions which shall in all respects be deemed to be COVENANTS RUNNING WITH THE LAND and shall be applicable to all persons and entities hereinafter described.

1. LANDS TO WHICH APPLICABLE:

The following covenants, conditions, building standards and restrictions (all of which together are hereafter referred to as "the covenants") shall be applicable to and govern all lands (all of which together are hereafter referred to as "the lands") were or are owned by the Developer and which comprise that certain subdivision known as The Yellowstone River Ranch Subdivision. Stillwater County, Montana, described as follows:

The Yellowstone River Ranch – 1st Filing

Tracts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, and 227 as shown on Certificate of Survey Nos. 269111 through 269124, Recorded at the office of the clerk and recorder, Stillwater County, Montana, on the 18th day of December, 1992.

Except such lots as shall by the Developer be specifically exempted from the effect of said covenants. Hereafter the real property described in this paragraph 1 shall be referred to as "the lands"

Any property contiguous to the lands may join and become subject to the Yellowstone River Ranch subdivision by mutual agreement.

2. DEFINITIONS:

As used herein, certain terms and words are defined as follows:

- A. Accessory Building - Building such as a garage, barn, pole barn, storage shed (200 square feet or less), or any building consisting of 4 walls and a roof, made of quality materials and placed on a permanent concrete foundation, detached from a dwelling and used for purposes which are incidental and subordinate to a residential or agricultural use. Buildings 200 square feet or less shall be exempt from requirement of a concrete foundation. Pole Barns may have individual footing of reinforced concrete at least 42 inches below the surface for attaching each pole as a permanent foundation. No metal buildings allowed.
- B. Agricultural Use - the practice of the science or art of cultivating the soil, growing fruits, vegetables or crops and raising or grazing of domestic livestock or poultry, for personal use, but specifically excluding a feedlot.
- C. Camping - cooking, sleeping, or otherwise residing on a tract without a completed dwelling.
- D. Commencement of Construction - site clearing, the moving of building materials onto the tract, excavation for a foundation, or pouring of footings for a structure.
- E. Dwelling - a building, constructed of new materials, designed as permanent living quarters, having a permanent concrete foundation, a functioning underground septic tank, leach field and water supply, and a minimum of seven hundred fifty (750) square feet of living space on the ground floor level. 'Permanent Concrete Foundation' shall include a perimeter foundation with a minimum 42" depth including base footings. Any slabs shall be a minimum of 4" thick with reinforcement. Insulated cone forms shall be a minimum of 6" thick or per manufactures recommendations. 'Post and Pier' construction is not allowed.
- F. Guest House - a structure meeting the definition of a dwelling, except that it is designed for use as a temporary living quarters by guests of the owner of a dwelling. The Guest House may be occupied by guests for a period not to exceed ninety (90) days in a twelve (12) month period, except, and only except, a Guest House may be occupied by a close family relative without limitation.
- G. Junk - the wrecking, dismantling and/or storage of junk, including, but not limited to, inoperable motor vehicles and scrap materials of every sort.
- H. Mobile Home - a vehicle built and transportable upon a chassis comprised of a frame and wheels which is designed for use as a dwelling.
- I. Modular Home - similar to a mobile home assembled partially off-site and assembled at the building site in increments.
- J. Residential Use - the occupying of a dwelling for living purposes.

- K. Single-Family - one or more persons living together as a single, non-profit house-keeping unit as distinguished from a group occupying a hotel, motel, club, fraternity or sorority, commune and the like.
- L. Subdivision - a division of land, or land so divided, resulting in the creation of two or more tracts of land out of a single, larger tract in order that title to, possession or occupancy of the tract(s) so created may be sold, rented, leased or otherwise conveyed or transferred and shall include any re-subdivision.
- M. Tract - a unit of land as designated on a certificate of survey filed in the office of clerk and recorder, Stillwater County, Montana.
- N. Industrial use - the processing, manufacture, production, sale or bulk storage of raw materials for ultimate use in the making of a finished good including the extraction thereof, such as mining or lumbering as well as refining, smelting and milling.
- O. Signs - any man-made structure, object, device, or part thereof, situated out of doors, or prominently visible from outside the building on which it is situated, which identifies, advertises, displays or otherwise attracts attention to either itself or some other object, person, institution, organization, business, product, service, event, activity, location, thing or happening of whatever nature, and by any means, including words, letters, numerals, figures, designs, symbols, fixtures, color, mottos, illumination, projection, contrast, conspicuous and the like.
- P. Commercial use - any enterprise(s) of any kind for a profit, rental of any structure, or portion thereof while the tract owner(s) reside(s) upon that tract Except, and only except, a home based occupation allowed under paragraph 7 A .

3. PERSONS AFFECTED:

The covenants hereafter set forth shall ensure to the benefit of and shall govern all persons or entities who shall after the date of recording of this instrument purchase or contract to purchase or otherwise become a purchaser or a grantee of any of the lands and shall be binding upon their respective heirs, executors, personal representatives, administrators, successors in interest and assigns as well as all persons occupying or using said lands as lessees, guests, employees, or otherwise under or the authority or permission of said purchasers or grantee.

4. TERMS OF APPLICATION:

The covenants set forth herein shall be binding upon the persons above described for a term ending December 31, 2032. The provisions hereof shall then continue in full force and effect for successive periods of ten (10) years each, unless and until at least six months prior to the end of any such additional period the provisions hereof are modified, amended or abolished in conformity with the provisions of paragraph 16.

5. REFERENCE TO COVENANTS:

This Declaration, having been duly recorded, shall be referred to by Book and Page number on all instruments hereafter made affecting the title to any and all lots within the lands. Any changes to this Declaration made in compliance with the provisions of paragraph 16 shall be recorded and shall run with the land.

6. GENERAL COVENANTS AND CONDITIONS:

- A. There shall be no commencement of construction; no trees cut, no building, fence, cattle guard or adjoining livestock gate or any other structure shall be started, constructed, installed, created, altered or added onto any lot until complete plans and specifications for each such development shall have been submitted to and approved by the Board of Directors of the Yellowstone River Ranch Landowners' Corporation in writing. Board of Directors shall have thirty (30) days in which to approve or disapprove such plans and specifications in writing. Any disapproval notification must specify detailed reasons and provide suggestions so that future versions of the re-submitted plans can be approved.

Plans and specifications shall include, at a minimum: a floor plan of the proposed structure, site drawing showing the location of the structure in relation to tract boundaries; an elevation front & rear of the structure; a description of the structural specifications of all foundation materials, exterior walls and roof. All plans shall be to scale, with the scale clearly marked on the plan. Plans for the primary or guesthouse will also be accompanied by a Stillwater County approved waste water/septic permit.

Approval of the planned structure shall expire twelve (12) months after such approval if commencement of construction has not begun by that time.

- B. No person or entity affected by the covenants shall store or permit junk, salvage, abandoned vehicles or machinery, trash, refuse of any kind, logging slash or any unusable building materials to be stored or kept on his or any other tract within the lands. No such person or entity shall burn any trash or refuse of any kind out of doors except in compliance with section 14 of this document. No more than three (3) operable vehicles and three (3) trailers may be parked outside of an enclosed building (i.e. garage) or other approved structure.
- C. All persons and entities affected by the covenants shall provide suitable receptacles for storage and collection of refuse; all such receptacles shall be screened from public view and protected from disturbance by animals.
- D. No noxious or otherwise offensive activity shall be permitted upon any of the real property covered by these Protective Covenants, nor shall any use of activity be permitted which may be or may become an annoyance or nuisance to adjacent landowners or which may depreciate the natural environmental amenities of said property.

7. USE RESTRICTIONS:

- A. Each tract, except as hereafter provided, shall be used for residential and recreational purposes only. Residential use shall include agricultural use as defined herein. Home based occupations are allowed on the ranch so long as those activities do not bring members of the general public to the property. Materials, supplies, equipment used in a home based occupation shall be stored out of view or in an outbuilding or similar structure.
- B. Except with respect to such tracts as may be specifically in writing so designated by the Board of Directors or the Developer, any and all commercial and or industrial activity upon or within any tract is prohibited. The Board of Directors or the Developer will not approve any commercial and/ or industrial activity which will detrimentally impact the roads or the clean and sanitary up keep of the property. See section F. below.
- C. All persons affected by this Declaration shall maintain their respective tracts and all improvements thereon in a clean, sanitary manner in strict compliance with all applicable local, state and federal laws and regulations.
- D. No person(s) shall camp on any tract for more than fourteen (14) days in any one twelve (12) month period without a self-contained sanitary system, and no more than forty five (45) days in any twelve (12) month period otherwise.
- E. If a tract owner is constructing a home, they have the right to stay in a recreational vehicle for up to 12 months during the building process under the following conditions; the recreational vehicle must have a self contained sanitary system, or be connected to a properly installed and functioning septic/waste system. If the building process takes longer than 12 months, the property owner must contact the Board of Directors in writing for an extension. The Board of Directors must respond in writing within 30 days.
- F. No more than (1) structure on any tract may be occupied by anyone other than the tract owner (s) at any given time. Except, and only except occupancy of the guest house. Occupancy of the Guest house must comply with the definition of a guest house allowed under paragraph 2 F

8. BUILDING STANDARDS AND RESTRICTIONS:

- A. All structures and improvements of every kind shall be constructed of new materials and shall conform to the provisions of the covenants and shall be constructed and maintained in a safe manner.
- B. No mobile homes or modular homes shall be permitted on any tract, permanently or temporarily. Also prohibited are tepees, geodesic domes, and any unusual buildings.
- C. One single-family dwelling for residential use shall be permitted on each tract as originally surveyed, together with one guest house and necessary accessory buildings.

- D. All building construction shall be completed within twelve (12) months of the date of commencement. If the building process takes longer than 12 months, the property owner must contact the Board of Directors in writing for an extension. The Board of Directors must respond in writing within 30 days.
- E. The visible exterior of all dwellings, guest houses, and accessory structures shall be constructed of natural materials, such as wood, log or stone, and shall be finished in rustic or earthen shades and tones so as to blend with the natural surroundings. No metal buildings or siding is allowed. Roofing materials will be of wood or composition shingles, or metal if it is at least twenty nine (29) gauge steel and factory colored.
- F. Design and construction of all structures shall follow standards accepted by the construction industry for residential construction and shall comply with all state and local codes.
- G. The architectural design of any building must not be unusual, and will be of the typical type of design found in most frame, log, or timber frame style homes.
- H. All utility supply lines shall be installed underground, except and only except, the Board of Directors or the Developer may issue an exception of one (1) to three (3) utility poles if installation of underground utility lines will detrimentally affect the roadways of the Yellowstone River Ranch or the utility company is unable to install underground lines.
- I. There shall be no building or structure of any kind, except fences, within 100 feet of the high water mark of the Yellowstone River.

9. WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM:

- A. No domestic water supply or sewage disposal system shall be drilled or constructed except in accordance with Stillwater County and State of Montana regulations and statutes governing domestic water supplies and sanitary systems in subdivisions.
- B. No work toward construction of a water supply or sewage disposal system shall be undertaken except upon the prior approval of and issuance of a permit by the Office of the Stillwater County Sanitarian and Department of Health and Environmental Sciences of the State of Montana.
- C. All sewage disposal systems shall consist of a functioning, underground septic tank and leach field as required by law.
- D. Portable toilets are allowed during the one year construction period for construction use. Portable toilets may be used on common areas for member use as deemed necessary by the Board of Directors. The Board of Directors may approve temporary use of portable toilets for a cause.
- E. Outhouses are not allowed.

10. SIGNS:

- A. Except as otherwise expressly permitted, all signs are prohibited.
- B. One sign, identifying the owners of a dwelling, rustic in appearance, and not exceeding six (6) square feet in area, ten (10) feet in height from the ground, or one (1) per tract, shall be permitted.
- C. Real estate "For Sale" and "For Rent" signs not exceeding four (4) square feet in area, six (6) feet in height from the ground; one (1) per tract shall be permitted. .
- D. Signs warning against hunting, trespassing, etc... not to exceed one (1) square foot in area or no more than five (5) feet in height from the ground shall be permitted, except as necessary to comply with state statute as legally posted land or similar.

11. ANIMALS AND LIVESTOCK:

- A. On all tracts, the number of animal units permitted shall not exceed the maximum recommended by the Soil Conservation District Officer in Stillwater County, taking into consideration the available forage on the tract.
- B. No swine shall be permitted, for any purpose. No more than 30 domesticated fowl are allowed per each 20 acre tract.
- C. No person affected by this Declaration shall permit any domesticated fowl, livestock or animals, including but not limited to dogs and cats, to escape from his tract so as to cause any public or private nuisance.

12. SUBDIVISION:

- A. No further subdivision of tracts as originally surveyed and recorded by Grantor shall be permitted unless the resulting tracts are equal to or greater than twenty (20) acres in size.
- B. The tracts resulting from any subdivision shall be bound by the terms of these Protective Covenants.
- C. There shall be permitted upon each undeveloped tract resulting from a subdivision the same uses, kinds and number of buildings as would be permitted under these Protective Covenants had the tract so created by the subdivision been originally surveyed and recorded.

13. PRESERVATION OF TREES AND SOIL:

- A. No living trees shall be removed from within any tract except such trees as may be located in a building site or which may obstruct driveway access to a particular tract. Upon written approval by the Board of Directors of the Yellowstone River Ranch Landowners'

Corporation, trees may be removed solely for the purpose of reducing fire danger in accordance with a fuel mitigation plan. Logging for commercial purposes only, is not allowed.

- B. No purchaser, grantee, lessee, guest, family member or other occupant on any tract may modify or cause any third party to modify any stream course which may traverse any tract, nor may such person obstruct, divert or alter by unnatural means the flow of any water.
- C. Only the sand, gravel, topsoil may be removed from any lot, as is necessary, to excavate for and build all structures, pools, ponds etc. which had already been approved by the Board of Directors of the Yellowstone River Ranch Landowners' Corporation. Commercial gravel pits are not permitted, except, and only except, the Board of Directors of the Yellowstone River Ranch Landowners' Corporation, with the permission of the land owner, may remove gravel from individual lots for roadwork.

14. BURNING:

Burning is allowed on Yellowstone River Ranch under the following provisions:

1. Must follow Stillwater County burn regulations.

15. ENFORCEMENT:

These covenants, as above set forth, may be enforced by Yellowstone River Ranch Landowners' Corporation or its successor. In the event the Yellowstone River Ranch Landowners' Corporation fails or refuses to enforce these covenants then any individual lot owner who is in full compliance with the covenants may enforce them. Mailing of such notice of violation to the last known address of the violator shall constitute proper and adequate notification.

The Yellowstone River Ranch Landowners' Corporation is and shall be empowered and authorized, solely at its option, to establish committees and to delegate to them the authority and duty to enforce these covenants.

If any violation shall be found to exist pursuant to the procedures established under the above constraints, the violator shall be given 30 days after written notice to correct the violation, failing which, the Yellowstone River Ranch Landowners' Corporation shall have full authority to enter the lot of the violator and correct the defect, if that be possible, or otherwise undo the violation, all at the expense of the violator. This period may be extended by the Yellowstone River Ranch Landowners' Corporation upon written request received within 30 days after notice. The cost of correcting the defect or undoing the violation, if undertaken by the Yellowstone River Ranch Landowners' Corporation shall constitute a purchaser's lien against the lot and/or the grantee's interest therein, such lien to be enforceable by sale under the laws of the State of Montana. The violator in addition shall be liable for all costs and reasonable attorney's fees incurred by the Yellowstone River Ranch Landowners' Corporation if it is the prevailing party in enforcing the provisions of this paragraph.

16. AMENDMENT:

These protective covenants, or any portion thereof, may be amended, abandoned, terminated, modified or supplemented at any time by a two-thirds (66 2/3) majority of the members of the Yellowstone River Ranch Landowners' Corporation who are entitled to vote. Any lot owner not in full compliance with the terms of the covenants including, but not limited to, paying in full, all assessments shall not be entitled to vote. Voting on matters related to these Covenants shall be done in person or by written proxy (ballot) at an Annual or Special meeting of the members of the Yellowstone River Ranch Landowners' Corporation at which a quorum is present, in accordance with Article III of the Amended By-Laws of the Yellowstone River Ranch Landowner's Corporation. The notice for which explains the purpose of the vote and includes all amendments, modifications and/or supplementary language to be added, deleted or substituted to or from these protective covenants. Only such ballots as are executed by the Members and are actually received by the Secretary prior to the Annual or Special Meeting shall be valid and counted.

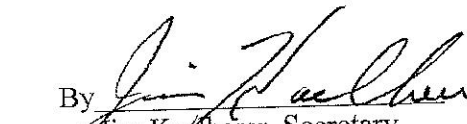
17. SEVERABILITY:


In the event any of the terms or provisions of these Protective Covenants, or any portion thereof, are invalid or void, such invalidity or voidness shall in no way affect the remainder of these Protective Covenants.

IN WITNESS WHEREOF, the Board of Directors of the Yellowstone River Ranch Landowners' Corporation has executed this Declaration

By 
Kim Skelton, President

By 
Dan O'Neil, Director at Large

By 
Jim Kachberer, Secretary

By 
Renate Nieman, Developers' Director

By 
Jim Gebel, Resident Director