

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
RELATING TO WATERMARK PLACE, A MINOR SUBDIVISION**

This Declaration is made this 19th day of June, 2006 by Kathryn Mitchell
and Harry Coman residing at 41 Norman Hill Road, Woodstock, Connecticut 06281,
hereinafter referred to as the "Declarants."

WITNESSETH.

WHEREAS, the Declarants are the owners of certain real property in Sanders County,
more particularly described as that certain rural property located in government lots 5 & 6 in
Section 31, Township 19 North, Range 23 West P.M.M., Sanders County, Montana also
known as Watermark Place, a minor subdivision according to the official recorded plat
thereof.

WHEREAS, the Declarants wish to place restrictions, covenants and conditions upon
said real property for the use and benefit of the property, the Declarants and the future owners
thereof;

The Declarants hereby declare that all the property described above shall be held, sold
and conveyed subject to the following restrictions, covenants, conditions and easements, all
of which are for the purpose of enhancing and protecting the value, desirability and

attractiveness of the real property. These restrictions, covenants, conditions and easements shall run with the real property and shall be binding upon all parties having or acquiring any right, title or interest in the described property, or any part thereof, and shall be for the benefit of and be binding upon each successor in interest to the owner thereof.

ARTICLE I: DEFINITIONS.

1. Properties. "Properties" shall mean and refer to the certain real property described above and other such real property which is now or may hereafter be brought within the jurisdiction of this Declaration.
2. Lot. "Lot" shall mean and refer to any plot of land shown upon the recorded plat map of the property subject to this Declaration with the exception of any dedicated streets and roads within the subject property now existing or within the future. In the event other than a lot shown on the recorded plat map is utilized as a building site, as hereinafter authorized, such building site shall be considered a lot.
3. Owner. "Owner" shall refer to the record owner, whether one or more persons or entities, of any lot which is part of the properties, including buyers under a contract for deed, but excluding those who have such interest merely as security for the performance of an obligation.

ARTICLE II: MEMBERSHIP AND VOTING RIGHTS.

SECTION I.

Membership. Every person or entity who is a record owner of any Lot, including buyers under a contract for deed, shall be a member of the Watermark Road Maintenance

Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation and Membership shall be appurtenant to and may not be separated from ownership of such Lot and shall be the sole qualification for Membership.

SECTION II.

Voting Rights. The Members of the Association shall be entitled to one vote for each Lot in which they hold an interest which qualifies for Membership. When more than one person or entity owns an interest in any Lot which qualifies for Membership, the vote for such Lot shall be exercised as such persons or entities may determine, but in no event may more than one vote per Lot be cast.

ARTICLE III: ADMINISTRATION

SECTION I.

Meetings. The owners may conduct an annual meeting and special meetings to discuss operation and maintenance of the road and conduct other business as appropriate.

SECTION II.

Election of Officers. The owners may elect from its membership a president, treasurer, and secretary to run meetings, collect and administer funds, and record decisions, respectively.

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SECTION III.

Decision Making with Petition. Any owner may initiate a petition for amendment of this agreement, repair maintenance of the road, or general administration of this Agreement.

- a. Owner Notification of Petition. The owners that initiates the petition shall notify, in writing, each of the other owners of the proposal. (Mail to tax record address sufficient.)
- b. Content of Petition. The petition shall be in writing and include each of the following:
 - (i) A description of the proposal.
 - (ii) Cost estimates of work to be performed.
 - (iii) A request for written response indicating their approval of, or opposition to the petition within fourteen days of its issuance.
 - (iv) A statement that if no response is received within the allowed time frame, it is assumed that the owner is in favor of the petition and can be counted as a vote of approval.
 - (v) Other information as appropriate.

SECTION IV.

Decision Making at Meeting. Any owner may call a meeting for amendment of this Agreement, repair/maintenance of the road, or general administration of this Agreement as described below:

- a. Owner Notification of Meeting. The owners that call a meeting shall notify, in writing, all of the other owners, not less than fourteen days nor more than

thirty days in advance of the meeting.

- b. Content of Notice. The notice shall be in writing and include each of the following:
 - (i) The date and time of the meeting.
 - (ii) The location of the meeting.
 - (iii) The general purpose of the meeting.
- c. Quorum. Three-fifths of the owners shall constitute a quorum for decision making.
- d. Voting. Each Lot shall entitle the owner to one vote regarding the decision at hand. Multiple Lot shall be entitle to one vote per tract. Each decision shall be approved by a majority vote of those owners voting at the meeting. An owner may vote by proxy.
- e. Owner Notification of Decision. The owners that initiate the meeting shall notify, in writing, all of the other owners the results of the meeting.
- f. Implementation of Petition. If the majority of the owners approve of the action, any owner may implement the decision.

ARTICLE IV: ASSESSMENTS

SECTION I.

Creation of Lien and Personal Obligation. Each Lot owner hereby covenants and agrees to pay the Association Assessments, all such assessments to be fixed, established and collected from time to time as hereinafter provided. These Assessments, together with interest and costs of collection as herein provided, shall be a charge on the land and shall

constitute a Lien upon a Lot upon which such Assessment is made. Such Lien shall be deemed perfected upon filing with the County Clerk and Recorder of Sanders County and an account of the Assessments due together with correct description of the property to be charged with such Lien and shall continue until all unpaid Assessments, interest and costs of collection shall have been fully paid. The priority of such Lien shall be determined as of the time of filing with the Clerk and Recorder, and shall be deemed subordinate to all previously recorded or filed interests.

Each such Assessment, together with interest and costs of collection as herein provided, shall also be the personal obligation of the owner of such Lot at the time when such Assessment became due. Delinquent personal obligations shall not pass to successors and title unless expressly assumed by them, but this shall, in no way, limit the affect of any Lien created herein.

SECTION II.

Assessments. The general Assessments levied by the Association shall be used for such purposes as deemed desirable by the Association including, but not limited to, roadway maintenance expenditures, for administrative costs of the Association incurred in its day to day activities, any costs or expenses, including attorney's fees, incurred in enforcing the conditions, restrictions or charges set forth in this Declaration.

SECTION III.

Commencement of Assessments. The Association is authorized to commence initial Assessments has herein authorized at such time as it determines appropriate. Written notice

of Assessments shall be sent to every Lot owner. The due date shall be established by the Association. If the Assessments are not paid by such due date, an interest shall begin to accrue on them at a rate as determined by the Association.

SECTION IV.

Non-Payment of Assessments. Any Assessments not paid when due shall be delinquent. The Association shall bring an action at law or equity to collect the amount of delinquent Assessment together with all interest, costs and reasonable attorney's fees incurred in such action, or may take action to perfect and foreclose the Lien for Assessments.

ARTICLE V: PROTECTIVE COVENANTS.

The following Protective Covenants are designed to provide a uniform plan for the development of the properties. They shall constitute a covenant running with the land for each Lot within the Properties.

- a. Lot Use. Lots shall be for single family residential use and any commercial use is prohibited unless the commercial activity is conducted inside the residence, does not create disturbing noise or odor, does not involve the storage of equipment and does not involve increased traffic. No Lot shall have more than one single family residential structure and structures accessory to residential uses located upon it.
- b. Compliance with Health Regulations. No activity shall be conducted in violation of any Montana state law, Montana state regulation, or local ordinance or regulation with respect to water supply, sewage disposal, sanitation and air pollution.

- c. Waste Materials: No building site shall be used or maintained as a dumping or storage area for rubbish, trash, garbage, brush or other waste. All trash, junk, garbage and other waste shall be kept in sanitary and rodent-proof containers. No automobiles, automobile bodies, motor vehicles or parts thereof may be left exposed to view from other parcels in an inoperative condition except during a period not to exceed three (3) months while repairs are being made of such vehicle.
- d. Animals: All animals shall be contained within the boundary of the owners property. No vicious or barking dogs and no pigs or swine shall be kept or maintained on any parcel at any time. Horses, cows and other large animals may be kept on the owners' property, so long as the owners provide one acre per large animal.
6. Offensive Activity. No noxious or offensive activity shall be carried on or permitted upon any parcel, nor shall anything be done which may be or may become an annoyance or nuisance to the neighborhood; nor shall the premises be used in any way for any purpose which shall endanger the health, safety or welfare or unreasonably disturb the residents of any other parcel.
7. Building Standards. The following construction standards shall be followed for all residences placed upon the premises:
- a. All residential construction once begun shall be completed as to the exterior finish within 18 months after the start of construction.
- b. All residential dwellings shall have a permanent foundation and be either

- stick built or modular and constructed in a workman-like manner, being finished in attractive material. Mobile homes are not allowed.
- c. No building shall be located within twenty five (25) feet of the property line.
 - d. All dwelling owners must comply with the laws of the State of Montana and the County of Sanders, as to fire protection, building construction, sanitation, public health and Sanders County Health and Sanitation requirements supplemental hereto.
 - e. Each residence once constructed on a parcel shall be kept in the same condition as at the time of its initial construction, excepting normal wear and tear.
- 8. Re-Subdivision. No property may be re-divided.
 - 9. Lot Maintenance. All lot owners shall comply with the Sanders County Weed Board Policy, and any disturbed areas shall be re-seeded to minimize erosion and weed growth.
 - 10. Road Maintenance and Utilities. The costs of maintenance and repair of the unnamed roads identified in the plat of Watermark Place shall be assessed equally among the plat owners as provided herein. Each owner shall have an access easement on the roadways as shown on the plat of Watermark Place. The roadways may be used for utility installation, construction, maintenance and repair so long as such use does not unnecessarily restrict the use of the road and so long as the utilities benefit only Watermark Place properties. The Declarants

reserve the right to add further development to Watermark Place agrees that any additional Lots created will pay an equal share of any road maintenance expense.

11. Waiver of Liability. All users of the Roads subject to this Declaration shall use them at their own risk and hazard. The Declarants or any owner shall not be liable for any damage or loss of any kind which may be suffered by a person using the roads. Accordingly, all persons using the roads for any reason are deemed to have consented to the provisions of this paragraph, and waive any claim they may have for any such liability and agree to release and hold harmless all owners.
12. Access. No vehicle shall be parked on any County or designated right-of-way. And no fences or planted trees or shrubbery will be allowed on designated R/W.

ARTICLE VI: GENERAL PROVISIONS

SECTION I.

Duration. The covenants, conditions, charges and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association, the Declarants or the owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, or assigns in perpetuity.

SECTION II.

Enforcement. Any owner, the Declarants or the Association shall have the option and right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, and charges now or hereafter imposed by the provisions of this Declaration. The method of enforcement may include legal action seeking an injunction to prohibit any violation, to recover damages, or both. Failure by any owner, or by the Declarants, to enforce any such

provision shall in no event be deemed a waiver of the right to do so thereafter. Should any lawsuit or other legal proceeding be instituted against an Owner who is alleged to have violated on or more of the provisions of this Declaration, the prevailing party in such proceeding shall be entitled to reimbursement for the costs of such proceeding, including reasonable attorney's fees.

SECTION III.

Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in now way affect any other provisions, which shall remain in full force and effect.

SECTION IV.

Waiver or Abandonment. The waiver of, or failure to enforce any breach or violation of any provision of this Agreement, shall not be deemed to be a waiver of such provision, or waiver of the right to enforce any subsequent breach or violation of such provision.

SECTION V

Liability of Declarants. The Declarants shall have no liability for any of their actions or failures to act, or for any action or failure to act of any owner of any Lot in Watermark Place.

IN WITNESS WHEREOF, the Declarants have executed the foregoing Declaration on the day and year first above written.

Harry Coman
Harry Coman

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Kathryn Mitchell
Kathryn Mitchell

STATE OF CONNECTICUT)

County of WINDHAM) : ss.

On this 19 day of July, 2006, before me the undersigned, a Notary Public for the State of Connecticut, personally appeared Harry Coman and Kathryn Mitchell, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereto set my hand and seal the day and year first above written.

(NOTARY SEAL)

[Signature]
Notary Public for the State of Connecticut

Residing at 1000 1/2 St. Ct

My Commission expires: 11/30/08

#5714 COS 2677ms
Waterbury Place

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STATE OF MONTANA, SANDERS COUNTY
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