

GLEN LAKE COMMERCE SUBDIVISION

DECLARATION OF COVENANTS AND RESTRICTIONS

Section 1. Definitions.

1.1 Subdivision: The SUBDIVISION, Glen Lake Commerce Subdivision is referred to as the “Subdivision”, “Glen Lake Commerce Subdivision”, Glen Lake Holdings, LLC, or “Glen Lake”.

1.2 Property Owners Association: Glen Lake Property Owners Association, Inc.

1.3 Guidelines: The Design Guidelines of Glen Lake Subdivision, as amended from time to time.

1.4 Bylaws: The Bylaws of Glen Lake Property Owner's Association, Inc.

1.5 Declaration: This document and amendments thereto from time to time.

1.6 Property Disclosure: The Property Disclosure for Glen Lake Subdivision, as amended from time to time.

1.7 Lot: Any separate, designated parcel within Glen Lake designated and set apart for the purpose of ownership.

1.8 Property: An Owner's place of business and/or dwelling unit which is a structure constructed upon a Lot within the Subdivision, which structure shall meet the requirements set forth in the design Guidelines, Declaration, Bylaws, and Property Disclosure.

1.9 Owner: The person owning a Lot or building in fee simple absolute, individually or as co-owner in any real estate tenancy relationship recognized under the laws of the State of Montana.

1.10 Common Area: The portion of the Subdivision over which the Property Owner's Association and Declarant retain control, and the portion of the Subdivision in common ownership among the members of the property owner's Association.

1.11 Declarant: Initially means Glen Lake Holdings, LLC.

1.12 Contractor: Any person, general contractor, subcontractor, firm, association, partnership, corporation, limited liability partnership, or limited liability company engaged in construction services or performing any type of labor in or around the Residence or Lot.

Section 2. Preface.

2.1 Description. The Glen Lake Commerce Subdivision is a commercial development. The primary goal of the Declarant, the current owner of the property, is to create a development which blends into the surrounding areas and attempts to satisfy the goals of the City of Bozeman. The Glen Lake Commerce Subdivision strives to achieve this objective through the implementation of the Declaration, the Guidelines, and the Bylaws which govern and should be read and construed in conjunction with this Declaration.

2.2 Zoning Regulations. This Declaration is in addition to those requirements set forth in Chapter 38, Articles 7 and 12 of the City of Bozeman's Unified Development Code ("Zoning Regulations"). In the event there is a conflict between the Zoning Regulations and the Declaration or the Guidelines, the Zoning Regulations shall control.

2.3 Reviewer/Architecture Review Committee. All references to the Reviewer and/or Architecture Review Committee (ARC) herein shall mean the individual or members of the Board, whichever is currently serving as the reviewing authority per the terms of the Bylaws and Guidelines. All other provisions relating to the responsibilities and operations of the Reviewer and the creation, operation, and authority of the Architecture Review Committee (ARC) shall be as set forth in the Bylaws and Guidelines. If the Bylaws and the Guidelines contain a conflict in relation to the Reviewer/ Architecture Review Committee (ARC), in any manner, then the Guidelines will control. The initial Reviewer shall be a professional chosen by Declarant, and named in the Guidelines.

2.4 Ownership and Location. The Declarant is the present owner of all of the property included within the boundaries of the Glen Lake Commerce Subdivision, a planned subdivision located in Gallatin County designated on the official plat on file and of record with the Clerk and Recorder of Gallatin County at Book____of Plats, page__.

2.5 Adoption of Declaration. The Declarant hereby adopts this Declaration as such is further defined and set forth herein.

2.6 Purpose. It is the purpose of this Declaration to ensure that the Subdivision attempts to blend into its surroundings, complement and enhance the natural environment and preserve and protect the interests and investment of the individual Owners. This Declaration, and the covenants and restrictions contained herein, shall attach to and run with the land and shall constitute an equitable servitude upon the real property and every part of it, including all titles, interest and estates as may be held, conveyed, owned, claimed, devised, encumbered, used, occupied and improved. This Declaration is for the benefit of the entire Subdivision and every part of it and for the benefit of each Owner. The Declaration shall constitute benefits and burdens to the Declarant and to all persons or entities hereafter acquiring any interest in the subdivision. The Declaration provides general restrictions as to the use of the Lots, while the Guidelines provide appropriate details in order to ensure compliance with this Declaration. The Guidelines must be carefully consulted and followed to ensure the requirements of this Declaration are met.

All the area of the Subdivision shall be controlled by this Declaration.

Section 3. Property Owners Association.

3.1 Dues. The Property Owner's Association dues are currently estimated to be one hundred dollars and no/100 (\$100.00) a month. However, dues may be increase based on budget expenses being incurred. At closing of the sale of any lot, two months of Association Dues will be collected up front; one-half of which is associated with the first month's dues, and one-half of which will be deposited into a reserve fund. The dues will be used in a manner that promotes the general welfare and safety of the property owners Association members and will include, but may not be limited to, the following:

- Snowplowing and maintenance of internal trails and common area walkways.
- Maintenance of common landscaping, park land amenities and signage;
- Water and electric utility bills;
- Insurance coverage for the Board of Directors and Association's owned property.

3.2 Formation. The Property Owner's Association will be formed when fifty percent (50%) of the Lots are sold. Until that time, the Declarant will be responsible for maintenance and collection of monthly dues. An Owner shall send payment for Property Owner's Association dues at the beginning of each month, including the time period prior to the month the Owner moves in, to:

Glen Lake Holdings, LLC
145 Jeana Lei Court
Bozeman, Montana 59715

Section 4. Combination of Lots. Two contiguous Lots may be combined to constitute one Lot, and that Lot will be treated as one Lot. Three contiguous Lots may be combined to constitute two Lots, and those sites will be treated as two Lots. Any combining of Lots shall be completed in accordance with Montana law and shall be required to meet any requirements, processes, and /or regulations set forth by the County of Gallatin and /or the City of Bozeman. A combined Lot shall be treated as a single Lot for purposes of determining assessments. No Lot may be further subdivided. If one or more Lots has been combined, the Owner of the combined Lot shall be entitled to the vote or votes, as set provided for in the Bylaws. If the vote is in relation to Amendment of this Declaration, then the provisions relating to Amendment set forth in this Declaration shall control.

Section 5. Covenants and Restrictions.

5.1 Industrial/ Residential Uses

5.1.1 City of Bozeman, M-1 Industrial Zoning and Use. All Lots shall be used for industrial purposes permitted under Chapter 38, Article 12 of the City of

Bozeman's Unified Development Code. One accessory residential unit is allowed on each Lot, subject to compliance with the Zoning Regulations. Owners should carefully review the Zoning Regulations to ensure compliance with all such zoning regulations. All Lots are solely for industrial/residential uses. Only M-1 commercial will be permitted.

5.1.2 Minimum Finished Building Space. Where possible, finished or conditioned space, excluding garages and storage spaces, may be smaller than 2,000 square feet in size. The Reviewer can advise each Owner and/or potential Owner whether or not a Lot will be required to meet a minimum square footage requirement, as set forth in this Section.

5.1.3 Construction, Lot Site Preparation Maintenance, and Landscaping. Any and all construction, alterations or improvements shall be subject to advance approval by the Reviewer or Design Review Board. Each Owner shall also submit a landscape plan with any plans for construction. Construction and landscaping shall be performed diligently and in accordance with the guidance set forth by the Reviewer or Design Review Board, and in accordance with the Declaration, Guidelines, and Property Disclosure. Owners shall reference the Bylaws and Guidelines, and inquire with the Property Owner's Association, as to whom to submit such plans-e.g. name of Reviewer or location of Design Review Board, whichever is applicable.

5.1.4 Other Uses Prohibited. No Lot shall ever be occupied or used for any purpose except for those uses specified in the M-1 Zoning Regulations set forth by the City of Bozeman. Nothing contained herein limits the Owner's ability to lease the dwelling for M-1 use.

5.1.5 Occupation Conducted Within the Subdivision. All occupation and business conducted within the subdivision are to be in accordance with M-1 Zoning Regulations set forth by the City of Bozeman.

5.1.6 Trailers and Mobile Homes. Trailer homes and modular homes are prohibited on any Lot. Recreational vehicles, motor or mobile homes, vehicle trailers or other trailers, and boats must be kept in a garage or otherwise screened from view. The Property Owner's Association may determine if an Owner is in violation of this section.

5.1.7 Mining Prohibited. No prospecting, mining, quarrying, tunneling, excavating, or drilling for any substance on or within the earth, including oil, gas, hydrocarbons, minerals, gravels, sand, rock, or earth shall be permitted.

5.2 Outbuildings and Temporary Structures. No outbuildings shall be erected or maintained on any Lot before the start of construction of a primary use structure. No trailer, mobile home, basement, shack, garage or other outbuilding shall be erected upon any part of the Lot for use as a temporary or permanent residence. Temporary structures shall be removed within thirty (30) days following completion of construction.

5.3 Exterior Improvements and Equipment. Application to the Reviewer for approval of pools, spas, hot tubs, or fire pits shall contain adequate details to establish

sufficient abatement of equipment noise. If deep excavations are required for these improvements a site evaluation by a geologist or soils engineer may be required by the Reviewer.

5.4 Facades Facing Manley Road. In order to protect the intended aesthetic value of the Subdivision, the design Guidelines will not only require equal design elements of all four sides of each structure, but a particular emphasis on the facades of all buildings facing Manley Road that will set the precedent for the remaining elevations.

5.5 Fences. All allowed fencing must be approved and installed consistent with the requirements set forth in the design guidelines, M-1 Zoning requirements and restrictions for the City of Bozeman.

5.6 Orientation and Placement of Buildings. All buildings are to be orientated and placed on each lot in accordance with the design guidelines and all other regulations set forth in M-1 Zoning Regulations of the City of Bozeman.

5.7 Certificate of Compliance. Before any Owner may occupy or otherwise use a structure or residential unit in the Subdivision, the Owner must obtain a certificate of compliance from the Reviewer in the form set forth in the Guidelines. Such certificate shall acknowledge compliance with the Guidelines in the design and construction of the building or residential unit built within the Subdivision, as well as a Certificate of Occupancy from the city of Bozeman.

5.8 Domestic Pets. No domestic animals or fowl shall be maintained on any Lot except as provided herein. Not more than three generally recognized house or yard pets are permitted, provided that such animals shall at all times be restrained or leashed. The Property Owner's Association shall make the final determination in any dispute as to whether a pet is "generally recognized." Excessive barking or other animal noises shall not be tolerated. If any animals are caught or identified chasing or otherwise harassing wildlife or people, or barking excessively, the Property Owner's Association shall have the authority to have such animal(s) impounded at any available location, and may assess a penalty against the owner of such animal(s) of not more than fifty dollars (\$50.00) plus all costs of impoundment. If any such animal(s) are caught or identified chasing or harassing wildlife or people, or barking excessively on any additional occasion, the property owners Association shall have the authority to have such animal(s) impounded and may assess a penalty of not more than one hundred dollars (\$100.00) per animal, plus costs of impoundment. No owner of any animals(s) impounded for chasing or harassing wildlife or people, or for barking excessively, shall have a right of action against the property owner's Association or any member thereof, for the impoundment of any such animal(s).

5.9 Maintenance of Lots. Owners shall maintain Lots and improvements in good repair and appearance at all times. All landscaping improvements and property shall be kept and maintained in good, clean, safe, sound, attractive, thriving and sightly condition and in good repair at all times.

5.10 Vegetation and Weeds. The control of noxious weeds by the Glen Lake Property Owners Association on those areas for which the Owners Association is responsible and the control of noxious weeds by individual owners on their respective lots shall be as required by the Montana Noxious Weed Control Act (§7-22-2101, MCA through §7-22-2153, MCA as amended) and the rules, regulations and management plans of the Gallatin County Weed Control District. Both unimproved and improved lots shall be managed for noxious weeds. In the event a landowner does not control the noxious weeds after 10 days notice from the Owners Association, the Owners Association may cause the noxious weeds to be controlled. The cost and expense associated with such weed management shall be assessed to the lot and such assessment may become a lien if not paid within thirty (30) days of the mailing of such assessment. The Owners Association is responsible for control of state and county declared noxious weeds in the subdivision parks, open spaces, community areas, trails, and roadways. Nothing herein shall require or obligate the Gallatin County Weed District to undertake any management or enforcement on behalf of the Owners Association or landowners that is not otherwise required by law of the Gallatin County Weed District Management Plan)

5.11 Owners shall control and maintain all vegetation and weeds on their respective Lots and shall destroy weeds according to county standards. Re-vegetation is required, and any plan of re-vegetation must be approved by the Reviewer. The Declarant or property owner's Association, whichever is applicable, shall be responsible for control and maintenance of vegetation and weeds within the right of way along Manley Road.

5.12 Noxious, Offensive, or Hazardous Activities. No noxious, offensive, or hazardous activities shall be permitted upon any portion of the Lot nor shall anything be done on or placed upon any portion of the Lot which is or may become a nuisance to others. No light shall be produced upon any Lot or other portion of the Lot which shall be unreasonably bright or cause unreasonable glare. No sound shall be produced on any Lot or other portion of a Lot which is unreasonably loud or annoying, including but not limited to speakers, horns, whistles and bells or excessive barking or other animal noises.

5.13 Off-Road Motorized Vehicles. No off-road motorized travel shall be permitted. Use of snowmobiles within the Subdivision is also prohibited. Use of motorized vehicles is subject to ordinances and regulations of the City of Bozeman.

5.14 Hunting and Firearms. Neither hunting nor the discharge of firearms shall be allowed in the Subdivision.

5.15 Signs. No signs, billboards, posters, displays, advertisements or similar structures shall be permitted except as approved in advance in writing by the Reviewer.

Section 6. Common Areas, Easements, Utilities, and Right of Access.

6.1 Common Area. The design of the Subdivision incorporates Common Areas, including the storm water management system as shown on the final plat of the Subdivision. Lot 9, Block 2 is common open space and is owned and maintained by

Property Owner's Association. This lot will contain the stormwater detention pond. Owners shall have the right to use and enjoy the Common Areas and facilities. No improvements shall be constructed on such Common Areas. The Property Owner's Association shall maintain liability insurance and pay any applicable tax assessments on the Common Areas.

6.2 Stormwater Management System. The stormwater management system must be maintained as outlined in the Bozeman Municipal Code (BMC) Sec. 40.04.720. The stormwater facility shall be routinely inspected and maintained:

1. Keep the outlet and inlets of the facility free of leaves, rocks, and other debris.
2. The storm water facilities are to be mowed regularly. During the summer, approximately once every two weeks, the grass is to be mowed and the cuttings are to be promptly removed and disposed of. Unless visibly tainted, dispose of lawn clippings in the same manner as yard waste. Otherwise, bag and take to a sanitary landfill.
3. Remove sediment by hand with a flat bottom shovel during the summer months whenever sediment covers vegetation. Have the grass cut short in that particular location so that the bed can be made as level as possible.
5. Re-sod damaged or maintained areas immediately, or use grass plugs from the adjacent up-slope area.
6. Inspect the facilities periodically, especially after heavy rains (preferably monthly and after each storm that delivers 0.5 inches of rainfall).
7. Inspect flow control outlet semi-annually. Clean outlet when soil and vegetation buildup interfere with flow introduction.
9. See that litter and other debris are removed in order to reduce the tendency to channel when trash accumulates.
10. Owner to maintain and fund Operation and Maintenance of stormwater facilities.

6.3 Maintenance of Common Areas. The property owner's Association shall maintain the Common Area of Lot 9, Block 2. Included in this common area is the stormwater pond and its associated landscaping, and fence and gate. The POA must maintain this open space included stormwater facility maintenance as set forth in Section 6.2 (previous section) of these covenants. The property owners Association may take such steps as are necessary to ensure that all shrubs, trees, and other vegetation in the common areas do not block, interfere, or hinder the view from any building. Such steps may include limiting the type of shrubs, trees, and other vegetation planted in the Common Area, specifying the location of items to be planted, and/or removing shrubs, trees, and other vegetation in the event such items grow to a level that they block, interfere, or hinder the view from any buildings. Maintenance, repairs, and replacements of Commons Area grounds and improvements, including the storm water management system, shall be the expense of the Property Owners Association, provided, however, if such damage is caused by a negligent or tortuous act of any Owner, members of such Owner's family, a guest or employee of Owner, then such Owner shall be responsible and liable for all such damage.

6.4 Ingress and Egress Easement. An easement for general ingress and egress to each Lot and to all Common Areas for the general use of all Owners and their guests shall exist over all Common Areas, roads, and trails within the Subdivision.

6.5 Pathways and Sidewalks. As set forth in the Guidelines, all Owners shall construct commercial sidewalks conforming to City of Bozeman standards on all public street frontages of the Owner's lot prior to the occupancy of any space. However, notwithstanding occupancy, such sidewalk shall be constructed no later than three (3) years after the Subdivision plat is recorded. The Declarant shall perform reasonable maintenance on all pathways within the Subdivision until fifty percent (50%) of the Lots are sold. Thereafter, the property owners Association shall be wholly responsible for all pathway maintenance.

6.6 Boulevard Trees. The City of Bozeman Requires boulevard trees and an irrigation system in the public right-of-way boulevard strips along all external perimeter development streets and adjacent to public parks or other open space areas (Section 38.26.050.E). A permit must be obtained by the City of Bozeman for street trees, and obtaining utility locations before any excavation begins in the City of Bozeman right-of-way. Planting Note: the planting hole must be at least twice the diameter of the root ball, that the root flare of the newly planted tree is visible and above ground, and there should be a mulch ring 3'- 4' in diameter around each newly planted boulevard tree.

6.7 Infrastructure Improvements. Declarant acknowledges that all infrastructure improvements including water and sewer main extensions, public streets, curb/gutter, sidewalks fronting parks, open space, rear yard frontages or other non-lot frontages, and related storm drainage infrastructure improvements shall be financially guaranteed or constructed prior to final plat approval.

6.8 Utility Easement. A general utility easement for such utilities as electricity, gas, sewer, communications, telephone, water, television, cable communications and other utility equipment is provided for within the Subdivision. All Owners shall have the right to enter upon and excavation such easements but only upon the written approval of the Reviewer. Easements for ingress and egress and for utilities shall not be moved, deleted or restricted without the written approval of all affected Owners. Utility companies and Owners must restore disturbed land as close as possible to the natural condition of the land before work commenced.

6.9 Installation and Maintenance of Utilities. The source for the installation of electric power, telephone, and water line service shall exist at the junction of the main access road and Lot drive ways. Owners shall bear all responsibility and costs from such junction to Residences. All utilities of every nature shall be installed and maintained underground. Piping and wiring shall be concealed. Each Owner shall be responsible for utility installation and maintenance in accordance with state and local regulations.

6.10 Right of Access. A right of access shall be reserved and be immediate for making of emergency repairs in improvements and/or within the boundaries of each Lot. These repairs may be needed to prevent property damage, personal injury, continued property damage, or for any other emergency purpose.

6.11 Shared Access. Property Owners may, upon mutual agreement, provide shared access serving two adjoining lots. Property Owners are encouraged to develop shared access agreements where two lots may utilize a single ingress/egress point along the common property line. No lot shall have more than one shared access with an adjoining lot. Shared accesses shall be used to access parking areas and buildings on each lot. Parking requirements of each building and use shall be met individually on each respective lot. Property Owners shall be responsible for developing a mutual agreement for shared access, and shall file all necessary forms and easement documents required by the City of Bozeman and Gallatin County. A copy of such shared access agreements, along with easement documentation as filed with the Gallatin County Clerk and Recorder's Office shall be provided to the Property Owner's Association.

6.12 Dedication to Public Use. Nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, express or implied, of any part of the Subdivision or the Common Areas to or for any public use other than those areas indicated on the final plat.

Section 7. Enforcement.

7.1 Parties That Can Enforce. The provisions of this Declaration may be enforced by the property owner's Association, Reviewer, or the Declarant.

7.2 Action upon Violation. In the event of violation or threatened violation of any provision of this Declaration, or the Guidelines or any other rules or regulation adopted by the property owner's Association, legal proceedings may be brought in a court of law or equity for injunctive relief and damages. In addition, the property owner's Association, Reviewer, or the Declarant may enforce this Declaration by serving notice in writing on the person or entity violating this Declaration which notice shall specify the offense, identify the location and demand compliance with the terms and conditions of this Declaration. Such notice shall be personally served. Enforcement of this Declaration shall be by proceedings either at law or in equity against any person or persons violating or attempting to violate this Declaration. Such legal proceedings may be either to enjoin or restrain violation of the Declaration or to recover damages or both. In the event of action to enforce this Declaration, the prevailing party shall be entitled to costs and a reasonable attorney's fee.

7.3 Liability and Waiver. The Reviewer, property owner's Association, and the Declarant shall not be liable to any person or entity for any entry, self-help or abatement of a violation or threatened violation of this Declaration. All Owners, invitees and guests shall be deemed to have waived any and all rights or claims for damages for any loss or injury resulting from such action except for intentionally wrongful acts.

7.4 Failure to Enforce Not Constitute Waiver. The failure by the Declarant or its assigns, the property owner's Association, the Reviewer or any Owner to enforce any covenants or restrictions contained herein shall not be deemed a waiver or in any way prejudice the right to enforce this Declaration at any time against any person breaking any covenant or restriction breached thereafter or to collect damages for any subsequent breach

of this Declaration.

Section 8. Covenant Applicability. All of the real property and Lots, referenced above and described as Glen Lake Commerce Subdivision, shall be subject to the restrictions and covenants set forth herein whether or not there is a reference to the same in a deed or conveyance. A breach of any of the foregoing covenants or restrictions shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value upon any Lot or portion of the real property or any improvements thereon. However, this Declaration shall be binding upon and inure to the benefit of any subsequent Owner who acquires by foreclosure, trustee sale or otherwise, title to property within the Subdivision.

Section 9. Perpetuity. This Declaration shall continue in full force and effect and shall run with land as legal and equitable servitude in perpetuity unless amended as set forth herein.

Section 10. Amendments. This Declaration shall remain in effect until amended or terminated. This Declaration, and any portion thereof, may be amended, terminated or supplemented at any time by the execution of a written document containing the terms of the amendment, supplement or termination of any of the covenants, (duly acknowledged by a Notary Public, and recorded with the office of the Gallatin County Clerk and Recorder), in the following manner: (1) if the subdivision has not been released to the property owner's Association, then the Declarant may amend this Declaration unilaterally at any time; (2) if the Subdivision has been released to the property owner's Association, then amendment, termination, or supplementation of this Declaration shall only occur through a written document executed by the Owners of at least seventy-five percent (75%) of the Lots in the Subdivision based on one vote per Lot. If one or more Lots has been combined, the Owner thereof shall be entitled to one vote and/or one signature for each original Lot which created the combined Lot. If there is more than one Owner for an individual Lot, each Owner must execute the amendment, supplement or termination document to count for one vote towards the seventy-five percent (75%) total.

Section 11. Severability. Captions and paragraph headings are designated herein as a matter of convenience. A determination of invalidity of any portion of this Declaration shall not in any manner affect the other portions or provisions, all of which shall remain in full force and effect.

Section 12. Property Owner's Association. The Property Owner's Association shall be constituted, shall conduct its business, and shall have the authority and responsibility as provided herein and in its Bylaws. In the event of a conflict between the Bylaws and this Declaration, the Bylaws shall prevail.

Section 13. Environmental Assessment. Bound with these Property Owners Association documents are the full copies of the environmental assessments conducted for this site. These environmental assessments conclude that the site contains petroleum constituents and various Resource Conservation and Recovery Act (RCRA) above laboratory detection limits. Reference environmental assessments entitled:

- Phase I Environmental Assessment, Lot 1A of Minor Subdivision 154A, by Terracon March 30, 2016
- Additional Environmental Services – File Review and Soil Sampling, Lot 1A of Minor Subdivision 154A, by Terracon April 28, 2016

These reports are not filed with these covenants because of their excessive length. Refer to the attached *Abstract of Environmental Site Assessment and Documentation for Additional Environmental Services* for information pertaining to these reports.

The City of Bozeman and the Montana Department of Environmental Quality are beneficiaries of this Section and are entitled to enforce the covenants related to the identified and potential environmental hazards and remediation on the property.

