

DECLARATION OF COVENANTS FOR PARADISE FOUND SUBDIVISION  
 ADOPTED AND EXECUTED BY THE OWNERS  
 OF SW<sup>1</sup>/<sub>4</sub> SECTION 24 TOWNSHIP 5 SOUTH RANGE 8 EAST  
 AND TO BE RECORDED AS PART OF MINOR SUBDIVISION PLAT NO. 425

THESE COVENANTS are hereby made and entered into by TKG, L.L.C., Owners of the Paradise Found minor subdivision as follows:

WHEREAS, the Owners of the southwest quarter of Section 24 Township 5 south, Range 8 east have filed minor subdivision plat creating five (5) parcels on this property in Park County, Montana; and

WHEREAS, the Owners identified above are the owners of the affected property being subdivided by said minor subdivisions and they desire to adopt certain covenants for this subdivision.

NOW, THEREFORE, the following covenants and conditions are made to apply to the subdivision, and are for the use and benefit of the owners of said parcels created by the subdivision:

1. The parties hereto shall be the owners at any time of Parcels A through E of the Paradise Found minor subdivision, and any legally segregated tracts, lots or other divisions thereof that are or become created from the original five parcels, and are hereafter referred to as the "owners".
2. The owners of all properties within the minor subdivision shall control noxious weeds on their property and comply with the county approved weed control plan.
3. A homeowners association shall be created for the Paradise Found subdivision, and all owners of a parcel, and any legally segregated tracts, lots or other divisions thereof that are or become created within Paradise Found subdivision shall be members. The homeowners association shall be responsible to enforce the covenants of the subdivision, and encourage the harmonious and cooperative interaction of the owners in order to maintain, repair and improve the access road, irrigation water distribution system, and other improvements common to all parcels within the subdivision. The homeowners association may collect dues and special assessments from the owners to pay expenses incurred for roads maintenance, weed spraying, repair of the irrigation water distribution system, and other common improvements. However, the developer is not responsible to pay any dues or assessments levied by the homeowners association.
4. The owners of all properties within the minor subdivision shall keep the road and access easement within the subdivision properly maintained and in good repair, shall make such repairs and improvements as shall be required from time to time to meet at least the minimum requirements of the Park County Subdivision Regulations, and shall keep all easements and roadsides free from noxious weeds, obstructions and encroachments.
5. The owners of Parcels A through E, and any legally segregated tracts, lots or other divisions thereof that are or become created by subsequent subdivision of any parcel herein have legal and physical access by easement from the easement designated on the plat as "60 ft.-wide Private Access and Public Utility Easement", and named Found Paradise Drive. Each parcel owners shall share equally in all required expenses for the maintenance, repair, improvement and other work on the subdivision road (including snow plowing and eradication of noxious weeds within the easement).

Each parcel, or subsequently created tract or lot served by this road shall have one vote in making all decisions regarding such maintenance, repair, improvement or other work on the subdivision road and 60 ft wide easement, and assessing costs and expenses to be paid equally by the property owners served by this road, with a majority vote being decisive on all issues. The costs and

- expenses shall not be in proportion to the amount of land owned or the amount of use made of the road.
6. Each individual owner of property identified in #5 above shall be responsible to pay in full for any and all damage they inflict or cause to be inflicted upon the subdivision road due to negligence, abuse, unauthorized or improper snow plowing, or the operation of heavy trucks, construction equipment or other vehicles not usually operated on the subdivision road.
  7. The speed limit on the subdivision road shall be 15 MPH. All residents who regularly use the subdivision road are requested not to accelerate or decelerate quickly while driving a vehicle on the subdivision road in order to minimize the creation of wash-boarding of the gravel road surface.
  8. Directors of the Mill Creek Sewer and Water District, and their designated representatives may use the 60 ft wide private access and public utility easement, and the 30 wide irrigation pipeline easements that cross Parcel E in order to access the irrigation main that crosses Parcel E. Access within the 30 ft wide easements would normally be limited to pedestrian traffic except when repairs are required to the pipeline or appurtenances that may require excavation or the use of motorized equipment.
  9. All utilities shall be placed underground.
  10. The owners of all properties within the minor subdivision shall keep all water, sewer, irrigation water distribution piping and utility systems, and all associated easements within the subdivision properly maintained and in good repair, shall make such repairs and improvements as shall be required from time to time to meet at least the minimum requirements of the Park County Septic System Regulations and any other applicable rules and regulations of the Paradise Found subdivision, Park County Subdivision Regulations and the State of Montana. Improvements on each parcel shall be maintained in a clean, attractive and sightly condition.
  11. The irrigation water distribution piping system which is designed to serve this property shall be operated and maintained, and expenses paid by the owners of the parcels served in accordance with the document entitled "Irrigation Water Distribution System Covenants Adopted and Executed by the Owners of Paradise Found".
  12. The owners of all parcels within this minor subdivision shall be aware that no mobile, manufactured, modular or factory-built housing, as defined by applicable federal, state or county standards, rules and regulations, may be placed or erected within this subdivision. All houses constructed on any parcel must be site-built. Buildings clad in metal siding and void of over hangs that have a "metal building" exterior appearance are not allowed as accessory or out buildings.
  13. The owners of all properties within the minor subdivision shall share the cost of maintaining common boundary fences with neighboring properties in accordance with applicable state laws.
  14. The grazing and keeping of livestock shall be permitted on any parcel within this subdivision, and shall be limited to recreational horses, sheep, goats and chickens. The numbers of these animals permanently kept shall be in accordance with the carrying capacity of the property as set forth in a clearly defined management plan/practices prepared or recommended by the Park County Agricultural Extension Service or the Natural Resources Conservation Service of the U.S. Department of Agriculture.. Cattle and pigs shall not be kept on any parcel with the exception of a 4-H or similar project conducted on a short-term basis for educational purposes.

15. No more than two dogs older than six months shall be allowed on any parcel within this minor subdivision. Any dog must be under control by fence, chain, leash or lead at all times.
16. The owners of all properties within the minor subdivision shall be aware of the potential for ranching and farming activities on adjacent lands and recognize that practices associated with these activities may conflict with the peace and quiet of rural residential living. The owners and residents of this minor subdivision recognize the neighboring landowners' right to conduct these ranching or farming activities, and that such agricultural practices should not be a matter of complaint to Park County officials.
17. Residents of this subdivision should be aware that wildlife may damage domestic plants and landscaping, and may be a threat to domestic animals and pets.
18. Cottage Industry: Cottage industries can be operated within residences and accessory buildings within this subdivision provided the following provisions are met: 1) Activities must be conducted and storage maintained totally inside the residence or accessory buildings; 2) Activities must not produce noise, smoke, odors, hazardous wastes, excessive traffic, debris, unsightly conditions or eyesores; 3) Activities must not involve the use of chemicals that could result in contamination of air, ground or water, or use potable water in excess of the quantity normally allowed for a single family residence; 4) Activity must not produce domestic type wastewater in excess of quantities normally allowed for a single family residence or industrial wastewater that would require treatment beyond the biological treatment provided by a standard septic tank and drainfield.
19. Project Review: No building materials or structures may be placed on any site, nor shall building work commence until written approval is received from the developer and/or Paradise Found Home Owners Association.
20. Foundation Walls: All exterior foundation walls shall be covered with earth, stucco or wood. No more than 8" of exterior concrete foundation walls may be exposed vertically.
21. Exterior Materials for all Buildings: The exterior finishes of buildings constructed on these parcels shall be colored to blend with the environment. The dominant materials for exterior finishes shall be wood, rock, brick, stucco and glass. High quality imitation materials that have a natural look, such as vinyl siding, cement fiber board or composite wood are acceptable. The exterior construction of any building must be completed within six months after commencement of construction.
22. Roofs: Roofing materials shall be Class A fire resistant, such as asphalt shingles or painted architectural metal. Galvanized metal roofing shall not be used. Styles and types should be selected to resist damage from wind.
23. Roof Overhangs: Roof overhangs are recommended to be a minimum of 12" in order to enhance the exterior appearance of the building and protect from excessive solar glare and heat gain during summer months.
24. Outbuildings: Outbuildings, except greenhouses, shall match or compliment the color, siding and roofing materials of the main residence. All detached buildings shall have a pitched roof design.
25. Garage Construction: A garage capable of accommodating two cars and adequate household storage shall be constructed on any parcel on which a residence exists. The garage shall be completed within ninety (90) days of occupancy of the residence.

26. Signs: All signs shall have written approval of the Paradise Found Homeowners Association. All permanent signs shall be constructed of natural materials such as wood or rock and landscaped to soften the visual impact.
27. Exterior Lighting: In order to preserve the night time views of the sky, neighborhood and surrounding mountains, exterior lighting shall be subdued, and down lighting techniques installed. Outside lighting shall be limited to fixtures and bulbs which cast light downward toward the specific area on the individual property to be lighted, and effectively shield and minimize the horizontal spread of light to prevent excessive glare to pedestrians, vehicular traffic or neighboring properties. Spot lighting should be used only as needed to provide for safety or to enhance architectural appearance. In addition, lighting shall not remain on continuously through the night time hours. The use of mercury vapor, and high pressure or low pressure sodium vapor lamps are expressly prohibited from use.
28. Landscaping: Overall landscaping is recommended to blend with or enhance the existing natural landscape of the area. Lawns and other landscaping shall be completed within one (1) year after occupancy of the main structure or dwelling. All weeds and other flammable material shall be cut or trimmed over the entire parcel to prevent rank growth and prevent fire hazard.
29. No Unsightliness: No unsightliness shall be permitted on any parcel. Without limiting the generality of the forgoing: (a) All unsightly structures, facilities, equipment, objects, and conditions shall be enclosed within approved structures or screened from view; (b) Trailers, trucks (other than pickups in operational condition), boats, tractors, vehicles (other than automobiles in operational condition), campers not on a truck, snow removal equipment, or maintenance equipment shall be kept at all times, except when in actual use, in an enclosed structure or screened from view, except that recreational vehicles may be parked not over twenty (20) feet from side of garage or storage building; (c) Refuse, garbage, and trash shall be kept at all times in a covered container and any such container shall be kept within an enclosed structure.
30. Driveways and Parking: Driveways and parking areas are recommended to be concrete, asphalt or gravel. Unconstructed two-track driveways to and parking areas around residences are not allowed due to the increased wind erosion of topsoil, channeling of sediment to developed roads by stormwater runoff, and the eyesore created.
31. Nuisances and Eyesores: All metal storage containers, unused vehicles, trailers and inactive excavations in open view of the platted roads or other parcels shall be considered a nuisance and an eyesore, and are not allowed.
32. Amendments: Amendments to these covenants may be made with the approval of the owners of at least four-fifths of the parcels, lots or other legal divisions thereof. In addition, amendments to items 2, 3, 5, 12, 13, 14, 15, 16, 17 and 27 of these covenants, which address specific provisions required by the conditions of preliminary approval originally set forth by the Park County Commissioners must receive the approval of the Park County governing body prior to being filed with Park County Clerk and Recorder, and taking effect.
33. These covenants shall run with the land and shall inure to the benefit of and be binding upon the heirs, executors, beneficiaries, successors and assigns of the owners. All rights and responsibilities of the parties as set forth herein shall be an appurtenance and/or burden upon the parcels within the Paradise Found minor subdivision.
34. The owners may enforce these covenants through legal proceedings at law or in equity. If legal action becomes necessary to enforce any terms of these covenants, the prevailing party shall be reimbursed its costs, expenses and legal fees by the party not prevailing.

TKG, L.L.C., Parcel Owner

ROLL 189 PAGE 1145

by: *Thomas K. Gould*  
Thomas K. Gould, President

STATE OF MONTANA       )  
  ):ss.  
County of Park            )

This instrument was acknowledged before me on the 17 day of April, 2003 by  
THOMAS K. GOULD, Officer of TKG, L.L.C.

*Bert W. Otis*  
Notary Public for The State of Montana  
My commission expires: **NOTARY PUBLIC for the State of Montana**  
Residing at Emigrant, Montana  
My Commission Expires October 15, 2005



307793 Fee: \$ 30.00 Roll 189 Pg 1141- 1145  
PARK COUNTY Recorded 06/05/2003 At 09:59 AM  
Denise Nelson, Clk & Recd By *dm*  
Return to: WILLIAME. SMITH P O BOX 78  
EMIGRANT MT 59027

*310 425*

IRRIGATION WATER DISTRIBUTION SYSTEM COVENANTS  
 ADOPTED AND EXECUTED BY THE OWNERS OF PARADISE FOUND  
 AND TO BE RECORDED AS PART OF MINOR SUBDIVISION PLAT NO. 425

THESE IRRIGATION WATER DISTRIBUTION SYSTEM COVENANTS are hereby made and entered into by TKG, L.L.C., Owners and developers of the Paradise Found Five Parcel minor subdivision as follows:

WHEREAS, the owners of the SW<sup>1</sup>/<sub>4</sub> Section 24 township 5 south, range 8 east, PMM in Park County, Montana have filed a minor subdivision plat creating five (5) parcels and named the subdivision Paradise Found; and

WHEREAS, the owners / developers identified above are the owners of the affected property being subdivided by said minor subdivision and they desire to adopt certain covenants for the operation, maintenance and use of an irrigation water distribution system which is installed by the Owners to each of the five parcels created by the subdivision; and

WHEREAS, the 38.2 acre parcel located immediately to the south of this subdivision and identified as Lot 1 of Subdivision Plat 142, of record and on file with the Park County Clerk and Records Office, shares a common connection with this subdivision on the Mill Creek Irrigation Pipeline owned and operated by the Mill Creek Sewer and Water District, and has an irrigation water right from the Mill Creek Pipeline for thirty (30) miners inches of irrigation water.

NOW, THEREFORE, the following covenants and conditions are made to apply to the irrigation water distribution system serving the Paradise Found minor subdivision, and are for the use and benefit of the owners of said parcels, and any legally segregated tracts, lots or other divisions thereof that become created from the original five parcels:

1. The parties to these covenants shall be the owners at any time of Parcels A through E of the Paradise Found minor subdivision, and any legally segregated tracts or other divisions thereof that are or become served by the irrigation water distribution system, and are hereafter referred to as the "owners".
2. The extent of the system common to all parcels, and covered by these covenants, is defined as all piping, service risers, valves, manholes, appurtenances and components between the shut-off valve connected to each individual service riser on a parcel and the control valve and flow monitoring device installed and maintained by the Mill Creek Sewer and Water District. The developers of the subdivision have installed the system engineered to provide irrigation water to the service riser serving each parcel. The piping, valves and components necessary to deliver irrigation water to the parcels beyond the service riser shut-off valve is the responsibility of the individual parcel owners.
3. The system is designed to utilize the entire irrigation water right of 70 miners inches (785 gallons per minute) owned by the Paradise Found Home Owners Association and available from the Mill Creek Pipeline for this subdivision. The Mill Creek Sewer and Water District is responsible to deliver this water right to the service connection on the Mill Creek Pipeline when the pipeline is operational during irrigation season each year.
4. The Mill Creek Sewer and Water District maintains an irrigation water main across Parcel E of this subdivision. The water main is located within a 30 ft wide access and maintenance easement which is shown on the final Subdivision Plat, and assumed to be centered on the installed utility.

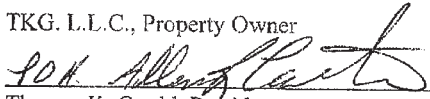
5. The water right of 70 miners inches (785 gpm) allowed for use by this irrigation water system from the Mill Creek Pipeline may not be exceeded. Exceeding this maximum allowed flow from the Mill Creek Pipeline the first occurrence, as would be recorded on the flow meter installed by the District, will result in a stern warning. Exceeding this maximum allowed flow the second occurrence will result in termination of water to the individual parcel or subdivided tract thereof which is responsible for exceeding the maximum allowed flow until the Owners of that parcel install a flow restricting valve at their own expense, and may result in fines until the restricting valve is installed.
6. The Paradise Found Home Owners Association is responsible to maintain the system described in items 2 and 3 above, to deliver water to the service risers serving the parcels of this subdivision, and to deliver water to the pipeline supplying Lot 1 of Subdivision Plat 142.
7. The Paradise Found Home Owners Association is responsible to maintain the system in proper operation at all times, and to promptly take whatever steps or incur whatever expenses are necessary to implement on-going preventative maintenance and make repairs to keep the system in proper working order. The Paradise Found Home Owners Association shall incur and promptly pay all required expenses for the operation, maintenance, repair, improvement and other work on the system at the time the work is required.
8. No additional underground piping or service risers may be added by individual parcel owners to extend the existing underground distribution piping onto their parcel at any time in the future without first receiving prior written approval from the Paradise Found Home Owners Association.
9. The point of delivery, main shut-off valve and flow control device into the distribution system for this subdivision are located on Parcel E, as shown on the final plat for this subdivision. Utility easements 30 feet in width to provide for access, maintenance and improvements are shown on the Final Plat. The owners of all parcels connected to this system have the right in perpetuity to enter these easements for the purposes of maintenance or replacement of irrigation water system components and distribution piping. Access shall be limited to the easements as designated on the Final Plat. The location of the easement is intended to be centered on the installed utility.
10. The underground supply pipeline serving Lot 1 of Subdivision Plat 142 is located within a 20 ft wide access and utility easement as shown on the Final Plat. The owners of Lot 1 of Subdivision Plat 142 shall have the right in perpetuity to enter the easement for the purposes of maintenance or replacement of this underground pipeline. Access by the owners of Lot 1 shall be limited to the easements as designated on the Final Plat.
11. The owners shall establish and make periodic payments (monthly or semi-annually) into an interest bearing escrow account established for the purpose of accruing funds to pay for all expenses incurred in the operation, maintenance, repair, improvement and other work on the system.
12. Each parcel, tract or other legal division thereof shall have one vote in making all decisions regarding setting the amount and timing of making payments into the escrow account, the operation, maintenance, repair, improvement or other work on the system, and in assessing costs and expenses to be paid by all of the property owners, with a majority vote being decisive on all issues. Votes should be documented in the minutes of the Paradise Found Home Owners Association. Each parcel, tract or other legal division thereof that is served by the system shall share equally in all costs and expenses of operating, maintaining, repairing, improving or working on the system, and not in proportion to the amount of land owned or the amount of use made of the water.

13. The owners of the parcels may appoint from their own ranks, or hire, a system manager who will be responsible for overseeing the operation of the system, paying any and all outstanding bills incurred by the system, and informing the owners of needed maintenance, repairs or upgrades. The manager may estimate the annual expenses to be incurred through the operation, maintenance, repair and improvement of the system for the coming year and assess the owners their equal share of this expense to be paid in advance. These funds will be deposited into the account established by the owners for this purpose.
14. The parcels connected to the irrigation water system and using this water must agree to the following restrictions on their irrigation practices:
- The irrigation system serving this subdivision is capable of delivering a maximum demand of 785 gpm at a pressure of approximately 50 psi, in order to utilize the full water right available to this subdivision. Owners are encouraged to use low-flow sprinklers and drip emitter systems to irrigate lawns and landscaped areas in order to deliver irrigation water most efficiently and directly to lawns and landscape plants.
  - At a flow rate of 196 gpm, 1 1/2 inches of water can be delivered onto 20 acres in 80 hours (3 1/3 days) of continuous irrigating. At a flow rate of 785 gpm, 1 1/2 inches of water can be delivered onto 80 acres in 80 hours (3 1/3 days) of continuous irrigating. An application rate of 1 1/2 inches of water per week is assumed to be adequate to irrigate a pasture crop of alfalfa. Many other pasture grasses require less water than alfalfa. Therefore, Parcels A, B, C and D are each entitled to a total of 80 hours of irrigating per week at a flow rate of 196 gpm. Parcel E is entitled to 80 hours of irrigating per week at a flow rate 785 gpm.
  - Each parcel's owners are encouraged to make efficient use of the water available in order to irrigate their entire parcel to keep grass green and soil erosion to a minimum. Parcel owners are responsible to have a delivery system designed, installed and operated that will effectively irrigate the parcel within the time allotted in paragraph 14.b. above.
  - The parcel owners must establish a basic rotation for their use of irrigation water, including hours of the day and days of the week, in order to minimize overlaps that would exceed the water right of this subdivision. Irrigation of pasture may require the manual changing of irrigation water delivery piping in order to ensure uniform distribution of water on the pasture. Landscape irrigation may be managed and scheduled using manual operation or automatic clock controllers to regulate the time of day and the duration of each application of water.
  - The water right of 785 gpm cannot be exceeded by this subdivision. Exceeding the water right flow would result in termination of water to this subdivision by the Mill Creek Sewer and Water District until measures are established that ensure the maximum flow will not be exceeded, as set forth in Paragraph 5 above. Therefore, irrigation systems on Parcels A through D should be designed, installed and operated to provide for no more than the flow rate of 196 gpm, and no more than 785 gpm for Parcel E.
15. No structures may be built within or over any access and water line easement shown on the minor subdivision Final Plat.
16. No electrical service, power or pumps are required for the operation of this system.
17. The cost of maintenance and repairs of the system, and all associated components or appurtenances used in common will be paid by the Paradise Found Home Owners Association as set forth in Paragraphs 6 and 7 above, unless otherwise agreed upon among the parties. Any repairs to the piping supplying each parcel individually shall be paid for exclusively by the owner whose property is being served by that water line. In addition, the cost of any additional

equipment for or upgrading of system components that is benefiting only one of the parties will be paid for by that party.

- 18. The water right and any contract with the Mill Creek Sewer and Water District shall be held by the Paradise Found Home Owners Association. The water right cannot be severed from the land by any owner.
- 19. If it becomes necessary or desirable to repair, alter, add to or otherwise change the system, a majority of the parties to these covenants must be in agreement with the alteration or change before any work can commence unless an emergency condition exists and the other parties cannot be contacted through the use of reasonable measures. No change may be made to the system that would affect the required flow of irrigation water to the Lot 1 of Subdivision Plat 142.
- 20. If the owners of a parcel served by this system neglect to make a payment required herein, the other parties may make the payment. In such a case, the parties making such payment shall be reimbursed for the share due by the faulting party, plus interest at the legal rate and costs of collection.
- 21. These covenants shall run with the land and shall inure to the benefit of and be binding upon the heirs, executors, beneficiaries, successors and assigns of the owners. All rights and responsibilities of the parties as set forth herein shall be an appurtenance and/or burden upon the parcels, and any legally segregated tracts or other division thereof, served by the irrigation water system.
- 22. The owners may, upon mutual agreement, amend the provisions of Paragraphs 2, 7, 8, 11, 12, 13, 17, 19 and 20 of these covenants with a supplemental document executed by all of them and recorded in the Office of the Park County Clerk and Recorder.
- 23. The owners may enforce these covenants through legal proceedings at law or in equity. If legal action becomes necessary to enforce any terms of these covenants, the prevailing party shall be reimbursed its costs, expenses and legal fees by the party not prevailing.

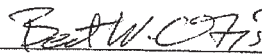
TKG. L.L.C., Property Owner

  
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 Thomas K. Gould, President,

STATE OF MONTANA     )  
   )SS.  
 County of Park            )

This instrument was acknowledged before me on the 17 day of April, 2003 by THOMAS K. GOULD, Officer of TKG. L.L.C.



  
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 Notary Public for The State of Montana  
 My commission expires **NOTARY PUBLIC for the State of Montana**  
 Residing at Emigrant, Montana  
**My Commission Expires October 15, 2005**

307794 Fee: \$ 24.00 Roll 189 Pg 1146-1149  
 PARK COUNTY Recorded 06/05/2003 At 10:01 AM  
 Denise Nelson, Clk & Redr By dn  
 Return to: WILLIAM E. SMITH P O BOX 78  
 EMIGRANT MT 59027

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