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**DECLARATION OF RESTRICTIONS, COVENANTS
AND CONDITIONS FOR
SERENITY SUBDIVISION**

THIS DECLARATION is made this 12th day of May, 2025, by **Lorenz Construction, LLC**, a Montana limited liability company, and **Marsich Investments, Inc.**, a Montana corporation, hereinafter collectively referred to as "Developers."

ARTICLE 1 – DECLARATION OF PURPOSE AND BINDING EFFECT

RECITALS:

1. Developers are the owners of the following described real property located in Yellowstone County, Montana:

Serenity Subdivision, according to the official plat thereof, recorded under Document No. _____, records of Yellowstone County, Montana.

The property is the site of a residential development to be known as the Serenity Subdivision, and hereafter referred to as the "Property" or the "Subdivision."

2. Developers propose that the Subdivision be developed, sold and improved pursuant to a common plan of development, and desire to place restrictions, covenants, conditions and easements upon the Subdivision for the benefit of the owners of the lots within the Subdivision. These declarations, limitations, covenants, conditions, restrictions and easements shall constitute covenants and encumbrances which shall run with the land and each estate therein and shall be perpetually binding upon all Owners and their successors- in-interest and assigns, and all persons having or acquiring any right, title, or interest in or to any part or related appurtenance of the property of any Lot, parcel or portion of the Property and any interest therein.

3. All Owners by acceptance of a deed to any lot subject to this Declaration, and all purchasers of lots under a contract of sale, agree to conform to, and be bound by these covenants, conditions and restrictions, and to accept jurisdiction of the Homeowners Association, its Board of Directors, and the Design Review Committee, or Developers in all matters so defined by these covenants, conditions and restrictions.



NOW, THEREFORE, Developers hereby declare that all of the lots within the Subdivision shall be held, sold and conveyed subject to the following restrictions, covenants, conditions and easements which are for the purpose of protecting the value and desirability of, and which shall run with, the Subdivision property and which shall be binding on all parties having any right, title or interest in any of the lots in the Subdivision and their heirs and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE 2 – ADDITION OF LOTS

1. **Addition of Lots to this Declaration.** Developers hereby reserve the right, in their sole discretion, until the twenty-fifth (25th) anniversary of the recordation of this Declaration, to add lots in subsequent phases and filings of Serenity Subdivision (hereafter referred to as the “Expansion Lots”), to the provisions of this Declaration, without the consent of any other owner, mortgagee, or trustee or beneficiary of any trust indenture.

2. **Conditions of Addition of Lots to this Declaration.** Developers may proceed with the addition of Expansion Lots without the consent of Serenity Subdivision Homeowners Association, or any of the members of such Association, subject to the following conditions:

- a. Developers may add Expansion Lots to the provisions of this Declaration one or more lots at a time, in any order by executing and recording an amendment to this Declaration, adding the Expansion Lots to the provisions of the Declaration.
- b. From and after the recording date of each such amendment the Owners of newly added Expansion Lots shall be members of Serenity Subdivision Homeowners Association and shall be bound by the provisions of this Declaration and the By-laws of Serenity Subdivision Homeowners Association, as the same may be amended from time to time.

ARTICLE 3 – DEFINITIONS

Unless otherwise expressly provided, the following words and phrases, when used in this Declaration, shall have the following meanings:

1. **“Articles”** shall mean the Articles of Incorporation of the Association, as restated or amended from time to time.

2. **“Assessment”** shall mean fees payable by an Owner to the Association as determined by the Board of Directors pursuant to this Declaration. Assessments may be designated as "Regular assessments," "Special assessments" and "Extraordinary Assessments" as those terms are more specifically defined in this declaration.

3. **“Association”** shall mean Serenity Subdivision Homeowners Association, a nonprofit corporation, and its successor and assigns, formed in conjunction with the execution and recordation of this Declaration.

4. **“Board of Directors”** shall mean the Board of Directors of the Association, as it shall be constituted from time to time as more specifically defined in Article 9 of this Declaration, also referred to herein as the “Board.”



5. **"Building"** shall mean a Structure.
6. **"Bylaws"** shall mean the Bylaws of the Association as restated or amended from time to time.
7. **"Declaration"** shall mean this Declaration of Restrictions, Covenants, and Conditions as amended from time to time.
8. **"Design Review Committee"** shall mean a committee appointed to review all Plans for Improvements within the Project. The committee shall be established and function according to procedures set forth in this Declaration. The Design Review Committee is also referred to herein as the "DRC."
9. **"Design Standards"** shall mean the guidelines and standards for Lot and common area Improvements as set forth in this Declaration and as amended from time to time.
10. **"Developers"** shall mean Lorenz Construction, LLC, a Montana limited liability company, and Marsich Investments, Inc., a Montana corporation, and their successors and assigns, provided however that no successor or assignee of the Developers shall have any rights or obligations of the Developers hereunder, unless specifically set forth in an instrument of succession or assignment or unless such rights and obligations pass by operation of law.
11. **"Governing Documents"** shall mean the Articles of Incorporation of the Association, this Declaration, and the Association Bylaws, all as initially drawn by the Developers and filed and recorded as the case may be, and all as may be duly amended from time to time.
12. **"Improvement"** shall mean a Structure or any other man-made undertaking.
13. **"Lot"** shall mean any parcels of land designated for improvement in the Project, or such Expansion Lots as may be added to the Project in accordance with Article 2 above.
14. **"Member"** shall mean a member of the Association, as defined in Article 9 of this Declaration.
15. **"Owner" or "Owners"** shall mean the record holder or holders of title to a Lot or Lots within the Project. This shall include any Person having a fee simple title to any Lot but shall exclude Persons or entities having any interest merely as a security for the performance of any obligation. Further, if any Lot is sold under a recorded contract for sale to a purchaser, the purchaser, rather than the fee owner, shall be considered the "Owner".



16. **“Person”** shall mean any natural person, corporation, partnership, association, trustee, personal representative of a decedent's estate, or other legal entity.

17. **“Plans”** includes the site plan, building plan and landscape plan presented for review and approval by the Design Review Committee.

18. **“Property”** shall mean the real property described above which is subject to this Declaration, and every easement or right appurtenant thereto, and all improvements on such real property.

19. **“Project”** shall mean the Property, also known as the “Serenity Subdivision.”

20. **“Project Documents”** shall mean this Declaration and the Articles and Bylaws of the Association, as each exists or may be restated or amended from time to time.

21. **“Serenity Subdivision”** shall mean the Serenity Subdivision, Yellowstone County, Montana, and any Expansion Lots.

22. **“Service Charge”** shall mean compensation paid by an Owner to the Association for specific services provided to the Owner by the Association or for a violation of the conditions, restrictions and covenants included in the Project Documents, as found necessary to cover Association costs as determined by the Board.

23. **“Structure”** shall mean a man-made edifice including residences, buildings, guest houses, garages, outbuildings, shops, sheds, gazebos, platforms, solar cells, wind turbines, decks, and constructed patios in excess of 100 square feet in area and/or four feet in height.

24. **“Zoning Ordinance”** shall mean Yellowstone County zoning codes and ordinances, as amended from time to time, which are applicable to the Project.

ARTICLE 4 – USE RESTRICTIONS

1. **Residential Use.** All residential Structures shall be built and used for single family residential purposes only. No more than one single family residence with outbuildings for the use of occupants of such residence shall be permitted on each Lot Grantor or the Board may provide exceptions, in their sole discretion, to allow homes to be rented according to the county regulations.

2. **Commercial Use.** Except as otherwise provided below, no Lot shall be used at any time for business or commercial activity, or other non-residential purposes excepting, however, that a home business may be operated out of a residence where the use or activity complies with all of the following criteria: 1) the business is conducted exclusively by Persons residing on the Lot and/or immediate family members of such Persons, and 2) no noticeable increase in traffic over and above normal residential activity is generated by such home business, and 3) no exterior signs or other indications of the



home business shall be displayed, and 4) the business activity complies with all requirements of Yellowstone County zoning ordinances.

3. **Buildings To Be New.** Any residential Structure erected on a Lot shall be of new construction; no old or used residential Structure shall be moved onto any Lot.

4. **Temporary Residence.** No trailer or other vehicle, temporary structure, garage, accessory Building, or outbuilding shall be used as living quarters or as a residence, except by the Developers during the construction period.

5. **Parking.** No recreational vehicles, boats, campers, or trucks larger than those having a two-ton manufacturers rating may be parked or stored on a road or driveway within the Subdivision, excepting emergencies and deliveries. No utility, boat, travel or other trailer, motor home, recreational vehicle, commercial vehicle, bus, truck having a manufacturer rating of more than two-tons, unlicensed or inoperable motor vehicle or equipment, or vehicle which is in a state of disrepair, shall be parked or stored on a road or driveway within the Project, or shall be permitted to otherwise remain on any Lot for more than five (5) consecutive days unless placed or maintained within a Screened Structure or building. All parking or storing of vehicles or trailers shall be behind the front of a house, and stored vehicles or trailers shall not face or side a street, as is possible on a corner lot. All motorized vehicles shall be parked or driven only on roadways, driveways, garages, and designated parking areas. No heavy machinery, heavy equipment or similar items shall be stored, kept, or maintained on a Lot except in the course of active construction.

6. **Prohibited Activities.** No noxious or illegal activity shall be conducted in Serenity Subdivision, nor shall anything be done to interfere with the quiet enjoyment of the other Owners or occupants of Lots. Excessive emission of fumes, odors, glare, vibration, gases, radiation, dust, liquid waste, smoke, or noise is prohibited in Serenity Subdivision. No Person shall allow any of the following to be done or conditions to exist on any Lot: (a) any private or public nuisance; (b) any business, trade or activity (business or private) which is noxious, unreasonably noisy or offensive; (c) any place of public entertainment or amusement; (d) the manufacture, storage, sale or consumption of drugs, alcoholic beverages, or tobacco products, except for legal personal use or storage for medicinal purposes; (e) gambling; or (f) any other conduct or condition which would be considered a nuisance or disruptive. The Board of Directors, after giving one warning in writing, may fine Owners who subsequently violate this restriction, and such fines will be treated as a Special Assessment.

7. **Maintenance.** Each Lot and the exterior appearance of Improvements thereon shall be maintained in a clean, neat and orderly condition at all times.

- a. General Maintenance. Each Owner shall maintain all Improvements and landscaping located on their Lot, and the landscaping in the berm in the right of way in front of their Lot, in good and sufficient repair and shall keep the Improvements thereon painted or stained, lawns cut, shrubbery trimmed, rubbish and debris removed, and otherwise



maintain the same in a neat and aesthetically pleasing condition. All damage to any Improvements shall be repaired as promptly as is reasonably possible.

- b. Lots. Owners shall maintain their Lot(s) until construction is commenced. Maintaining a Lot shall include not allowing natural vegetation to grow beyond ten inches in height.
- c. Unsightliness/Blight. Any event or condition on a Lot which in the sole discretion of the Board or Grantor, creates an unsightly or blighting influence, shall be corrected, or removed by the Owner, immediately upon notification of such unsightly or blighting influence by the Board or Grantor, notwithstanding the fact that such event or condition may not be specifically described and/or prohibited in this Declaration.
- d. Restoration/Removal of Residential Improvements. In the event of the destruction of any portion of any Improvement, it shall be the duty of the Owner to restore and repair the same to its former condition or remove such Improvement as promptly as practical. If an Improvement is removed, the grounds of the affected area shall be restored in topography and vegetation to prevent any environmental damage and be aesthetically acceptable to the DRC. If reconstruction, remodeling, or renovation affects the exterior of an Improvement, respective Plans shall be reviewed and approved by the DRC.
- e. Maintenance by Association. If any Owner shall permit any Improvement, including any landscaping, which is the responsibility of such Owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, unsightly, or unattractive condition, the Board shall notify the Owner to take corrective action. If corrective action is not taken by the Owner within such reasonable time, as determined by the Board in its sole discretion, after receiving said notification, the Board may cause such corrective action to be taken and shall assess the expense of correction to the Owner as a Special Assessment.

8. **Screening**. All unsightly facilities, equipment, objects, and conditions shall be enclosed within an approved Structure or appropriately screened from public view. All trash, debris, garbage, and refuse shall be kept in covered containers that shall be screened, walled, or kept in an enclosed area shielded from public view, except on days of trash pickup. All walls, enclosed areas or screening shall be a maximum of six (6) feet in height and shall otherwise conform to the standards set forth in the Design Standards.

9. **Animals/Pets**. Except as otherwise provided herein, no insects, wild animals, cattle, pigs, poultry, goats, horses or livestock of any kind shall be raised, bred, or maintained on any Lot. Domesticated dogs, cats, birds, or other household pets which do not unreasonably bother or constitute a nuisance to others may be kept, provided they are not kept, bred, or maintained for any commercial purpose.



10. **Drainage.** No Owner, Member or Person shall change or interfere with the designed drainage of any part of the Property in connection with the approved plans.

11. **No Further Subdivision.** No Lot shall be further subdivided, provided, however, that a Lot may be enlarged by consolidation with an adjacent Lot which shall be evidenced by a recorded instrument and the resulting larger parcel shall thereafter be deemed to constitute a single Lot for all purposes under this Declaration, including voting rights. This restriction shall not prevent an Owner from transferring or selling any Lot to more than one Person to be held by them as tenants in common or joint tenants.

12. **Signs.** The only approved signs allowed on any Lot will be the following: "Home for Sale" or "For Rent" (if approved by Developers or the Board), small signs designating home security (supplied by agency), signs temporarily posted for yard sales, and election signs. Election signs may only be displayed on Lots during the thirty (30) day period prior to the election, must be removed the day following the election, must be pertinent to election issues or candidates, and shall not exceed two feet by three feet in size. No more than three election signs shall be permitted on any Lot. No signs shall be in public right of way, except those installed by or required by the County and the signs placed in these areas by the Board.

13. **Noxious Weeds.** Each Owner shall control noxious weeds on his or her Lot.

14. **Antennas/Transmitters.** Equipment such as antennas, satellite dishes, evaporative coolers and the like may only be mounted on that portion of a roof which is not visible from the street upon which a Lot is located, unless such installation is required to permit reception of the desired signal for a satellite dish that does not exceed 24" in diameter and has approved by the Board. No electronic or radio transmitter of any kind, other than garage door openers or customary home electronic devices, shall be located or operated in or on any Structure or on any Lot.

ARTICLE 5 – CONSTRUCTION REQUIREMENTS

1. **Design Standards.** All Improvements to any Lot shall comply with the Design Standards as set forth in this Declaration, as they may be amended and adopted from time to time by the DRC or Grantor.

2. **Design Review.** No Improvement shall be built, constructed, reconstructed, erected, placed, or materially altered on any Lot until applicable Plans therefore have been reviewed and approved by the DRC.

3. **Scheduling.** The Owner or the Persons performing the construction activity shall provide the DRC with the tentative construction schedule no later than one (1) week prior to initiating construction.



4. **Duration.** Construction of Improvements on a Lot shall be commenced within one (1) year from the date the Plans are approved by the DRC. Construction shall be diligently performed from commencement to completion of the exterior of the Improvement(s) and any necessary improvements to the grounds surrounding and affected by the construction of the Improvement(s). The exterior of the Improvement(s) shall be completed within one (1) year after the commencement of construction unless the DRC approves an extension due to extenuating circumstances. The Owner of the Lot(s) shall, within a period of one (1) year after occupancy of a newly constructed dwelling on the Lot, provide grass and/or other appropriate landscaping to cover all unimproved or disturbed areas of the Lot(s).

5. **Compliance with Project Documents.** It is the responsibility of the Owner to make sure that all contractors, subcontractors, material suppliers, and others working on an improvement to the Owner's Lot comply with all Project Documents. Failure to comply with the Project Documents may result in fines being levied against the Owner and/or a directive from the Board to discontinue construction (stop work order). Fines will be charged to the Owner as a Special Assessment.

6. **Material Storage and Removal.** No building material of any manner or character shall be placed or stored on the Property until the Owner is ready to commence construction of Improvements. All materials stored on-site during construction shall be neatly stacked on the Lot where they will be used.

7. **Contractor Parking.** Contractors, subcontractors, material suppliers, and other Persons involved in the construction of Improvements shall park only on the Lot on which they are working. No parking will be allowed on any Lot that is not a part of the construction project. Fines for noncompliance will be assessed as Special Assessments to the Lot Owner. The fine will be a minimum of \$250.00. Photographs with a date and time stamp delivered by Developers or the Board will be sufficient evidence to impose a Special Assessment on the Lot Owner.

8. **Fines.** Lot Owners will be required to provide SWIPPS for construction projects on their Lot(s). If storm water or waste flows from one Lot (the "Noncompliant Lot") to another Lot not owned by the same Person(s) (the "Downstream Lot") and results in a fine to the Downstream Lot Owner, the Noncompliant Lot will be responsible for paying or settling any fine levied against the Downstream Lot Owner by any governmental agencies. The Noncompliant Owner agrees to pay to Grantor the amount of any fines levied by governmental agencies against Grantor for activities beginning on the Noncompliant Lot.

9. **Construction Hours/Noise.** To maintain the tranquility of the Project and to minimize inconvenience to neighboring Lots, no exterior construction activity shall commence before 7:00 A.M. or continue after 8:00 P.M., and no excessively loud playing of radios, or other amplification devices shall be allowed by construction workers so as to disturb Lot Owners.



10. **Cleanup of Construction Debris.** Owners shall require that all construction workers take reasonable measures to contain construction debris and other garbage on the Lot and surrounding areas, including but not limited to coffee cups and food wrappers. Owners must arrange for cleanup of debris on the Lot and surrounding areas at least twice a week during construction. Fines for noncompliance will be assessed as Special Assessments to the Lot Owner. The fine will be a minimum of \$100.00 plus labor and the equipment required to clean up the construction debris and other garbage. Photographs with a date and time stamp delivered by Developer or the Board will be sufficient evidence to levy such Special Assessment.

11. **Foundations.** All Structures will be required to follow a soils report by a licensed engineer, and the responsibility of all soil mitigation is the responsibility of the current lot owner or builder.

12. **HUD and Log Homes.** No non-HUD compliant or Log Homes shall be permitted in Serenity Subdivision.

13. **Duplexes/Multi-Family Homes.** No duplexes or attached multi-family homes shall be permitted in the Serenity Subdivision.

14. **Prefabricated/Modular Homes.** Except as set forth in Article 4, Section 4, prefabricated, modular, manufactured, or existing homes may not be constructed or moved upon any Lot in the Serenity Subdivision.

ARTICLE 6 – UTILITIES

1. **Utility Lines.** All utility lines, cables and pipes shall be placed underground; no overhead lines shall be permitted. Installation of all underground services shall be coordinated to minimize the amount of excavation required. Each Owner is responsible for installation of underground services across his or her Lot from the adjacent service pedestal or junction box.

ARTICLE 7 – DESIGN REVIEW

1. **Design Review.** For the purposes of assuring the development of the Project as an area of high standards, the Developers reserve the right to assure that any Improvement that is constructed in the Project meets standards and guidelines as set forth in this Declaration, including the Design Standards described below. The DRC reserves the right to make exceptions to the Design Standards as it shall deem necessary and proper. The DRC shall have the authority to augment, amend, or otherwise modify such Design Standards from time to time, without consent of any other Owners. At least ~~Section 7.1.2 of the Declaration (7526)~~ of the members of the DRC must consent, in writing, to the new or modified standards.

2. **Design Review Committee.** If Developers own any Lot, Developers shall have the sole authority to act as the DRC, or to appoint the members of the DRC. The DRC shall consider and review all Plans submitted for approval based on Design Standards set



forth in this Declaration. Developers, in their sole discretion, may elect to turn over their power to appoint the DRC members to the Board at any time prior to relinquishing ownership of their Lots. When Developers no longer have the authority to appoint the DRC due to Developers' voluntary relinquishment of control prior to selling all of their Lots, or due to Developers no longer owning any Lot, the DRC shall be appointed by the Board. Unless other members of the DRC have been appointed by the Board, the Board shall act as the DRC. The DRC shall consist of (5) members.

3. **Required Plan Review.** No Improvement shall be erected, constructed, placed, continue to be constructed, or maintained upon any Lot, nor shall any major remodeling, reconstruction, or alteration of a Structure's exterior be made or continue to be made, nor shall any major excavation occur on the Property, unless and until the same has been approved in writing by the DRC.

4. **Review Fees.** The DRC shall have the right to require an Owner applying for approval of Plans, or for preliminary review, to pay a review fee to compensate the DRC for reasonable expenses incurred in reviewing and processing the application.

5. **Preliminary Plan Review.** Preliminary Plan review shall be an optional informal advisory process intended to be an open dialogue process between an Owner and/or a prospective buyer of an Owner's Lot, and the DRC.

6. **Final Plan Review and Application.** Before beginning the construction of any Improvement, any alteration of a Structure's exterior, or any landscaping changes, the Person desiring to erect, construct, or modify the same shall submit to the DRC one (1) set of final Plans for the proposed Improvements or a PDF file. These final Plans shall be signed by the Owner, contain all information requested and be accompanied by all other material to be submitted, as hereinafter provided,

- a. Site Plan. A site plan showing: 1) the location of all Improvements including Structures, fences, walls, driveways, parking areas, utilities, outbuildings, decks; and 2) existing topography and contour in relation to the proposed Improvement and cut and fill excavation requirements; and 3) other pertinent information relating to the Improvements. General or typical cross-sections and profile plans shall be submitted where major excavation is proposed.
- b. Building Plan. A building plan which shall consist of 1) the Structure's dimensions; and 2) elevation drawings or sketches of the exterior of the Structure(s); and 3) information concerning the exterior of the Structure(s) which shall indicate all exterior colors, materials and finishes, including roof, to be used.
- c. Landscape Plan. A general landscape plan and/or drawings of proposed landscape features including planting areas, location of existing trees and proposed removal of such, proposed plant types, drainage plans and storm water management plans.



- d. Other Information. The DRC may, in its discretion, require the Owner to furnish additional specifications, drawings, material samples or such other information as the DRC in its sole discretion reasonably exercised, shall deem necessary or convenient for the purpose of assisting the DRC, in reviewing and processing the application.

7. **Basis of Approval.** In reviewing the application, final Plans and the other materials submitted therewith, and in reaching a decision thereon, the DRC shall use its best efforts and judgment to assure that all Improvements shall produce and contribute to an orderly and aesthetically complimentary design and appearance, of a quality required to maintain the Project as a first-class residential development. Approval by the DRC shall be based, among other things, on (a) the Design Standards, (b) the adequacy of the Lot dimensions in relation to the Plans, (c) conformity and harmony of external design with neighboring Improvements, (d) the effects of location and use of proposed Improvements on neighboring Lots and Common Area, (e) relation of Improvements and finished ground elevations to existing topography and grades, (f) natural landscaping of the Lot in relation to that of neighboring Lots, (g) proper facing of the main elevation with respect to that of neighboring Lots, (h) proper facing of the main elevation with respect to adjacent Lots and common area; (i) the overall aesthetics of subdivision; and (j) the conformity of Plans to the purpose and general plan and intent of the Declaration. Each Owner, by acceptance of a deed to any Lot, including Expansion Lots, agrees to accept the aesthetic decisions of the DRC as final and binding, and waives any right to challenge those decisions through legal action.

8. **Decision.** Except as otherwise provided herein, the vote of a majority of all of the members of the DRC, or the written consent of a majority of all of the members of the DRC taken without a meeting, shall constitute an act of the DRC. Unless extended by mutual consent of the Owner and the DRC, the DRC shall render its decision with respect to the final application within thirty (30) days after the receipt of a complete application. If additional information is requested of the Owner to complete the review, a reasonable amount of additional time shall be allowed for the DRC to consider this information prior to rendering a decision. The decision of the DRC can be in the form of an approval, a conditional approval, or denial and shall be in writing, dated, and signed by at least two (2) members of the DRC. A copy thereof shall be mailed to the Owner at the address shown on the application. Approval of final Plans shall be evidenced by a written endorsement on such final Plans, a copy which shall be delivered to the Owners of the Lot upon which the proposed Improvements are to be located. A copy of such final, approved Plans shall be kept on the respective Lot during the entire course of work to which said Plans relate. No significant changes or deviations in and from such final Plans, as approved, shall be made without the prior written consent of the DRC. A denial of an application shall state the reasons for such denial. Conditional approval of proposed Plans as submitted and reviewed may be granted by the DRC outlining specific changes, alterations, and amendment to such Plans that shall be required in construction of the proposed Improvement. Owner shall acknowledge acceptance of any conditional approval in writing prior to the start of construction.



9. **Variances.** The DRC may waive or grant variances to any conditions and restrictions contained in this Declaration, or to any prior approval, when, in the sole discretion of the DRC, circumstances such as topography, natural obstructions, aesthetics or environmental considerations, or hardship may so require, or when the proposed Improvement is not in strict conformance with the Design Standards but meets the aesthetic intent of the Design Standards.

10. **Changes to Approved Plans.** Owners must obtain approval of the DRC to any changes to final, approved Plans if those changes affect the exterior of the Building or the landscaping or other exterior improvements. A copy of approved revisions must be attached to the final, approved Plans, and be available at all times on the respective Lot during the course of construction.

11. **Inspections.** The Owner shall be responsible for the construction improvements in accordance with the final, approved Plans.

12. **Non-Liability.** Neither the DRC nor any member thereof, or the Developers or any partner, officer, employee, agent, successor or assign thereof, shall be liable to the Association, any Owner or other Person for any loss or damage connected with the performance by the DRC members of their duties and responsibilities because of a mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve an application. The aforementioned parties assume no responsibility for a) the structural capacity, safety features, or building code compliance of any Improvement, or b) whether or not the location of a proposed Improvement is free from possible geologic or natural hazards, or other possible hazards caused by conditions occurring either on or off the subject Lot, or c) the internal operation or functional integrity of any Improvement, or d) any Yellowstone County zoning ordinance or building code violations. Every Person who applies to the DRC for approval of Plans agrees, by submission of such an application, and every Owner agrees, by acquiring title thereto or an interest therein, to the design review process described herein, and not to bring any action or suit against the Association, the Board, members of the DRC, or the Developers or their officers, partners, employees, agents, successors or assigns to recover damages as a consequence of the design review process described herein.

13. **Enforcement.** The decisions of the DRC and the requirement to obtain approval of the DRC may be enforced by the Developers, the Board or by any Owner by bringing an action for specific performance or for an injunction. Such actions shall be timely if brought within four (4) months after the DRC issues a written notice of the violation or within four (4) months after it becomes apparent that an Owner has not obtained the required approval or has deviated from the approved Plans, whichever occurs later. In any such action, the prevailing party shall be entitled to recover all costs and attorney fees incurred from the losing party.



ARTICLE 8 – DESIGN STANDARDS

1. **Landscaping.** Landscaping for the grounds affected by construction of, and in the immediate area of a residential Structure, including the front, back and side yards, shall be completed within twelve (12) months after the Owner's occupancy. However, if the backyard is enclosed with a screened fence within the 12-month period, Owner shall have an additional twelve (12) months to fully landscape the backyard (i.e., within twenty-four (24) months after the Owner's occupancy of the residential Structure).

2. **Sidewalks.** All lots will be required at the lot owners' expense to construct sidewalks along all frontage of lots that face the road. The sidewalks shall be constructed within the right-of-way. Sidewalks shall be constructed with concrete, be four feet in width, a minimum of four inches thick, and be constructed on a cushion of four inches minus 2" of road mix material. Maintenance and upkeep of these sidewalks will be the responsibility of the lot owner.

3. **Setbacks.**

- a. No residence or other Building shall be located on any Lot so that any part of the foundation is nearer than twenty (20) feet from the front line of the Lot on which the Building is located (front setback).
- b. No residence shall be located less than seven (7) feet from either side lot line of the Lot on which the Building is located, measured from the lot line to the nearest wall of the Building (the side setback).
- c. No Building shall be located closer than 5 feet to the side or rear property lines.
- d. Setbacks from any street for a Structure situated on a corner Lot shall comply with the Zoning Ordinances, and with the front and side setbacks set forth in this section.
- e. Owners must comply with these setback requirements, and with the setback requirements imposed by Yellowstone County in its zoning ordinances in effect at the time of construction.

4. **Design of Structures.**

- a. **Traditional Design.** As the design of all Structures shall be traditional in attitude, the use of the traditional forms and design elements (e.g., pitched roofs, columns, arches, trellises, dormers, etc.) is encouraged. There is no requirement for a literal interpretation of a traditional style, but the design of all Structures should address the environment and homes customary to the community.



- b. Barndominiums. Are allowed and are subject to the DRC review and approval.
- c. Exterior Walls. The DRC shall have the right to approve or disapprove the appropriateness of the material choice for each situation. The materials used must be of consistent architecture and quality on all sides of the Structure. For example, materials not found on the front of a residential Structure shall not be added to the back or sides of said Structure.
- d. Accessory Buildings. All accessory Buildings and other Structures shall be compatible, meaning colors and similar roof lines and pitch with the residence.
- e. Square Footage. The minimum square footage for the main level of a home is 1,450 square feet. The minimum square footage for multi-level homes is 2,000 square feet above ground.

5. **Shops and Outbuildings.**

- a. Size. The maximum size of an outbuilding is regulated by county restrictions and/or the DRC. The DRC will approve all buildings, the only consideration to size will be placement on lot and compatibility adjoining properties and buildings. The DRC will approve all structures and sizes prior to construction.
- b. Materials. Outbuildings should have a similar type of roof design as the home on the lot. Siding color should be similar to the house.
- c. Height. Generally, the side walls should not be higher than 16' and should design or landscaping elements that break up the height of the wall. The overall height of outbuildings should be similar to the height of the house.

6. **Fences**. No fence or hedge or landscaping or similar enclosure (hereafter fences) shall unreasonably restrict or block the view of nearby Lots. For this purpose, fences shall be maintained at a height not greater than six (6) feet (except surrounding pool enclosures). No fences shall be constructed on any Lot until after the height, type, design, and location thereof shall have been approved in writing by the DRC.

- a. The finished side of the fence must be erected as to face the public view.
- b. All fencing must be approved by the DRC.
- c. Any partial decorative fencing unit can be painted stained or weathered naturally providing there is a consistent and maintained finish.



- d. All perimeter fencing around Serenity Subdivision shall be constructed with a tan vinyl. It shall be a minimum of 6 feet high and shall be a solid fence with vertical slats. The cost of fence shall be upon the Owner/landowner and the fence shall be erected within one year of the home being occupied.

7. **Yard Lights.** Each residential Structure shall have a "yard" light. The yard light will be placed on a post in the front yard as to provide lighting to the front yard, walkways, and the front of the residence. The design of the yard light will be in keeping with the design of the residence and the neighborhood. High intensity lighting is not allowed. As an alternative to yard lights homes can have front house lights that operate on a photocell providing light for the front yard.

8. **Color.**

- a. After initial construction, no Structure shall be painted or stained until the color thereof has been approved by the DRC. The DRC shall have the right to refuse to approve the color of any paint or stain which, in its sole discretion, is inconsistent with the color scheme, or may detract from other residences located in the Project. The exterior color palette of all structures should be subdued or moderate in intensity, with color tones tending toward the neutral end of the value scale as determined by the DRC.
- b. The exterior color palette of all structures should be subdued or moderate in intensity, with color tones tending toward the neutral end of the value scale as determined by the DRC.

9. **Pools and Hot Tubs.** Exterior hot tubs must be screened from adjacent properties and streets. All pumps, filters, and equipment for spas must be located so as not to cause a nuisance to neighbors and must be screened from view.

10. **Driveways.** Each Lot, when improved with a residential Structure, shall have finished, hard surface driveway (paved or poured) from the residential Structure to the boundary of the street.

ARTICLE 9 – OWNERS’ ASSOCIATION

1. **Organization of Association.** The name of the Association is SERENITY SUBDIVISION HOMEOWNERS ASSOCIATION, a non-profit corporation organized and existing under the laws of the State of Montana, charged with the duties and vested with the powers prescribed by law and as set forth in the governing documents of the Association. In the event of a conflict between the Articles of Incorporation and/or Bylaws of the Association and this Declaration, this Declaration shall prevail. So long as Developers shall own a Lot in the Project, the Association shall not be incorporated without the consent of Developers.



2. **Duties and Powers.** The duties and powers of the Association are those set forth in this Declaration, the Articles of Incorporation of the Association and its Bylaws, and the laws of the State of Montana. The duties and powers of the Association may be unilaterally changed by Developers until such time as Developers no longer have ownership of a Lot, after which the duties and powers of the Association may be changed only upon the affirmative vote of fifty one percent (51%) of the members of the Association.

3. **Membership.** The Owner of each Lot shall automatically be a member of the Association and shall remain a Member thereof until such time as his or her ownership ceases for any reason, at which time his or her membership in the Association shall automatically cease. No membership shall be accorded to a Person not an Owner of record. For purposes of Association voting, each Lot shall represent one (1) vote.

4. **Bylaws.** The affairs of the Association shall be governed by its Bylaws.

5. **Board of Directors.** The Association shall be governed by Developers, and Developers shall constitute the "Board," until the first to occur of (i) Developers no longer owning a Lot, or (ii) Developers decide, in their sole and absolute discretion, to relinquish control of the Association to the Board prior to conveying all their remaining ownership in the Lot(s). Except as provided below, the Board shall consist of a minimum of three to five maximum members. Developers shall have the right to appoint the members of the Board until Developers no longer own a Lot. When Developers no longer own a Lot, the members of the Board shall be elected by a vote of the Owners with each Owner elected to serve for a term of three (3) years. A member of the Board appointed by Developer need not be an Owner. At all other times, each member of the Board shall be an Owner.

The Board is hereby granted the authority to and shall take actions required to implement and enforce the provisions of this Declaration. The Board may, by the majority vote of the members of the Board, adopt such bylaws or other procedures as it shall deem necessary for the operation of the Board. No member of the Board shall be liable to the Association or to any Owner or to any other Person for any loss, damage or injury arising out of or in any way connected with the performance of the Board's duties under this Declaration unless due to the willful misconduct or bad faith of such member.

ARTICLE 10 – ASSESSMENTS

1. **Purpose.** The Assessments levied by the Association shall be used exclusively for the purposes set forth in the Declaration, and for the necessary expenses of operating the Association. Assessments shall be collected and enforced as provided in this Declaration.

2. **Creation of Lien, Personal Obligation and Non-Waiver.** Each Owner of any Lot, except Developers, by acceptance of a deed, whether or not it shall be expressed in such deed, is deemed to covenant, and agree to pay to the Association periodic Regular Assessments, Extraordinary Assessments and Special Assessments,



which shall be established and collected as provided herein. Each Owner of any improved Lot by acceptance of deed for the Lot, is also deemed to covenant and agree to pay to the Association all Assessments imposed by the Association. All Assessments, together with interest, costs, penalties, and actual attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each Assessment is made. The lien will become effective upon recordation of a notice of assessment lien by the Board. Each Assessment, together with interest, costs, penalties, and actual attorney's fees, shall be the personal obligation of the Owner of such Lot at the time such Assessment fell due. No Owner may exempt himself/herself from liability for payment of Assessments for any reason, or by the abandonment of his or her Lot.

3. **Regular Assessments.** The Board shall determine and fix the amount of the Regular Assessment against each Lot at least thirty (30) days in advance of the start of each calendar year. The Regular Assessments shall fund an adequate reserve to cover administrative costs incurred by the Board and their agents in the performance of their duties, common area maintenance expenses, and for such other purposes as may be deemed appropriate by the Board. Regular Assessments shall be paid in one annual payment. The Board shall exercise reasonable diligence to provide notification to all Owners of the amount of the Regular Assessment for the following year at least thirty (30) days prior to the end of the then current year. If the Board fails to notify Owners of the amount of the Regular Assessment for the upcoming year, the Regular Assessment for that year shall equal the Regular Assessment for the prior year unless the Owners are subsequently notified by the Board.

4. **Extraordinary Assessments.** In addition to the Regular Assessments authorized above, the Board may levy, in any year, an Extraordinary Assessment, applicable to that year only, to defray any unanticipated or underestimated Regular Assessment; provided however, that the aggregate Extraordinary Assessment for any year shall not exceed fifteen percent (15%) of the budgeted gross expenses of the Association (excluding reserves) for that year, without first obtaining the prior approval of a majority of the total voting power of the Association.

5. **Special Assessments.** In addition to the Regular and Extraordinary Assessments authorized above, the Board may levy Special Assessments, without limitation as to the amount or frequency, against a Lot and its Owner to reimburse the Association for its costs incurred in bringing that Owner and his or her Lot into compliance with the Project Documents, including interest, penalties, actual attorneys' fees, and costs.

6. **Due Date of Assessments.** All Regular Assessments shall be due and payable on February 1st of each year, unless the Board approves payment in monthly, quarterly, or semiannual installments. Extraordinary Assessments shall be due and payable when specified by the Board, or in the event the Board fails to specify a payment date, sixty (60) days after the Board gives notice of the amount of such assessment to the Owners. Special Assessments shall be due and payable when specified by the Board, or in the event the Board fails to specify a payment date, ten (10) business days after the Board



gives notices of the amount of such assessment to the Owners. The Board may authorize a reasonable schedule of installment payments for Extraordinary or Special Assessments.

7. **Allocation of Assessments.** Each lot, excluding Lots owned by Developers, shall bear an equal share of each aggregate Regular and Extraordinary Assessment. Lots owned by Developers shall not be subject to Assessments.

8. **Interest and Late Charges.** If any part of any Assessment is not paid within thirty (30) days of the due date, an automatic late charge equal to five percent of the Assessment, but not less than ten (10) dollars, shall be added to and collected with the Assessment. This late charge is a penalty and shall not be deemed to be payment of interest. Additionally, if any part of the Assessment is not paid and received by the Association or its designated agent within thirty (30) days after the due date, the total unpaid Assessment, including the late charge, shall thereafter bear interest at the rate of fifteen percent (15%) per annum until paid.

9. **Transfer of Lot by Sale or Foreclosure.** The sale or transfer of any Lot shall not affect any Assessment or lien, or relieve the Lot from any liability therefore, whether the lien pertains to the payments becoming due prior or subsequent to such sale or transfer. Notwithstanding the foregoing, the sale or transfer of any Lot pursuant to foreclosure or by deed in lieu of foreclosure of a first mortgage given in good faith for value and recorded prior to filing or recordation of a notice of assessment lien shall extinguish the lien of all such Assessments as to payments that become due prior to such sale or transfer. Sale or transfer pursuant to mortgage foreclosure shall not, however, affect the personal liability of the Owner for unpaid Assessments.

10. **Voluntary Transfer of Lot.** In a voluntary conveyance of a Lot, the grantee of the same shall be jointly and severally liable with the grantor for all unpaid Assessments due prior to the time of the grant of conveyance, without prejudice to the grantee's right to recover such amounts from the grantor. Prior to purchase, any purchaser, upon written request, shall be entitled to a written statement from the Board, setting forth the amount of the unpaid Assessments due the Association as of the date of such statement.

11. **Enforcement of Assessment Obligation.** The obligation to pay Assessments shall be enforced by the Board on behalf of the Association. Owners who are not members of the Board may not enforce the assessment obligation of other Owners but may bring an action to compel the Board to do so.

12. **Covenant to Pay Assessments.** Each Owner, except Developers, by acceptance of a deed, whether or not it shall be expressed in said deed, is deemed to covenant and agree to pay to the Association all Assessments made by the Association and to waive any right said Owner may have, under the laws of the United States or the State of Montana, to claim a homestead exemption for said Assessments. Owners and their grantees shall be jointly and severally liable for all unpaid Assessments due and payable at the time of conveyance of any Lot, but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefore. The Board (or its



designated secretary/treasurer) shall notify third parties, upon their request, of the amount of unpaid Assessments on any Lot.

13. **Remedies for Non-payment of Assessments.** All unpaid sums assessed by the Association to any Lot, together with interest, collection costs, costs of suit, and reasonable attorney fees, shall constitute a lien on such Lot, and if filed of record, may be foreclosed as provided by applicable law. Such lien shall not take priority over any sums unpaid on a first mortgage or trust indenture of record prior to the recording of the lien for such Assessments. Each Assessment, together with interest, collection, costs and costs of suit, and reasonable attorney fees, shall also be the personal obligation of the Owner of the Lot against which the Assessment was made at the time the Assessment fell due and suit to recover a money judgment for unpaid Assessments shall be maintainable by the Association against said Owner without foreclosing or waiving the lien securing the same. All costs of collection of delinquent Assessments, including but not limited to, court costs, costs of filing liens, and attorney fees shall be the obligation of the non-paying Owner, and may be added to the next Regular Assessment for that Lot. No sale or transfer of a Lot shall relieve the acquirer from liability for past due Assessments or from the lien thereof.

ARTICLE 11 – PARK MAINTENANCE & ASSESSMENTS

1. **Fees.** All parks in and adjoining Serenity Subdivision will be improved and maintained through the Park Maintenance district under the jurisdiction of the Serenity Subdivision Homeowner's association. A monthly fee of \$15.00 per month will be paid to a fund overseen by the HOA for park maintenance and improvements. The monthly fee will be assessed one year after the lot is transferred out of Developers' name or when a home is occupied. The maximum the monthly park payment can increase per year is fifteen dollars a month. The park committee will make a recommendation regarding the monthly park payments, whether they need to stay the same, increase or decrease. At the annual HOA meeting the governing park entity will give a financial report of the parks and provide a summary of expenses paid during the previous year. All park funds should only be spent either for park maintenance or improvements. All park development and expenditures must be approved by the county parks department.

2. **Park Committee Members.** HOA Board members or a subcommittee over parks created by the HOA board will make decisions how the park area is maintained or improved. They will have authorization to allocate park funds and interact with the county parks director for all matters involving the county parks within or adjoining the Serenity Subdivision development. At the annual HOA meeting the governing park entity will give a report of the parks and provide a summary of expenses paid during the previous year.

ARTICLE 12 – ENFORCEMENT OF THIS DECLARATION

1. **Enforcement.** The Association, acting through the Board, shall have the right to enforce, by any proceedings, at law or in equity, all conditions, covenants and restrictions, reservations, liens, and charges now or hereafter imposed by this



Declaration. In addition, the Board, Developers, or the DRC shall also have the additional enforcement rights set forth below. Except as otherwise provided herein, any Owner, or any of them severally, shall have the right to proceed at law or in equity to compel compliance with the terms of this Declaration, to prevent the violation or breach of any of its restrictions, and/or to collect actual damages for breach of any provisions of this Declaration.

2. **Complaints.** Owners may express concerns and/or complaints in writing to the Board involving violations of this Declaration. The Owner shall address the issue with all affected parties prior to initiating a request for the Board action concerning the violation. When a violation is brought to the attention of the Board, the Board shall review the concern and/or complaint and take appropriate action as deemed necessary in the sole discretion of the Board.

3. **Special Assessments.** Prior to imposing a Special Assessment against any Owner, alleged violations will be investigated by a member of the Board. The Board member shall attempt to resolve the matter with the Owner or other Person responsible for the violation. If an appropriate and immediate resolution is not forthcoming, the Board shall provide written notification of the violation to the Owner. If the matter is not resolved within thirty (30) days from delivery of the written notice, the Board shall have the authority to levy appropriate Special Assessments according to the findings of the Board. In the discretion of the Board, Special Assessments may be levied monthly (or at otherwise appropriate intervals) until such violation is corrected and/or acceptable mitigation measures are implemented.

4. **Restoration of Lot.** In the event an Owner fails to plant or to maintain his or her Lot or the Improvements thereon, as provided herein, in a manner which the Board deems necessary to preserve the appearance and value of the Project, the Board may notify the Owner of the work required and demand that it be done within a time frame reasonably determined by the Board. In the event the Owner fails to carry out such maintenance within such period, the Board may cause such work to be done and may assess the cost thereof to such Owner as a Special Assessment.

5. **Structural Violations.** The Board (or its designees) shall have the right, when there has been built or placed on any Lot, any Structure which is in violation of this Declaration, to enter upon the Lot where such violation exists and summarily abate or remove the same at the expense of the Owner of the Lot, as soon as necessary by the Board after written notice of such proposed actions are provided to the Owner and Owner has not remedied the same with fifteen (15) days of receipt of such notice (or such longer time as may be reasonably necessary to remedy the violation). Any such entry and abatement or removal by the Board (or its designees) shall not be deemed to be trespass. All costs or expenses incurred in abating or removing such violation shall be paid by the Owner of such Lot as a Special Assessment.

6. **Costs: Compliance.** All costs, expenses, and damages determined by the Board to be proximately caused by a deviation or violation, or costs and expenses incurred by the Association against the Owner of the Lot in remedying such deviation or violation



shall be assessed to such Owner as a Special Assessment, which Special Assessment shall be due and payable at such time or in such installments as determined by the Board, in its sole discretion.

7. **Legal Proceedings.** The Board shall be authorized on behalf of and in the name of the Association to commence such legal or equitable proceedings as are determined to be necessary or proper to correct or enjoin any activity or condition existing within the Project in violation or deviation of the provisions of this Declaration. The Board shall not commence such legal or equitable proceedings until a written notice of the deviation or violation has been appropriately prepared and given to the Owner, and, if determined by the Board in its sole discretion, an appropriate period of time to cure such deviation or violation. Thereafter, the Board shall have the sole discretion to commence such proceedings.

8. **Payment of Costs and Attorneys' Fees.** In the event the Board and/or Association or any Owner or Developer shall prevail in any legal or equitable proceedings to enforce this Declaration, all costs and attorney fees incurred in connection therewith shall be reimbursed to the prevailing party by the losing party. If the Association is the prevailing party, upon the failure of said Owner to reimburse the Association within ten (10) days after written demand thereof is mailed to the Owner, the Association shall have the right to levy a Special Assessment against the Owner which Special Assessment shall be equal to said costs and expenses incurred plus any additional costs and expenses incurred by levying the Assessment. The Board shall also be entitled to collect from any Owner violating the provisions of this Declaration all costs and attorney fees incurred by the Board in enforcing this Declaration, including, but not limited to, any costs or attorney fees incurred to file any lien for past due Assessments, and for foreclosure of an Assessment lien; such costs and attorney fees may be assessed to the violating Owner as a Special Assessment, or may be collected in any other manner permitted by law.

9. **Enforcement Costs.** Costs, as herein provided, shall include attorneys' fees, expert witness fees, filing fees, deposition costs, witness fees and all other ordinary and necessary expenses incurred in commencing and carrying out legal or equitable proceedings.

10. **Non-Exclusive Remedy.** The enforcement rights of the Association, as described herein, shall not be deemed to be exclusive remedies of the Association. The Association may, in its sole discretion, without waiver of other legal or equitable remedies, pursue enforcement of its Assessment liens, proceed to collect any past due amounts directly from an Owner, and/or pursue any other remedies available at law or in equity.

11. **Failure to Enforce.** Failure, delay, or omission by any Owner or the Association to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter. No action shall be brought or maintained by any Owner, against the Grantor, the Association, the Board, the DRC or any of their officers, directors, members, agents, or representatives for or on account of their failure to bring or take any action to enforce any of the Project Documents or for imposing restrictions which may be unenforceable.



ARTICLE 13 – MISCELLANEOUS PROVISIONS

1. **Prescriptive or Implied Easements.** Owners, by acceptance of a deed to any Lot, waive all rights to claim prescriptive or implied easements as allowed by the laws of the State of Montana. No prescriptive or implied easements shall be created by the use of property belonging to other Owners.

2. **Developers' Rights and Reservations.** Developers are undertaking the work of constructing the infrastructure and incidental improvements upon the Property to support the development of single-family residences on the Lots. The completion of that work is essential to the welfare of the Project as a residential community. In order for the work to be completed and the Project to be established as a fully occupied residential community as rapidly as possible and in a prudent manner, nothing in this Declaration shall be understood or construed to; a) prevent Developers, their contractors, or sub-contractors from doing or storing anything on the Property that is reasonable, necessary, or advisable in connection with the completion of said work, and from conducting on any part of the Property its business of completing said work, or b) prevent Developers or their representatives from erecting, constructing, and maintaining on any part or parts of the Property, such Structures as may be reasonable and necessary for the conduct of its business of completing said work, and establishing said Property as a residential community, and disposing of said Property by sale or otherwise, or c) prevent Developers from maintaining such signs, stakes, flag, or advertising devices on any of the Lots as may be necessary for the sale or disposition thereof.

3. **Non-Waiver.** The various restrictions, measures, and provisions of this Declaration are declared to constitute mutual equitable covenants and servitudes for the protection and benefit of each Lot, and failure by the Developers or any other Person or the Association to enforce any measure or provisions upon violation thereof shall not stop or prevent enforcement thereafter or be deemed a waiver of the right to do so in the future.

4. **Severability.** Each and every one of the covenants, conditions, and restrictions contained herein shall be considered to be an independent and separate covenant and agreement, and in the event any one or more of such covenants, conditions, or restrictions shall be held to be invalid, unenforceable, or in conflict with any law of the jurisdiction in which the Project is situated, all remaining covenants, conditions, or restrictions shall nevertheless remain unaffected and in full force and effect.

5. **Conflict of Project Documents.** If there is any conflict among or between the Project Documents, the provisions of the Declaration shall prevail with subordinate authority given to the Articles and Bylaws of the Association.

6. **No Warranty of Enforceability.** While Developers have no reason to believe that any of the restrictive covenants contained in the Declaration are or may be invalid or unenforceable for any reason or to any extent, Grantor makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants. Any Owner acquiring a Lot in the Project in reliance on one or more of such



restrictive covenants shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Developers harmless therefrom.

7. **Waiver of Claim Against Association.** As to all policies of insurance maintained by or for the benefit of the Association and its Members, the Association and the Members hereby waive and release all claims against one another, the Board of Directors and Developers, to the extent of the insurance proceeds available, whether or not the insurable damage or injury is caused by negligence of or breach of any agreement by any of such Persons.

ARTICLE 14 – AMENDMENT AND TERMINATION OF THIS DECLARATION

1. **Duration.** This Declaration shall run with the land and shall continue in force for a term of seventy-five (75) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a notice of termination is recorded in accordance with the requirements set forth in Section 3 below.

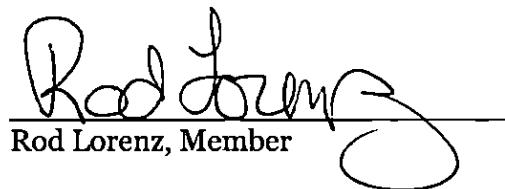
2. **Amendment.** The Board, or an Owner through the Board, may propose an amendment to this Declaration. The text of a proposed amendment shall be included in a notice to all Owners. The resolution shall be adopted by the vote, in person or by proxy, or written consent of Owners representing not less than ~~50.00% of the~~ of the ownership of the Lots.

The Board, or Owners, do not have the right to amend this Declaration in any way which would prohibit or restrict Developers' right to further subdivide the Property, or add and subject additional Lots to the provisions set forth in the Declaration or Bylaws of Serenity Subdivision.

3. **Recordation of Changes.** A certificate, signed and sworn to by two (2) Members of the Board of Directors, stating that the record Owners of the required number of Lots have either voted for or consented in writing to any amendment or termination adopted as provided above, when recorded, shall be conclusive evidence of that fact. The Association shall maintain in its files the record of all such votes or written consents for a period of at least four (4) years. Any changes to this Declaration shall be promptly recorded in the office of Yellowstone County Clerk and Recorder.

IN WITNESS WHEREOF, the Developers have executed this Declaration as of the date first set forth above.

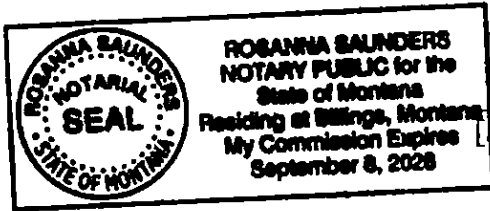
LORENZ CONSTRUCTION, LLC


Rod Lorenz, Member



STATE OF MONTANA)
) ss.
County of Yellowstone)

This instrument was acknowledged before me on this 12th day of May, 2025,
by Rod Lorenz, Member of Lorenz Construction, LLC, a Montana limited liability
company.



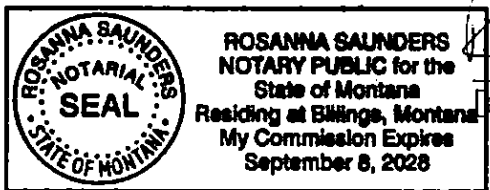
[Signature]
[affix notary stamp beside or below signature]

MARSICH INVESTMENTS, INC.

[Signature: Daniel N. Marsich, Jr.]
Daniel N. Marsich, Jr., President

STATE OF MONTANA)
) ss.
County of Yellowstone)

This instrument was acknowledged before me on this 12th day of May, 2025,
by Daniel N. Marsich, Jr., Marsich Investments, Inc., a Montana corporation.



[Signature]
[affix notary stamp beside or below signature]