

Return to:  
Basin Law Group, LLC  
117 N. Bent Street  
Powell, Wyoming 82435

## DECLARATION OF TOWNHOMES, COVENANTS, CONDITIONS AND RESTRICTIONS FOR STOCKYARD COURT TOWNHOMES, LLC

This Declaration of Townhomes is made on the 18<sup>th</sup> day of May, 2020  
by ~~Castlerock Properties, LLC~~ of Ravalli, Montana, and provides as follows:  
~~Castlerock Construction, Inc.~~ *PR*

### Section 1.01 RECITALS:

- (a) ~~Castlerock Properties, LLC~~ *Construction, Inc. PR* ("Declarant") is the fee simple owner of certain Real Property ("Real Property") located in Ravalli, Montana, more particularly described as:

Lot 1-A, Amended Subdivision Plat No. 565851, being a portion of Parcel F-1, Certificate of Survey No. 4505, located in the S1/2 of Section 19, Township 6 North, Range 20 West, P.M.M., Ravalli County Montana and being a portion of Lot B2, Four Square Lots, Ravalli County, Montana, according to the official recorded plat thereof, and commonly referred to as 100 Stockyard Court, Hamilton Montana.

- (b) The property name is designated as: Stockyard Court Townhomes, LLC, and the Department of Revenue Approval is attached hereto as **Exhibit A**.
- (c) There are three buildings, constructed primarily of lumber.
- (d) There are 26,489 ft<sup>2</sup> of Common Elements, and eighteen townhomes located upon the above-described real property, designated as:

- 1) Unit A-1, consisting of 2,528 ft<sup>2</sup>;
- 2) Unit A-2, consisting of 1,264 ft<sup>2</sup>;
- 3) Unit A-3, consisting of 1,264 ft<sup>2</sup>;
- 4) Unit A-4, consisting of 1,264 ft<sup>2</sup>;
- 5) Unit A-5, consisting of 1,264 ft<sup>2</sup>;
- 6) Unit A-6, consisting of 1,571 ft<sup>2</sup>;
- 7) Unit B-1, consisting of 2,591 ft<sup>2</sup>;
- 8) Unit B-2, consisting of 1,217 ft<sup>2</sup>;
- 9) Unit B-3, consisting of 1,217 ft<sup>2</sup>;
- 10) Unit B-4, consisting of 1,216 ft<sup>2</sup>;
- 11) Unit B-5, consisting of 1,216 ft<sup>2</sup>;
- 12) Unit B-6, consisting of 1,777 ft<sup>2</sup>;

*Set up:  
Addresses:*

DECLARATION OF TOWNHOMES, COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR STOCKYARD COURT TOWNHOMES, LLC.

- 13) Unit C-1, consisting of 1,777 ft<sup>2</sup>;
- 14) Unit C-2, consisting of 1,215 ft<sup>2</sup>;
- 15) Unit C-3, consisting of 1,215 ft<sup>2</sup>;
- 16) Unit C-4, consisting of 1,215 ft<sup>2</sup>;
- 17) Unit C-5, consisting of 1,215 ft<sup>2</sup>; and
- 18) Unit C-6, consisting of 2,427 ft<sup>2</sup>.

which Townhome Units are declared to be, and shall be conveyed as, Townhomes. The Units are to be used for residential purposes only.

- (e) See **Exhibit B** for Floor Plans showing the layout of each unit, including the unit designation, location and dimensions of each unit, and the common areas to which each has access. Exhibit B also contains the Statement of Certification of the floor plans as **Exhibit B.1**.
- (f) Declarant also wishes to place certain restrictions, covenants, conditions, and easements upon the Real Property, for the use and benefit of the Real Property owners, both present and future, which restrictions, covenants, conditions, and easements shall run with the land and shall be binding upon and insure to the benefit of each successor in interest to the Real Property.
- (g) Each Townhome Unit shall benefit from those certain restrictions, covenants, conditions, and easements depicted on the attached Exhibits. The owner of each Townhome Unit shall have a perpetual easement not only for the easement, but for such maintenance and repairs as may be necessary for the full use and enjoyment of such easement. Utility easements may not only be used for any specifically identified utility, but also for such other utilities as may be for the use and benefit of all or any one of the Townhome units.

## **Section 1.02 DECLARATIONS**

### **(a) DEFINITIONS**

- a. **Association.** "Association" shall mean and refer to the Stockyard Court Townhomes, LLC, to be incorporated by Declarant as a Montana non-profit corporation in which all Unit Owners shall have an equal membership interest as determined by the number of Units owned.
- b. **Buildings.** Means the three buildings constituting the eighteen townhomes constructed on the Real Property.
- c. **Bylaws.** Means the Bylaws of the Association, which are attached hereto as **Exhibit D**.
- d. **City.** Unless otherwise specifically stated, City refers to the City of Hamilton in Ravalli County.

DECLARATION OF TOWNHOMES, COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR STOCKYARD COURT TOWNHOMES, LLC.

- e. **Common Elements.** Means the General Common Elements and the Limited Common Elements
- f. **Common Expenses Mean:**
  - 1. Expenses of administration, maintenance, repair, or replacement of the General Common Elements;
  - 2. Expenses agreed upon as common by all the Unit Owners;
  - 3. Expenses applicable to Limited Common Elements to be charged to the Unit Owner to which the Limited Common Elements apply; and
  - 4. Expenses declared common by this Declaration or they Bylaws of the Association.
- g. **Declarant** shall mean and refer to Castlerock Properties, LLC or any person or entity that may be assigned or transferred the development rights hereunder.
- h. **Declaration** shall refer to this Declaration of Townhomes, Covenants, Conditions and Restrictions for Stockyard Court Townhomes, LLC.
- i. **General Common Elements**, unless otherwise provided in this Declaration or by consent of all the Unit Owners, means:
  - a. The Land on which the Buildings are located, except any portion thereof included in a Unit or made a Limited Common Element by this Declaration;
  - b. The foundations, columns, girders, grids, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, fire escapes, entrances, decks, owner's lounges, fitness rooms, and exits of the Buildings, either existing or hereafter constructed, except any portion thereof included in a Unit or made a Limited Common Element by this Declaration;
  - c. Installations of central services, such as power, light, gas, cable TV, internet services, hot and cold water, heating, refrigeration, air conditioning, waste disposal, and incinerating;
  - d. Any elevators, tanks, pumps, motors, fans, compressors, ducts, and in general all apparatus and installations existing for common use, except any portion thereof included in a Unit or made a Limited Common Element by this Declaration;
  - e. The premises for the storage of equipment required for the maintenance or caretaking associated with the property; and
  - f. All other elements of the building necessary or convenient to its existence, maintenance, and safety or normally in common use.
- j. **Limited Common Elements:** Means those common elements designated in this Declaration or by agreement of all the Unit Owners as reserved for the use of a certain Unit or number of

Units to the exclusion of the other Units. Such Limited Common Elements shall include, but not be limited to the following: parking areas, and outside storage spaces, private pathways, sidewalks, and private patios or balconies.

- k. **Unit Owner.** Means and refers to every person or entity who is a record Owner of a fee, interest in any Townhome that is subject to this Declaration.
- l. **Project.** Means and refers to all of the fee simple interest in that certain real property described above and all structures and other improvements, including the Building and the Townhome Units constructed thereon.
- m. **Real Property.** Means and refers to that certain Real Property as described or referred to in the Recitals above and the improvements thereon.
- n. **Townhome Unit.** Means and refers to the individual Townhomes depicted on the site plan recorded with this Declaration and more specifically described in Section 3(b) of this Declaration.

(b) DECLARATION

- a. **Declarant** hereby submits the Real Property and its improvements to the form of townhome ownership and use provided by Title 70, Chapter 23, of the Montana Code Annotated (MCA), hereinafter referred to as the "Montana Unit Ownership Act," and pursuant to MCA §76-3-203, and further pursuant to municipal facilities review under MCA §76-4-125(1)(d). Declarant further declares that all of the Real Property described herein, and all present and future Owners of Townhome Units, shall be subject to, and shall comply with the provisions of this Declaration, the By-Laws, and the rules and regulations adopted by the Association, as these instruments may be amended from time to time. The valid execution of a purchase contract by a buyer or the acceptance of a deed to a Townhome Unit will constitute acceptance of the provisions of these instruments by the Owner. All Owners shall be responsible for insuring compliance by their tenants, family members, other occupants of their Townhome Unit and their guests. Certification of Exemption from the local government is attached hereto as **Exhibit C**.
- b. **Conveyances Subjects to Declaration.** All easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Declaration, along with the Bylaws of the Association and its Rules, shall be deemed to be covenants appurtenant to any transfer of the real property and shall at all times insure to the benefit of and be binding on any person having at any time any interest or estate in the Real Property. References in any deed of conveyance, lease, mortgage, deed of trust, or other evidence of obligation or any other instrument to the provisions of this Declaration shall be sufficient to create and reserve all of the easements, restrictions, conditions, covenants, reservations, liens, charges, benefits and privileges which are granted, created, serves or declared herein as though fully and completely set forth in their entirety in any such documents.

- c. **Submission to Unit Ownership.** One of the purposes of this Declaration is to submit the Real Property to the Montana Unit Ownership Act. The definition of terms in this Declaration and the By-Laws of Association shall be those definitions used in the Montana Unit Ownership Act, except as otherwise provided herein. The Real Property included within the project shall be named "Stockyard Court Townhomes."

(c) DESCRIPTION OF PROJECT

- a. The project consists of eighteen townhome units and the real property that is part of each unit, designated as Unit A-1, Unit A-2, Unit A-3, Unit A-4, Unit A-5, Unit A-6, Unit B-1, Unit B-2, Unit B-3, Unit B-4, Unit B-5, Unit B-6, Unit C-1, Unit C-2, Unit C-3, Unit C-4, Unit C-5, and Unit C-6. Each Unit shall consist of a space bounded by and contained within the interior unfinished surfaces of the perimeter walls, floors, roofs, ceilings, windows and doors, which may now exist or hereafter be constructed in the Unit. Appurtenant to, but not a part of, each Unit may be one or more of the Limited Common Elements and/or Areas.

A Unit shall include all utility installations, heating, air conditioning, telephone and television installations and/or outlets thereof when located within the Unit and designed for exclusive use therein.

In interpreting this Declaration, and conveyances, the existing physical boundaries of a Unit shall be conclusively presumed to be its boundaries rather than any metes and bounds (or other descriptions) regardless of settling or lateral movement of the building and regardless of minor variance between boundaries shown on Exhibit B, or in the instrument of conveyance.

Except for all utility installations, heating, air conditioning, telephone and television installations and/or outlets thereof located within the Units and designed for the exclusive use of a Unit, control of the General Common Elements shall be turned over to the Association upon the closing of the sale of all the Units in the Project.

- b. Each Townhome Unit consists of some or all of the elements and real property depicted in the plans and specifications for each, as more particularly depicted and designated on the floor and site plans recorded concurrent with this Declaration as **Exhibit B**, and is described as the dwelling space, bounded and contained within the Unit, and including the perimeter or exterior walls of each Unit, and including the depicted portion of real property upon which each Unit lies, roof and subflooring, and inclusive of garages, the finished floors, ceiling, walls, windows and doors, and decks, which are attached to and/or incorporated in each particular Townhome Unit inclusive of fixtures and improvements, decks, sheds, driveways, walkways, and other features as may lie within the designated Townhome area. Each Townhome Unit includes the easement or easement right in any utility lines and pipes which serve not only that Townhome Unit, but which may cross or exist on a portion of another Townhome Unit.

- c. There are 26,489 ft<sup>2</sup> of Common Element which benefits all Townhome units equally, except to the degree that any of the Common Elements have been designated as Limited Common Elements by this Declaration.
- a. The undivided interest in the General Common Elements and facilities hereby established and which shall be conveyed with each respective Unit shall consist of an undivided one-eighteenth proportionate interest. The above respected undivided interests established and to be conveyed with the respective Units, as indicated above, cannot be changed, absent an amendment to this Declaration, by which the total number of Units within the Project is reduced or expanded, and said Declarant, its successors, assigns, and grantees, covenant and agree that the undivided interest in the General Common Elements and the titles to the respective Units conveyed therewith, shall not be separated from or separately conveyed or encumbered without is respective Unit, even though the description in the instrument of conveyance may refer only to the fee title to the Unit.
- b. Each Unit Owner shall have a non-exclusive easement appurtenant to his Unit for ingress, egress, use and enjoyment on and over the General Common Elements, subject to any rules or limitations adopted by the Association.

**(d) LEASE OF TOWNHOME UNIT**

Any Owner shall have the right to lease his/her Townhome Unit upon such terms and conditions as the Owner may deem advisable. All leases shall be in writing and shall provide that the lease is subject to the terms of this Declaration, the Articles of Incorporation of the Association, its Bylaws, and any rules which it might adopt. All leases must be at least one (1) month in duration.

**(e) GENERAL PROVISIONS**

- a. **Severability.** The invalidity of any provision of this Declaration shall not affect in any manner the validity or enforceability of the remainder of the Declaration. No provision in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number or duration of violations which may occur.
- b. **Construction.** The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of the Real Property and for its maintenance. The Article and Section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.
- c. **Singular Includes the Plural.** Whenever the context of this Declaration may so require, the singular shall include the plural, and the masculine shall include the feminine and neuter, and vice versa.
- d. **Amendments.** This Declaration may be waived, abandoned, terminated, modified, altered, changed or amended only by written instruments executed by all of the Owners in attendance

of a duly called meeting for such vote (except as otherwise specifically addressed herein), or otherwise by unanimous written consent. Declarant reserves the right in all matters to waive, abandon, terminate, modify, alter, change or amend this Declaration up until the Transition Date, or until such earlier time as Declarant may opt out of this provision. All Owners and all mortgagees of a Townhome Unit, by acceptance of a deed, mortgage or trust indenture to any Townhome Unit, shall be deemed to consent to any such waiver, abandonment, termination, modification, alteration, change or amendment by Declarant. In addition to the necessary consent of the Owners to any modifications to this Declaration as is described above, a change in any of the following must also be approved by all eligible Mortgage holders of a Townhome Units subject to mortgages held by eligible mortgage holders (all such eligible mortgage holders in the case of abandonment of the Declaration): (a) Voting rights; (b) Responsibility for maintenance and repairs; (c) Redefinition of any boundaries for completed Townhome Units after conveyance by Declarant; (d) Expansion or contraction of the project, or the addition or withdrawal of property to or from the project, other than as set forth in this Declaration; (e) Restrictions on leasing of Townhome Units; (f) Imposition of restrictions on an Owner's right to sell his or her Townhome Units; (g) Restoration or repair of the project in a manner other than as provided in this Declaration. All amendments to the Declaration shall be recorded in the office of Ravalli County Clerk and Recorder, Ravalli, Montana. So long as Declarant owns at least one Townhome, Declarant shall be entitled to two votes for every one Townhome owned.

- e. **Notices.** Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by USPS First Class mail, it shall be deemed to have been delivered when deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service if such notice, or to the Townhome Unit of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.
- f. **Attorneys' Fees.** If any Owner defaults in making a payment or assessment or in the performance or observance of any provisions of this Declaration, and the Association has obtained the services of an attorney in connection therewith, the Owner covenants and agrees to pay to the Association any costs or fees incurred, including reasonable attorney's fees, regardless of whether legal proceedings are instituted. The Owner shall also pay the cost of the suit, in addition to the aforesaid costs and fees. This provision for recovery of attorneys' fees shall apply also to any proceedings in bankruptcy or other insolvency proceedings.
- g. **Process.** Service of process in the cases provided for Section 70-23-901 of the Montana Code Annotated, shall be made upon Derek Watt at 998 <sup>Victor</sup> ~~US~~ Highway 93, ~~Pinetop~~ <sup>59828</sup>, MT-59841, or following the Transition Date, upon the Registered Agent for the Association. This provision may be amended in the manner provided in Section 70-23-902 of the Montana Code Annotated.
- h. **Notice to Holders, Guarantors, and Insurers of Mortgages or Other Liens on Townhome Units.** Upon written request from a holder, insurer or guarantor of a first mortgage on any

Townhome Unit, the Directors of the Association shall provide said holder, insurer or guarantor with timely written notice of:

- i. Any proposed action that requires the consent of a specified percentage of eligible mortgage holders;
- ii. Any condemnation loss of any casualty loss which affects a material portion of the project or which affects any Townhome Unit on which there is a first mortgage held, insured or guaranteed by such holder, insurer or guarantor;
- iii. Any delinquency in the payment of assessments or charges owned by an Owner of a Townhome Unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;
- iv. Any lapse, cancellation or material modification of any insurance policy maintained by the Association; and
- v. Any requested books, records, and financial statements of the Association.

IN WITNESS WHEREOF, the undersigned, has set his hand and seal this 16<sup>th</sup> day of May, 2020.

Construction, Inc. <sup>PR</sup>  
~~Castlerock Properties, LLC~~

By: [Signature]  
Derek Watt, ~~Its Authorized Member~~  
President <sup>PR</sup>

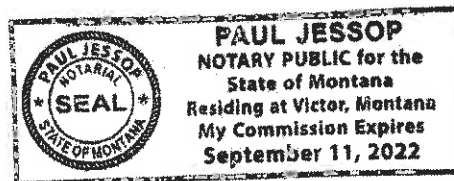
STATE OF MONTANA                    )  
  )ss.  
COUNTY OF RAVALLI                )

On this 16<sup>th</sup> day of May, 2020, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Derek Watt, the ~~Authorized Member~~ <sup>President</sup> of ~~Castlerock Properties, LLC~~ <sup>Construction, Inc.</sup>, and acknowledged to me that he executed the same.

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

(SEAL)

[Signature]  
Notary Public



DECLARATION OF TOWNHOMES, CONVENANTS, CONDITIONS AND RESTRICTIONS FOR STOCKYARD COURT TOWNHOMES, LLC.