

PRESCOTT RANCH COMMUNITY ASSOCIATION RULES & REGULATIONS

Prescott Ranch Community Association, a Montana nonprofit corporation (the "Association"), is the homeowners association for the Prescott Ranch Community (the "Community"). The Community, which is located in Gallatin County, Montana, was created pursuant to the Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Prescott Ranch, recorded in the Office of the Gallatin County Recorder on September 27, 2019, as Document No. 2659507 (which, as amended and supplemented from time to time, is referred to herein as the "Declaration").

These Rules & Regulations provide standards governing the use the Areas of Common Responsibility and Units, and the conduct of persons in connection therewith. These Rules & Regulations are "Rules" (as that term is used in the Declaration), and terms defined in the Declaration and not otherwise defined in these Rules & Regulations shall have the meanings defined for those terms in the Declaration. The provisions of these Rules & Regulations shall apply until such time as they are amended, modified, repealed or limited pursuant to Article 3 of the Declaration.

1. Restricted Activities: Areas of Common Responsibility. Subject to the limitations set forth in Section 3.4 of the Declaration, the following activities are prohibited within the Areas of Common Responsibility, unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board:

A. Bringing an animal onto the Areas of Common Responsibility, unless such animal is kept on a leash or other restraint operated by a person capable of controlling the animal, and who then has in his or her possession a proper or adequate utensil or other means of cleaning up immediately all feces of such animal;

B. Tethering and leaving an animal unattended;

C. Failing to immediately clean-up after any animal that has used any portion of the Areas of Common Responsibility;

D. Dumping, disposing of, or causing the accumulation of ashes, trash, garbage, refuse, hazardous or toxic wastes and materials, debris, inoperative vehicles or equipment, or any other unsightly or offensive materials;

E. Exterior fires (including, without limitation, outside burning of trash, dead vegetation, or debris), except barbecue fires contained within receptacles designed therefor or fire pits consistent with applicable government regulations, and except as specifically authorized in writing by the Board (and subject to applicable ordinances and fire regulations);

F. The placement of any signage, including, without limitation, any signage affixed to trees in the Areas of Common Responsibility; and

G. Except as utilized by Declarant, a Participating Builder, the Association and/or their respective agents during maintenance activities or the construction of Improvements, operation of motorized vehicles (including, without limitation, motorized vehicles designed principally for off-road recreational such as snowmobiles and ATVs) anywhere within the Areas of Common Responsibility (including, without limitation, all paths, trails or walkways).

2. Restricted Activities: Units. Subject to the limitations set forth in Section 3.4 of the Declaration, the following activities are prohibited within and as to the Units, and as to each Unit's Owner, and such Owner's family, tenants, guests or invitees, unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board:

A. Except as to Declarant, a Participating Builder, and/or their respective agents during the construction of Improvements within the Property, no Owner of a Private Area shall engage in, or permit such Owner's family, tenants, guests or invitees to engage in, the parking of automobiles, vehicles or equipment, motor homes, recreational vehicles (including recreational vehicles designed for off-road use), golf carts, boats and other watercraft, trailers, or inoperable vehicles anywhere within the Property, including public streets within the Property, other than enclosed garages; provided, however, that (i) the Board may, but shall not be obligated to, grant variances from the foregoing restrictions, but no individual variance shall exceed seven (7) consecutive days, and no Unit shall receive variances for more than fourteen (14) days in any twelve (12) month period), (ii) personal, operable, non-commercial cars and trucks may be parked in the driveway of a Unit, (iii) motor homes, recreational vehicles, and/or watercraft parked on the driveway of Residential Unit or public street immediately adjacent to such Residential Unit for the purpose of loading and/or unloading such vehicle, and for no more than 48 consecutive hours, and (iv) personal, operable, commercial and non-commercial cars and trucks may be parked in the public street immediately adjacent to any Residential Unit between the hours of 7:00 am and 9:00 pm;

B. Utilizing any garage as a living space, or keeping the garage doors of a Residence open, except when entering or exiting the garage or cleaning the garage;

C. Raising, breeding, or keeping any animal, fowl, reptile, poultry, fish or insects of any kind ("animals") within the Property, except that up to two (2) dogs or cats (or a single dog and a single cat), along with a reasonable number of other household pets (fish, hamsters, small reptiles, etc.) may be kept within a Residence, provided that they are not kept, bred or maintained for any commercial purpose, nor in unreasonable quantities, nor housed in any garage, nor in violation of any applicable local ordinance or these Rules & Regulations. The Board may determine the meaning of a "reasonable number" in any instance, and may determine that any individual dog or cat must be excluded from the Property if such animal constitutes, in the opinion of the Board, a nuisance to other Owners in the Property;

D. Without in any way limiting the foregoing Rule 2C, keeping large animals within the Property, including, without limitation, horses, llamas, goats, alpacas, or sheep;

E. Tethering and leaving an animal unattended in any front yard area of a Unit;

F. Any activity that tends to cause an unclean, unhealthy, or unsafe condition to exist outside of enclosed structures on the Unit;

G. Any activity that omits foul or obnoxious odors, fumes, dust, smoke, or pollution outside the Unit, or that creates noise, unreasonable risk of fire or explosion (such as the unsafe storage of flammable, dangerous, hazardous or toxic materials in any garage), or other conditions that area a nuisance;

H. Any activity that violates local, state or federal laws or regulations, or that would constitute a public or private nuisance;

I. Exterior fires (including, without limitation, outside burning of trash, dead vegetation, or debris), except barbecue fires contained within receptacles designed therefor or fire pits consistent with applicable government regulations, and except as specifically authorized in writing by the Board (and subject to applicable ordinances and fire regulations);

J. The keeping of unsightly articles, such as clotheslines, outside of enclosed structures on the Unit;

K. Accessing any Unit within the Property except from designated streets, roads, or paths as shown on the Plat creating such Unit, unless prior written approval is obtained from the Board;

L. Outdoor storage of materials, tools, toys, sporting goods, household effects, equipment, machinery, or other items that shall in appearance detract from the aesthetic values of the Property, except that outdoor storage of building materials shall be permitted during construction on the Unit on which such materials are being stored;

M. The use or discharge of speakers, horns, whistles, bells, wind chimes, or other sound devices, noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or other items which may unreasonably disturb other Owners or residents or their guests; provided, however, that alarm devices used exclusively to protect the security of a vehicle or a Unit and its contents shall be permitted, provided that such devices do not produce annoying sounds or conditions as a result of frequently occurring false alarms;

N. Any activity that might increase the rate of, or cause the cancellation of, insurance for any portion of the Property;

O. Any activity that would result in the drainage or dumping of any refuse, sewage or other material which might tend to pollute surface or subterranean waters within the Property; provided that fertilizers may be applied to landscaping on Units provided care is taken to minimize runoff;

P. Any activity within the Property that shall induce, breed, or harbor infectious plant or tree diseases or noxious insects;

Q. Activities which materially disturb or destroy the vegetation, wildlife, or air quality within the Property, or which use excessive amounts of water, or which result in unreasonable levels of sound or light pollution within the Property;

R. Capturing, trapping or killing wildlife within the Property; provided such prohibition shall not apply to common rodents on a Unit (e.g. rats, mice, moles, marmots, gophers);

S. The discharge or use of firecrackers and other fireworks, or of firearms or other weapons within the Property, including, without limitation, "BB" guns, pellet guns, bows and arrows, pistols, rifles, shotguns, sling shots, and firearms and weapons of all types, regardless of size;

T. Dumping, disposing of, or causing the accumulation of ashes, trash, garbage, refuse, hazardous or toxic wastes and materials, debris, inoperative vehicles or equipment, or any other unsightly or offensive materials within the Property;

U. Operating any short-wave radio or any other kind of electronic device within the Property that in any way interferes with radio, television, or other electronic signal reception within the Property;

V. The placement or display on a Unit of signs, billboards or advertising structures, except (i) signs utilized by Declarant in any sales, construction, or marketing program, (ii) street signs or monument signs maintained by Declarant, the Association, or any Additional Association, and (iii) those approved in writing by the Architectural Review Committee; provided, however, that the Owner of each Unit shall have the right to place (a) a single political sign (that is, a sign that expresses support for or opposition to a candidate, political party, or ballot question) per candidate, political party, or ballot question in a given election, each such sign to be not larger than 24 inches by 36 inches, and each of which may be placed upon the Unit no earlier than the first day of filing for such election, and must be removed no later than seven (7) days after such election (provided, however, that signs for successful primary candidates may be retained until seven days after the subsequent general election); and/or (b) one sign on such Owner's Unit to advertise such Unit for sale or lease, provided that such sign shall be in a design and size acceptable to the Architectural Review Committee;

W. Placement or utilization of plastics, aluminum foil, bedroom sheets or other unsuitable coverings in or on the windows of any structure on a Unit;

X. Placement or utilization of an outdoor shed or similar structure, unless such structure is less than 100 square feet in floor area, does not exceed the height of the wall or fence surrounding the Unit (unless otherwise approved by the ARC in writing), conforms to the architecture of the Residence on such Unit, and complies with all local building code and applicable set-back requirements; and

Y. Keeping refuse, garbage or trash on the exterior portions of a Unit, except when kept at all times in covered, sanitary containers or enclosed areas designed for such purpose and

removed from the Unit on a regular basis pursuant to such Owner's separate service agreement with a local solid waste disposal service. In no event shall waste containers be kept where they are visible from any neighboring Unit unless such containers are less than six feet (6') in height and are enclosed by a fence, screen or wall which is not less than six feet (6') in height and, notwithstanding such enclosure, such containers remain visible from a neighboring Unit or public street within the Property. Notwithstanding the foregoing, trash kept in covered, sanitary fly-proof containers may be brought to the front of a Unit (or the immediately adjacent Common Area utilized by the waste disposal service for ingress and egress) no earlier than the day before the next scheduled day for trash pick-up, provided that such containers are removed by the end of such pick-up date.

3. Void Provisions. If any provision of these Rules & Regulations is determined to be null and void, all other provisions of these Rules & Regulations shall remain in full force and effect.

4. Note Regarding Architectural Provisions. The provisions herein related to architectural standards constitute basic architectural controls for the Units. Such provisions are minimum requirements, and such provisions in no way limit or alter the requirements set forth in Article 5 of the Declaration, or assure, upon compliance therewith, that the Architectural Review Committee will approve any particular request for construction, erection, installation, or modification of any Improvement upon a Unit.

5. Right to Construct and Complete. The provisions set forth herein are subject to Declarant's and each Participating Builder's right to construct and complete Improvements within the Property at such party's sole and absolute discretion, as well as Declarant's and each Participating Builder's right to cause Impacts pursuant to Section 12.2(d) of the Declaration.

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