

## Exemption

The Montana legislature passed Senate Bill 300 ("SB 300"), a bill designed to prevent homeowners' associations ("HOA") from imposing new covenants, conditions, and restrictions ("CCRs") on certain types of use of property.

The bill, which became law on May 8, 2019, does not prevent an HOA from passing CCRs to change the acceptable uses of property, but rather prevents an HOA from imposing certain types of new use restrictions against owners who purchased their properties before the restrictions went into effect and do not wish to be-bound by them.

The Madison River RCH Association, Inc. (HOA) recorded Document # 212657 with the State of Montana Madison County on 11/29/23 and replaced the Paragraph 6.4 of the prior Declaration of Covenants, Conditions, and Restrictions recorded as document No. 131318 as referenced in the recorded Document #212657.

The new document #212657 recorded 11/29/23 replaced the paragraph from the prior Declaration of Covenants, Conditions, and Restrictions that is noted below:

*6.4 Business Uses. The Tracts shall be used primarily for single-family residential purposes. No more than two (2) single-family residences may be constructed on any Tract. Each residence may also have an appurtenant noncommercial guesthouse. Noncommercial garages, small sheds, corrals, barns and horse facilities are also permitted on the Property. No Tracts within the Property shall ever be occupied or used for any commercial or business purposes, except for an office or studio contained within the Owner's residence, as long as such office or studio does not entail regular visits by members of the public. However, nothing in this Paragraph 6.4 shall be deemed to prevent: (a) Declarant or its duly authorized agent from using any Tract owned by Declarant as a sales office, sales model, property management office or rental office; or (b) any Owner or his duly authorized agent from renting or leasing any residential building for residential uses from time to time, subject to all of the provisions of this Declaration.*

**[NAME OF MRR PROPERTY OWNER]** owns property located at **[YOUR MRR ADDRESS/ LOT NUMBER]** and elects to be grandfathered and exempt from the new CCR Section 6.4 as recorded in Document #212657, and desires to continue to abide by section 6.4 (noted above) that was in effect when **[YOUR MRR ADDRESS/LOT NUMBER]** was purchased by **[NAME OF MRR PROPERTY OWNER]** and desires to continue to do so for as long as **[NAME OF MRR PROPERTY OWNER]** owns the property.

**[NAME OF MRR PROPERTY OWNER]** will personally record this document memorializing their exemption at the county clerk and recorder's office in Madison County Montana.

Signature\_\_\_\_\_

Date\_\_\_\_\_

**[NAME}**

**[TITLE IF NECESSARY]**