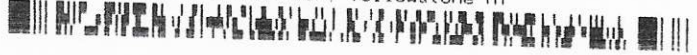


After Recording Return To:  
Scott Heard  
3936 Avenue B, Suite C  
Billings, MT 59102

**EASE**

**3730386**

01/30/2015 02:05 PM Pages: 1 of 5 Fees: 45.00  
Jeff Martin Clerk & Recorder, Yellowstone MT



**RECIPROCAL EASEMENT AGREEMENT**

**THIS AGREEMENT** is made this 16<sup>th</sup> day of December, 2014, by **EMERALD HILLS DEVELOPMENT COMPANY**, a Montana corporation ("EHDC"), whose address is 5440 River Road, Laurel, Montana 59044, and **SHIRLEY J. FARNUM** ("Farnum"), whose address is 1029 Krumheuer Drive, Billings, Montana 59101.

**RECITALS:**

A. EHDC is the owner of certain real property situated in Yellowstone County, Montana, more particularly described as follows (the "EHDC Property"):

**That part of NE $\frac{1}{4}$ SE $\frac{1}{4}$  and NE $\frac{1}{4}$  of Section 20, Township 1 North, Range 27 East, PMM, Yellowstone County, Montana, described as Tract 17A of Certificate of Survey No. 1104 Am - Amending Tract 17 - according to the official plat thereof on file in the office of the Clerk and Recorder of said County under Document No. 1093978.**

**Township 1 North, Range 27 East, M.P.M.**

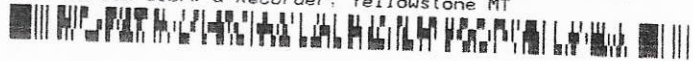
**Section 20: SE $\frac{1}{4}$ SE $\frac{1}{4}$ , EXCEPTING THEREFROM Plat of Emerald Hills Westgate Subdivision**

**That part of SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 21, Township 1 North, Range 27 East, PMM, Yellowstone County, Montana, described as Tract 69A of Certificate of Survey No. 1104 Am - Amending Tract 69 Amended - according to the official plat thereof on file in the office of the Clerk and Recorder of said County under Document No. 1228559.**

B. Farnum is the owner of certain real property situated in Yellowstone County, Montana, more particularly described as follows (the "Farnum Property"):

**Tract 1-D of Certificate of Survey No. 1103 Amending Tract 1-A, according to the official plat thereof on file in the office of the Clerk and Recorder of Yellowstone County, Montana, under Document No. 1486829.**

C. EDHC and Farnum are desirous of creating road easements running across the EHDC Property and the Farnum Property along the route of the existing roadway (the "Access Road"), the



approximate location of which is depicted on **Exhibit A** attached hereto and by this reference made a part hereof.

D. EDHC and Farnum are desirous of granting and obtaining an easement and right-of-way for mutual access, ingress and egress along the Access Road and of creating certain rights and obligations for the improvement, maintenance and repair of the Access Road all on the terms and conditions set forth below.

**NOW, THEREFORE, FOR VALUABLE CONSIDERATION, IT IS AGREED:**

1. **Mutual Grant of Easements.** In order to provide ingress and egress along the Access Road, EDHC and Farnum do hereby mutually grant to each other an easement and right-of-way for ingress and egress over and across a strip of land thirty feet (30') in width, being fifteen feet (15') on each side of the mid-point of the Access Road (the "Easement Area").

2. **Appurtenant and Perpetual Nature and Use of Easements.** The easements and rights-of-way described in paragraph 1 shall be for the benefit of the EDHC Property and the Farnum Property (collectively the "Benefited Properties" and each singly, a "Benefited Property"), and for the benefit of the owners of the Benefited Properties, and for said owners' heirs, personal representatives, successors, assigns, invitees, employees, guests, designees, tenants and licensees. The properties upon which such easements and rights-of-way are located shall be servient to the easements and rights-of-way hereby created and granted, and the easements and rights-of-way shall be deemed appurtenant to the Benefited Properties. Because of the appurtenant nature of such easements and rights-of-way, the same shall be deemed to pass with any conveyances or transfers of any of the Benefited Properties, whether or not such conveyances or transfers specifically describe or include the same. The easements and rights-of-way described in paragraph 1 shall continue in perpetuity or until released by all of the owners of Benefited Properties.

3. **Restrictions on Structures.** No owner of a Benefited Property shall construct or cause to be constructed within the Easement Area any type of building, barricade or structure, such as, but not limited to, houses, garages, sheds, kennels, barricades (including, without limitation, movable barricades such as concrete blocks), signs, gates, fences nor any other fixed objects of any kind, shape or form, which would in any way interfere with the use of the easements and rights-of-way by any other owner of the Benefited Properties.

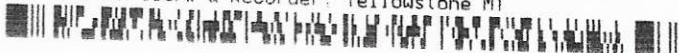
4. **Road Maintenance and Improvement.** No owner of a Benefited Property shall have the obligation to improve, maintain or repair the Access Road. Each owner of a Benefited Property shall have the right to improve, maintain and/or repair the Access Road; provided, however, that the width of the Access Road may not be increased beyond thirty feet (30'). Any improvement, maintenance and/or repair of the Access Road shall be conducted in such a manner as to prevent soil erosion and the spread of noxious weeds.

5. **No Right Granted to the Public.** The easements and rights-of-way described in paragraph 1 shall be private and do not grant any rights to the public whatsoever.

6. **Warranty of Title.**

(a) EHDC warrants and confirms to Farnum that EHDC is the owner in fee simple of the EHDC Property and has the full power and authority to execute this Agreement.





- (b) Farnum warrants and confirms to EHDC that Farnum is the owner in fee simple of the Farnum Property and has the full power and authority to execute this Agreement.

7. **Indemnification.** EHDC (the "Indemnifying Party") hereby agrees to indemnify and hold harmless Farnum, and Farnum's heirs, personal representatives and successors in title (the "Indemnified Parties"), from and against all claims, damages, judgments, penalties, costs, liabilities, losses and fees (including any and all sums paid for settlement of claims, attorney fees, consultant and expert fees, whether incurred prior to trial, at trial or on appeal), whether relating to injury to or death of any person or damage to any property, resulting from or in any way arising out a breach of this Agreement by the Indemnifying Party or out of the use, maintenance, operation, service or repair of the Access Road by the Indemnifying Party or by the Indemnifying Party's heirs, personal representatives, successors, assigns, invitees, employees, guests, designees, tenants and licensees.

8. **Modifications.** This Agreement contains the entire agreement between the parties with regard to the Access Road and the Easement Area, and no prior written or oral representations, inducements, agreements, promises or undertakings which alter, modify, add to or supplement the terms and conditions of this Agreement shall have any force or effect. No modification of or amendment to the terms of this Agreement shall be deemed effective unless the same shall be in writing and executed by the party to be bound by such modification or amendment. This Agreement shall be governed by and construed in accordance with the laws of the State of Montana.

9. **Severability.** If one or more of the provisions contained in this Agreement are declared invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be impaired thereby.

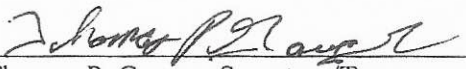
10. **Headings.** The headings used herein are for convenience only, and shall not be construed as a part of this Agreement or as a limitation on the scope of the particular paragraphs to which they refer.

11. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.


IN WITNESS WHEREOF, the parties have executed this Easement on the date first above written.

**EMERALD HILLS DEVELOPMENT  
COMPANY**

By:

  
Thomas P. Gauger, Secretary/Treasurer

"EHDC"

  
SHIRLEY J. FARNUM

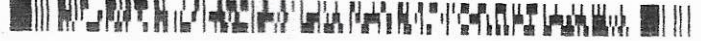
"Farnum"

EASE

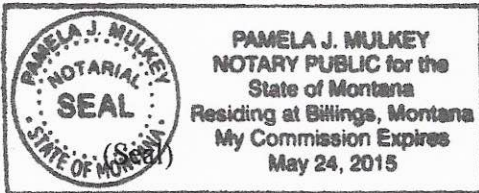
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Jeff Martin Clerk & Recorder, Yellowstone MT

STATE OF MONTANA )  
: ss.  
County of Yellowstone )



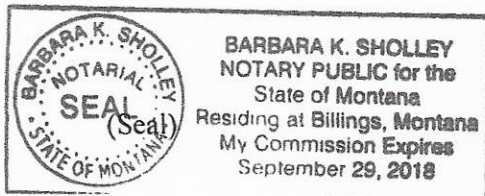
This instrument was acknowledged before me on December 16, 2014, by Thomas P. Gauger, known by me to be the Secretary/Treasurer of **EMERALD HILLS DEVELOPMENT COMPANY**, a Montana corporation.



Pamela J. Mulkey  
Pamela J. Mulkey  
[Type, Stamp or Print Name]  
Notary Public for the State of Montana  
Residing at Billings, Montana  
My commission expires May 24, 2015.

STATE OF Montana )  
: ss.  
County of Yellowstone )

This instrument was acknowledged before me on January 11, 2014<sup>5</sup>, by **SHIRLEY J. FARNUM**.



Barbara K. Sholley  
Barbara K. Sholley  
[Type, Stamp or Print Name]  
Notary Public for the State of Montana  
Residing at Billings, Montana  
My commission expires Sept. 29, 2018.



EXHIBIT A

