

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
KNODE RANCH SUBDIVISION - PHASE III

Sheridan County, Wyoming

THIS DECLARATION made on this 37 day of September, 1979, by KNODE RANCH, INC., hereinafter referred to as Declarants,

WITNESSETH:

WHEREAS, Declarants are owners of certain real property in Sheridan County, Wyoming, which is more particularly described in Exhibit A appended hereto and made a part hereof.

NOW, THEREFORE, Declarants hereby declare that all of the properties described in Exhibit A shall be held, sold, conveyed, subject to the following easements, restrictions, covenants and conditions which are for the purposes of protecting the value and the existing natural beauty of, and which shall run with the real property and be binding upon all parties having any right, title, or interest in the described premises, or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

(A) Declarants. Declarants mean Knode Ranch, Inc., its successors and assigns.

(B) Real Property. Real Property shall mean all the real property known and contained within the Knode Ranch Subdivision - PHASE III - described in Exhibit A appended hereto and made a part hereof, located in Sheridan County, Wyoming.

(C) Plat. The Plat means the plat for Knode Ranch Subdivision - PHASE III - as filed in the records of the office of the County Clerk and Recorder of Sheridan County, Wyoming, on the same date that this Declaration is filed.

(D) Residence and Residential. Residence and Residential shall pertain to single-family dwellings.

(E) Common Elements. Common Elements are the areas so designated on the plat, together with improvements thereon.

ARTICLE II

Use and Other Restrictions

(1) Persons Bound by These Restrictions. All persons, corporations, cooperatives, companies, and organizations who now own, or who shall hereafter acquire, any interest in or to lots in the Subdivision shall be taken and held to agree and covenant with the owners of said lots with their heirs, successors and assigns to conform to the covenants, restrictions and stipulations as to the use thereof and as to the construction of residence and improvements thereon as provided herein.

(2) No lot within the Subdivision shall be used, except for residential purposes, and no buildings shall be erected, altered, placed or permitted to remain on any lot or lots other than for residential purposes with a private attached or semi-attached garage.

(3) Each building on a lot shall have minimum set back distances measured from the lot line to the nearest wall of such structure, as follows:

(a) Front and side setbacks--twenty (20) feet.

(b) Rear setback--twenty five (25) feet.

(4) No building, fence, wall or other structure shall be erected, placed, painted, re-painted, or altered, nor shall there be any substantial change to the landscape on any site, until the plans and specifications for such construction, painting or alteration shall have first been approved by the Board of Directors as hereinafter defined.

(5) All dwellings erected on the lots, exclusive of open porches, decks, breezeways, garages or carports shall have the following minimum square footage:

One floor - 1250 square feet

Two floors - 1600 square feet

Three Floors or more - 2000 square feet

(6) No residence dwelling shall be erected unless it has a private attached or semi-attached garage.

(7) No residence or other building or structure may be constructed except within an approved building area.

(8) The lot side line shall be considered the outer property line of the premises when a residence structure encompasses more than one lot.

(9) No lot within the subdivision shall be subdivided or split, provided that nothing herein shall be read to prevent a purchaser from buying one or more lots upon which he may build.

(10) No structure of a temporary character, a mobile home, trailer, basement, tent, garage, barn or other building shall be built or moved onto any lot at any time and used as a residence or other building, either temporarily or permanently, with the sole exception of temporary structures for construction purposes. No building materials shall be stored on any lot for a period longer than ninety days unless substantial construction of a residence is actually in progress.

(11) Only new construction shall be permitted for all building or residence in the subdivision, and such construction shall be of good quality and appearance and the exterior design shall harmonize with the existing structures in the area, and no mobile homes of any nature shall be permitted.

(12) No gasoline, propane or other type of fuel should be stored in tanks or containers located above or on the surface of the ground.

(13) No privately-owned lot or building thereon within the subdivision shall be used for the purposes of any trade or any commercial, professional or manufacturing business of any kind or description. No hospital or church shall be erected within the subdivision.

(14) No portion of the subdivision shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. All such trash, garbage or other waste shall be kept in sanitary containers which are to be housed within enclosures or recessed in the ground. The burning of garbage or trash in incinerators is prohibited, and all containers shall be secure against spillage.

(15) No noxious or offensive activities shall be carried on within the subdivision or upon any lot at any time, nor shall anything be done which may constitute an annoyance or nuisance to any other owner within the subdivision.

(16) No birds, dogs, pets, animals or livestock of any kind shall be kept, raised or cared for on a commercial basis within the subdivision, except under the terms of such agricultural or grazing lease, or leases, as may be made to Knode Ranch, Inc. No swine, cattle, sheep, goats, horses, or other livestock shall be permitted to be kept within the subdivision, except as provided in Paragraph 17 of this Article. Any dog, cat or other pet which may be kept shall be controlled by the owner thereof so that it shall not become a public nuisance. No pet shall at any time be permitted to run at large, and all pets shall be kept either in the dwelling or in approved enclosures.

(17) No horses may be kept or pastured within the subdivision. Horses may be ridden within the subdivision, but must be maintained at the adjacent stable area or elsewhere. Riding of horses on pavement or irrigated fields when unsuitable is prohibited.

(18) No signs, billboards, posters or advertising devices of any kind or character shall be erected or displayed upon any lot except approved signs displayed to identify the occupants of a dwelling or resale signs which shall not exceed four square feet in the area. No fence or hedge or wall of any kind shall be erected or placed upon any lot to extend in front of the front line of the residence without the approval of the Board of Directors. No fence, living hedges, or wall of any kind or character shall be erected or placed on the front yard set back area of any lot. Fences that are to be erected shall be of quality materials and erected and maintained in such a manner so as not to otherwise detract from the appearance of the property. Fences erected on a common property line should have the approval and endorsement of both property owners prior to construction whenever possible.

(19) Off-street parking for at least two vehicles shall be provided on each lot. Only motor vehicles capable of being moved under their own power may be parked upon the streets of the subdivision, and they shall remain so parked only for reasonable periods of time. No street or other open area shall be used for the purposes of dismantling or repairing of any vehicle, and unregistered or inoperable vehicles may be parked and kept only within an enclosed garage.

(20) No trailer, boat, camper or other recreational type vehicle shall be situated or parked on any lot within the subdivision for more than four consecutive days, nor more than

twenty days within any calendar year, unless such vehicle or equipment is enclosed in a garage.

(21) No structure on any lots may be inhabited until it has been completely enclosed and substantially completed and sanitary facilities and utilities have been installed.

(22) No excavation except as such may be necessary for the construction of improvements shall be permitted on any lot until such time as the actual construction of the residence or other building is to begin, except that the owner may test for the supply of water and subsoil conditions.

(23) Any and all utilities within the subdivision shall be underground.

(24) During the period of construction of any residence or other building upon any lot of the subdivision, the said lot and area shall be kept as neat and orderly as possible.

(25) Basketball boards or other sporting equipment shall be attached to the house or garage and not supported on separate posts unless no part thereof extends in front of the front line of the residence.

(26) Any swimming pool (with the exception of children's wading pools not exceeding eight feet in diameter), tennis courts, or other outdoor recreational facilities, which are to be constructed or located on privately-owned land, must have prior approval as to design and location.

(27) No permanent clothes line posts will be erected on any of said lots. Any clothes line posts or poles shall be of the removable type, and must be enclosed or screened from obvious view.

(28) No television or other communication towers or structures shall be placed in front of the front line of the house, and any such tower or structure which exceeds three feet above the building roof line shall be first approved by the Board of Directors.

(29) No weeds, underbrush or unsightly growth of plants shall be permitted to grow or remain upon any lot in the subdivision, and all lots shall be kept mowed and clear of any trash, debris or waste.

(30) No septic tanks or cesspools shall be allowed within the subdivision. Sewage disposal shall be accomplished through the use of aerobic micro-organism type disposal units, which meet the National Sanitation Foundation criteria for extended aeration sewage treatment plants. See Paragraphs 39, 40.

(31) There shall be no fishing, hunting, discharging of firearms or fireworks within the subdivision, without prior written permission of Declarants or their successors and assigns.

(32) No outside illumination equipment or fixtures which will be detached from the residence or garage shall be constructed unless attached to a post or pole which shall not exceed eight feet in height, and which post or pole shall conform to the general architectural plan of the residence. All connections for such detached illumination devices or fixtures shall be underground.

(33) Additional restrictions or covenants not in conflict with the covenants herein may be made by appropriate provision in any contract or deed for the sale or conveyance of a lot, and such additional restrictions shall inure to the benefit of and be binding upon the parties in the same manner as they have been expressed herein.

(34) In the event either public water or public sewer facilities are extended to the subdivision, the owner of any residential dwelling already constructed, or the purchaser of a lot who is building a residential dwelling, may hook on to the public water or public sewer facilities at his own expense.

(35) A purchaser of any lot or lots within this phase of the subdivision shall complete construction within one year of commencement of construction. In the event of the failure of the owner of the lot to substantially complete construction within one year after commencement thereof, Declarants, their successors and assigns, shall upon ten days' notice unto the owner have the right to retake possession of the premises and pay the purchaser the original purchase price for the lot plus fifty percent (50%) of the actual construction cost of any improvements thereon, less either the reasonable cost of removal of such construction, backfill, foundations or any other work required to return the lot to its original condition, or the reasonable cost of completion of such construction, whichever shall be the lesser amount.

(36) All motorcycles and motorcycle type of transportation (including, but not limited to, motorbikes, trail bikes, all and any all-terrain vehicles) as well as all snow machines, recreational vehicles, trucks, pickups, automobiles and vehicles of any kind, must obey all posted speed limits, comply with legal licensing requirements (both as to the vehicle and the driver or operator thereof) must comply with and obey all laws, rules and regulations of the State of Wyoming and the County of Sheridan relating to the ownership, licensing, operation and use of the foregoing means of transportation, whether on the

public highways, or on the common ground within the subdivision or on individually owned lots; it being the intention of these Covenants to make such laws, rules and regulations applicable to the ownership, licensing, operation and use of such modes of transportation, regardless of whether such operation takes place on public or private property within the subdivision.

(37) Motorcycles, all-terrain and similar recreational type vehicles, motorbikes, trail bikes and snow machines and snow vehicles of all types may be used only to enter and exit from the State Highway to an individual lot, and the same shall be accomplished only along the dedicated public streets and in full accordance with all applicable laws relating to speed, safety, noise and general operation thereof; it is strictly prohibited to operate such motorcycles, all-terrain and similar recreational type vehicles, motorbikes, trail bikes, and snow machines and snow vehicles of all types in a recreational manner or in any unsafe, noisy or offensive manner on or in the subdivision (whether on public streets, common ground or individually owned lots) and the operation thereof shall strictly be limited to ingress and egress as stated above. In addition, all vehicles of any kind shall be operated at noise level which are at least as quiet as factory noise level.

(38) Any multi lot sewer or water system shall be maintained by those lot owners using said system. The Home Owners Association shall be billed for such maintenance and they in turn shall bill the lot owners involved.

(39) Each lot owner shall have the responsibility to execute percolation tests, at his expense, to determine what type of sewer system will be mutually agreeable to the Sheridan County Engineer and the Knode Ranch Subdivision Board of Directors.

(40) In the event that the Board of Directors deems it necessary to install community water or sewer systems, due to poor percolation of soil or lack of availability of water, it may do so with the approval of the Sheridan County Engineer. The cost of installation of any such system shall be borne by the developer. Maintenance shall be paid as directed in paragraph 38 above.

ARTICLE III

Board of Directors

(A) No residence, building, fence, wall, or other structures shall be constructed, replaced, repainted, or altered on any lot within the subdivision until the plans and specifications showing the location of the structure and the plans for construction have been approved by the Board of Directors as to the quality of workmanship and materials, harmony of external design, including color, with the existing structures, location with respect to topography, finish grade, elevation, in compliance with the covenants and restrictions contained herein.

(B) Until such time as sixteen (16) of the lots within Phase III of this subdivision have been sold, the Board of Directors shall be composed of the existing Board of Directors for Phase I and Phase II (which Board includes Declarants). At the time sixteen (16) of the lots in this phase of the subdivision have been sold and conveyed, the owners of all of the lots within this phase of the subdivision shall elect one additional member to the existing Board of Directors already established for Phase I and Phase II of this subdivision. At the time thirty-two (32) lots have been sold, the owners of

all the lots within this phase of the subdivision shall elect a second additional member to the existing Board of Directors, and when forty-eight (48) lots have been sold, a third additional member shall be so elected. At such time, the joint Board of Directors for Phase I, Phase II and Phase III of the subdivision shall constitute the Board of Directors for all three phases, and shall consist of three members for Phase I homeowners, three members for Phase II homeowners and three members for Phase III homeowners. Election to the Board of Directors shall be annually, and upon the death or resignation of any member of the Board, the remaining members shall have authority to designate a successor (from the same phase) who shall remain upon the Board until the next annual election.

(C) Elections to the Board of Directors shall be held on the first day of June of each year at a meeting called for that purpose. Notice of the meeting shall be mailed to all property owners within the subdivision at the address given to the board's secretary.

(D) At a meeting, each single-family lot owner shall have one vote.

(E) Prior to construction on private lands, or any other matter designated for approval by the Board of Directors, the owner of said private lands or the person contemplating such construction must submit preliminary plans and specifications to the Board of Directors, which plans and specifications shall include the following: (a) finished grades; (b) finished floor elevations; (c) floor plans; (d) roof plans; (e) site location plat; (f) all four exterior elevations; and (g) exterior color. Within fifteen days after receiving the plans and specifications for such construction or other matter, the board shall either approve or disapprove the plans and specifications which approval or disapproval shall be in writing.

In the event the board fails to approve or disapprove within such period of time after the plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required, and the related covenants shall be deemed to have been fully complied with. If the plans shall be rejected because of non-compliance with the covenants and restrictions, the reasons therefore shall be stated. The person submitting the plans shall have the right to make application to the board for review of its decision and may request a variance from the restrictions.

In the event the board approves the preliminary plans and specifications, the, prior to construction, final plans and specifications must be submitted to the board in complete and detailed form, to assure conformance of the final plans and specifications with the preliminary plans and specifications.

(F) The members of the board shall elect a chairman who may also serve as secretary unless another member shall be designated as such. In any event, the secretary shall keep a minute record of all proceedings and actions taken by the board, and shall be responsible for all correspondence. Meetings of the board may be called at any time by the chairman as required to transact any business, and the board may formulate its own rules and regulations for the calling of such meetings and conduct of its business. Upon the purchase of a lot, the purchaser shall be provided with the names of the members of the Board of Directors

(G) The Board of Directors shall have the obligation of providing for the care, operation, management, maintenance, repair and replacement of the common area. Without limiting the generality of the foregoing, said obligations shall include the keeping of such common property and improvements

thereon in good, clean, attractive and sanitary condition, order and repair; keeping the project safe, attractive and desirable; and making necessary and desirable alterations, additions, betterments, improvements to or on the common areas.

(H) The board shall have the right to make and enforce reasonable and uniformly applied rules and regulations governing the use of the common property to assure equitable use and enjoyment by all persons with the subdivision.

ARTICLE IV

Assessments

(A) Regular Assessments. The owner of any single family lot or lots and each unit of multi-family lots shall be obligated to pay and shall pay unto the Board of Directors the overhead assessment for maintenance and repair of all of the common ground and recreation facilities. The assessment shall be determined by dividing the costs equally between the owners of each single-family dwelling.

(B) The Board of Directors shall have the power and authority to determine all matters in connection with assessments, including the power and authority to determine where, when and how assessments shall be paid to the Board and each lot owner and single-unit of a multi-family lot shall be required to comply with any such determination.

(C) Time for Payments. The amount of any assessment, or the other amount payable with respect to any lot shall become due and payable thirty days after notice that such amount shall have been given by the Board of Directors to such lot owner, or at such later time as may be specified by the Board. Any amount shall bear interest at the rate of fifteen (15%) percent per annum from the date due and payable.

(D) The board shall have a lien against each single-family lot, each multi-family apartment-type lot, or each

individual condominium unit, as the case may be, in order to secure the payment of any assessment plus interest from the date due and payable, plus all costs and expenses of collecting the unpaid amount, including reasonable attorney's fees. The lien may be foreclosed in the manner for foreclosures of real estate mortgages in the State of Wyoming.

(E) No substantial improvements shall be undertaken in the common areas (such as construction of tennis courts, swimming pools or recreational buildings) for the construction of which owners are to be assessed, without the consent of sixty percent of all owners in all three phases of the subdivision (I, II, III) of single-family lots, and also fifty (50%) percent of all owners of individual multi-family units, if any.

ARTICLE V

General Provisions

(A) Enforcement. Declarant and its successors shall have the sole and exclusive right and authority to determine compliance with the covenants contained herein, and allocate and assess the costs for the improvement, maintenance and repair of the common areas. Upon the violation of any covenant, or upon the failure to pay any assessments, a written notice of such violation or failure shall be directed to the violator who shall then have ten (10) days after receipt of the said notice to correct the violation or pay the assessment due. If said violation is not so corrected or payment is not made, Declarant or its successor, may re-enter and take possession of the violator's premises and correct the violation and charge all costs of such correction to the Owner. In addition, damages may be assessed against the violator at the rate of \$50.00 per day for each day the violation continues after the ten-day notice. In the event suit is required to collect any sums due, or to enjoin the violation

of any of the covenants contained herein, violator, in addition to any of the other penalties provided herein or which may be assessed by a Court, shall be liable for all attorney's fees and costs incurred by Owner or its successor in bringing such action.

(B) Severability. Invalidation of any one of these covenants or restrictions by Judgment or Court Order shall in no way effect any other provisions which shall remain in full force and effect.

(C) Amendment and Duration. The covenants and restrictions of this Declaration shall run with, and be binding upon, the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall automatically be extended for successive periods of ten (10) years. This Declaration may be amended at any time by an instrument signed both by the owners of not less than seventy-five (75%) percent of the total lots within the complete subdivision and by seventy-five (75%) percent of the individuals who own lots within the subdivision, and all such amendments must be recorded in the office of the County Clerk of Sheridan County, Wyoming.

(D) Successors and Assigns. This Declaration shall be binding upon and shall inure to the benefit of the Association and each owner, and the heirs, personal representatives, successors and assigns of each of them.

IN WITNESS WHEREOF Declarants have executed this Declaration the day and year first-above written.

KNODE RANCH, INC.



Ralph H. Knode Jr.
Ralph H. Knode, Jr. - President

Judith O. Knode
Judith O. Knode - Secretary

STATE OF WYOMING)
) ss
County of Sheridan)

The foregoing instrument was acknowledged before me by
Ralph H. Knode, Jr., President, and Judith O. Knode, Secretary,
this 27 day of September, 1979.

WITNESS my hand and official seal

Emilio Black
Notary Public

My Commission expires: August 7, 1981

EXHIBIT "A"

TOWNSHIP 55 NORTH, RANGE 84 WEST, 6th P.M.

Section 34: All that part of the NW $\frac{1}{4}$ SE $\frac{1}{4}$, the NE $\frac{1}{4}$ SW $\frac{1}{4}$ and
the SE $\frac{1}{4}$ NW $\frac{1}{4}$ lying South of the Knode Ranch
Subdivision, 2nd Addition, and all that part
of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and NW $\frac{1}{4}$ NE $\frac{1}{4}$ lying East of the
Knode Ranch Subdivision.
ALSO all that part of the NE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ and
NE $\frac{1}{4}$ SE $\frac{1}{4}$ lying West of the McCormick-Kruse Road.