

DECLARATION OF PROTECTIVE COVENANTS

FOR

SPARROW HAWK HILL TWO

THIS DECLARATION is made this day by MCSTAIN ENTERPRISES, INC., a Colorado corporation, hereafter referred to as "Declarant."

The Declarant is the owner of all lands embraced in the subdivision known as Sparrow Hawk Hill Two which is platted and of record in the office of the County Clerk and Ex-Officio Register of Deeds of Sheridan County, Wyoming. This plat is incorporated by reference in this declaration and is specifically made a part hereof in all respects, as if fully set out herein.

The Declarant intends to sell all of the lots of land contained in Sparrow Hawk Hill Two.

All of the lots of this subdivision shall be held, transferred, sold, conveyed, or contracted to be conveyed by Declarant subject to the conditions, restrictions, reservations, and covenants now on record and upon the following express conditions, provisions, reservations, restrictions, servitudes, and covenants (hereafter referred to as covenants). Each and every covenant is for the benefit of the entire subdivision and for the benefit of each owner of land therein. These covenants shall run with the land and inure and pass with this property and each and every lot therein. These covenants shall be binding on all owners of land in this subdivision and their successors in interest regardless of how that interest is acquired. This includes, among others, adverse possessors, lessees, and purchasers at mortgage foreclosure sales. These covenants are imposed pursuant to a general plan for the improvement and benefit of the Sparrow Hawk Hill Two Subdivision.

It is the intention of the Declarant that the lands located in this subdivision shall be developed and maintained as a highly desirable residential area.

These covenants are imposed upon the lands comprising the Sparrow Hawk Hill Two Subdivision as an obligation or charge against the same for the benefit of each and every lot in the subdivision and the owner or owners thereof. Each and every owner of land in this subdivision shall have a right to enforce these covenants in accordance therewith which are imposed upon each and every lot in this subdivision:

Residential Area Covenants

1. Land Use and Building Type. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single family dwelling not to exceed two and one-half stories in height and a private garage for not more than two cars.

2. Architectural Control. No building or other structure may be constructed, erected or placed on any lot until the plans and specifications for the building or structure and a plan showing the location of the building or structure have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of exterior design with existing structures and buildings, as to location with respect to topography and finished grade elevation, and as to compliance

with the covenants contained herein. No fence or walls shall be erected, placed or altered on any lot nearer to any street than the minimum building setback line unless similarly approved. Approval shall be as provided in paragraph 19.

3. Dwelling Costs, Quality and Size. No dwelling shall be permitted on any lot at a cost of less than \$50,000 based upon cost levels prevailing on the date these covenants are recorded. It is the intention of the Declarant and of these covenants to assure that all dwellings shall be of a quality workmanship and materials substantially the same or better than that which can be produced on the date these covenants are recorded at the minimum cost stated herein for the minimum permitted dwelling size. The ground floor area of the main structure, exclusive of one story open porches and garages shall be not less than 900 square feet for a one-story building, nor less than 600 square feet for a dwelling of more than one story.

4. Building Locations.

(a) No building shall be located on any lot nearer to the front lot line or nearer to the side street line than the minimum building set back line shown on the recorded plat. In any event, no building shall be located on any lot nearer than twenty-five feet to the front lot line or nearer than twenty-five feet to any side street line.

(b) No building shall be located nearer than five feet to an interior lot line. No building shall be located on any interior lot nearer than twenty feet to the rear lot line.

(c) For the purposes of this covenant, eaves, steps, and open porches shall not be considered as a part of a building; provided, however, that this shall not be construed to permit any portion of the building on a lot to encroach upon another lot.

5. Lot Area. No dwelling shall be erected or placed on any lot having an area of less than six thousand square feet.

6. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structures, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction of flow of drainage channels in the easement, or which may obstruct or retard the flow of water through drainage channels in the easement. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

7. Nuisances. No noxious or offensive activity shall be carried on upon any lot nor shall anything be done thereon which may or may become an annoyance or nuisance to the neighborhood.

8. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time at the residence either temporarily or permanently.

9. Signs. No sign of any kind shall be displayed to public view on any lot except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales.

10. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall any oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

11. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose.

12. Garbage and Refuse Disposal. No lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All rubbish, trash, or garbage shall be regularly removed from the premises and shall not be allowed to accumulate thereon.

13. Protective Screening. All garbage cans, service yards or storage piles shall be kept screened by adequate planning or fencing so as to conceal them from the view of neighboring residences and from the streets in the subdivision.

14. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above the roadway shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight-line limitation shall apply on any lot within ten feet from the intersection of a street property line within the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

15. Construction Materials. All exterior materials shall be wood or simulated wood and masonry only, and all roofs shall consist of tan asphalt shingles, wood shingles, shake shingles, or earthen metal. Windows shall be framed in brown metal or earthen painted wood. Exterior colors shall be limited to earth-tones from tans to dark browns with changes in hues toward grey, olive or rust, except for accent colors, unless the Architectural Control Committee grants a variance. Solar collectors must be approved by the Architectural Control Committee as to material, location and appearance.

16. Antenna. No external radio or television antennas will be installed in the subdivision.

17. Fences. Split rail or pole fences may be placed in the subdivision. Privacy fences may be placed on a lot in the subdivision so long as they conform to the following requirements:

(a) They shall be located so as to be either perpendicular or parallel to the walls of the house, and may enclose no more than 1,200 square feet of yard.

(b) They shall be built to a maximum height of 6 feet and the materials and colors shall be compatible with those described in paragraph 15 above.

18. Stored Vehicles. All trailers, detached campers, boats or mobile homes which are stored on any lot shall be kept

screened by adequate planting or fencing so as to conceal them from the view of neighboring residences and from the streets.

19. Architectural Control Committee.

(a) The Declarant shall be the Architectural Control Committee under this Declaration of Covenants until such time as eighty percent of the original lots in this subdivision have been sold and conveyed by the Declarant or until January 1, 1984, whichever date occurs first. At the time eighty percent of the original lots in the subdivision have been sold and conveyed by the Declarant, or on January 1, 1984, whichever date occurs first, the owners of the lots in the subdivision shall elect an Architectural Control Committee consisting of three members and shall then replace the Declarant as the Architectural Control Committee under the provisions of these covenants.

(b) The members of the committee must be owners of lots in the subdivision. The three nominees receiving the most votes shall serve as members of the committee. Each lot shall be entitled to one vote in the elections for members of the committee. Joint owners of a lot shall have only one vote, and if a person owns more than one lot, he shall have one vote for each lot.

(c) Elections for the committee shall be held annually on the first day of March of each year at a meeting called for that purpose or on such other date as the committee may determine. At least twenty-four hours notice of the meeting shall be given by telephone or by mail to all lot owners by the committee. Upon the death or resignation of any member of the committee, the remaining members shall have authority to designate a successor who shall remain on the committee until the next annual election.

(d) Members of the committee shall elect a chairman who shall keep a written record of all proceedings and actions taken by the committee and who shall be responsible for all correspondence. Meetings of the committee may be called at any time by the chairman as required to transact any business, and the committee shall formulate its own rules and regulations for the calling of such meetings and the conduct of its business. The decisions of the committee shall be made by majority vote.

(e) Within forty-five days after receiving a written request for approval of plans as provided herein, the Architectural Control Committee shall either approve or disapprove the request in writing. In the event the Architectural Control Committee fails to approve or disapprove in such period of time, approval will not be required, and the related covenants shall be deemed to have been fully complied with. If the request for approval is rejected because of noncompliance with the covenants, the reasons therefor shall be stated. The person submitting the plan shall have a right to make application to the Architectural Control Committee for review of its decisions.

(f) Upon written request, the Architectural Control Committee may, in its sole discretion, vary the limitations contained in the covenants when strict compliance with the covenants would result in extra-ordinary hardship on a lot owner, but only to the extent of ten percent of the numerical restrictions and only to the extent that the requested variance is consistent with the intent and purpose of the covenants which is to insure a

a subdivision that is esthetically attractive and a highly desirable residential area. The Architectural Control Committee shall approve or disapprove the request for variance within forty-five days of the receipt thereof. Failure of the Architectural Control Committee to approve or disapprove a request for a variance within forty-five days shall not be deemed approval nor waive the requirement for approval.

20. Amendment. Once eighty percent of the original lots in the subdivision have been sold and conveyed by Declarant, these covenants may be amended or altered upon the approval of the owners of eighty percent of the original lots of the subdivision.

21. Miscellaneous.

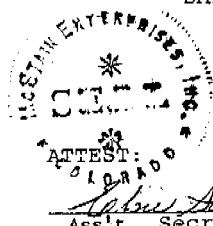
(a) These covenants are to run with the land and shall be binding upon all persons claiming under them for a period of twenty-five years from the date of this Declaration. These covenants shall be automatically extended for successive periods of ten years unless an instrument signed by eighty percent of the then owners of the lots has been recorded, agreeing to repeal or amend these covenants.

(b) If anyone violates or attempts to violate any of these covenants, the Architectural Control Committee or any owner of any lot in the subdivision may bring a suit against the person or persons violating or attempting to violate the covenant in order to prevent them from violating or attempting to violate the covenant or to recover damages for such violation, and any person violating these covenants shall be liable for all costs incurred in prosecuting this suit, including a reasonable attorney's fee, and for liquidated damages in the amount of \$25.00 per day until the violation is cured.

(c) Anything in these covenants to the contrary notwithstanding, the Declarant may, during the period of construction and sale of buildings on the property in the subdivision, erect such facilities as in its sole discretion may be reasonably required, convenient, or incidental to the development of the properties, including but not limited to, a business office, storage area, construction yards, signs, model units, and sales offices. These covenants shall not apply to the business activities of the Declarant, signs and billboards, or construction or maintenance of buildings by Declarant, its agents, successors or assigns during the period of construction and sale of lots in the subdivision by Declarant.

(d) Invalidation of any one of these covenants by judgment or court order shall in no way effect the validity of any of the other provisions of these covenants, which shall remain in full force and effect.

DATED this 29th day of November, 1979.



McSTAIN ENTERPRISES, INC.

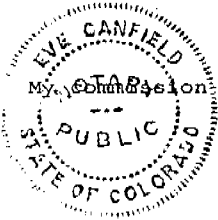
By: Robert R. Sanders
Vice- President

Robert R. Sanders
Ass't. Secretary

STATE OF Wyoming)
) ss.
COUNTY OF Sheridan)

The foregoing instrument was acknowledged before me by
Robert D. Sanders Vice-, President of McStain Enterprises,
Inc., this 29th day of November, 1979.

WITNESS my hand and official seal.



Eve Canfield
Notary Public

My Commission expires: June 1, 1982