

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONSOF THEKNODE RANCH SUBDIVISION, 4TH ADDITION

Sheridan County, Wyoming

THIS DECLARATION made on this 19 day of JAN, 1993, by Ralph H. Knode, Jr. and Judith O. Knode (the "Declarants"), fee owners of the real property subdivision located in Sheridan County, Wyoming, more particularly described as "Lot 1, Block 1, Phase 1 of the Knode Ranch Subdivision and resubdivided as the "Knode Ranch Subdivision, 4th Addition" (the "Subdivision"), provides the following declarations as to limitations, restrictions, and uses to which the lots or tracts constituting such Subdivision may be put, and specifies that such declarations shall constitute covenants to run with all the land, as provided by law, and shall be binding on all parties and all persons claiming under them, and for the benefit of and limitations on all future owners in such Subdivision, this declaration of restrictions being designed for the purpose of keeping the Subdivision desirable, uniform, and suitable in architectural design and use as specified herein:

A. All lots and common areas of the Subdivision shall be subject to all the covenants, restrictions, easements, conditions, and remedies as set forth in the Protective Covenants for the Knode Ranch Subdivision, of which it is a part, recorded October 24, 1990 in Book 337, Pages 358 through 364, as Number 67964, in the office of the County Clerk of Sheridan County, Wyoming.

B. The following further covenants, restrictions, easements and/or conditions are hereby imposed and adopted:

1. Ownership of property: Each duplex single-unit owner in Subdivision is a tenant in common of an equal share of the "common area" of the Subdivision. The common area of the Subdivision shall consist of all areas within the above-described Subdivision, excluding the individually-owned property owned in fee by each of the six (6) duplex single-unit owners. An individual's fee ownership of a duplex single-unit, which includes a one-sixth equal share as a tenant in common of the common area of the Subdivision,

are inseparable. Neither interest in land may be conveyed, encumbered, restricted, nor otherwise separated from or without the other.

2. Landscaping Maintenance: Each tenant in common in the Subdivision shall share pro rata in the costs of maintaining the common area of the Subdivision, which include, but are not limited to the following:

- a. The fence running along Knode Road.
- b. Snow removal from the common driveway.
- c. Mowing and upkeep of the native landscaping.
- d. Grading and leveling of the common driveway.

3. Water System Maintenance: Each duplex single-unit owner is responsible for maintenance of the water system of the Subdivision from the individual curb-stop to the duplex single-unit. From the individual curb-stops to the well, the duplex single-unit owners shall share pro rata in the costs of maintaining the water system for Subdivision. Duplex single-unit owners shall share pro rata in the cost of providing well water to the Subdivision. When the Subdivision is connected to the Sheridan Area Water Project, the duplex single-unit owners shall share pro rata in the cost of maintaining the water system from the individual curb-stops to the point of connection to the Subdivision. Damage to the water system caused by an individual duplex single-unit owner shall be repaired at the cost of the individual responsible, and the cost in such instance shall not be shared pro rata. A "curb-stop" is where the distribution line connects with a private water line.

4. Septic System Maintenance: Each individual duplex single-unit owner shall share pro rata in the cost of operating and maintaining the Subdivision septic system, to include electricity. Damage to the septic system by an individual duplex single-unit owner shall be repair at the cost of the individual responsible, and the cost in such instance shall not be shared pro rata.

5. Irrigation of the Common Areas: The cost of irrigation of the common area of the Subdivision shall be shared pro rata among the duplex single-unit owners.

6. Access easement to Knode Road: The driveway into the Subdivision shall be originally constructed to connect to Canvasback Road, and shall exist on a 30 foot access easement located on the Subdivision's common area. However, a 30 foot access easement shall also exist on the plat of the Subdivision so that the driveway can be connected, at its eastern end, to Knode Road some time in the future. Such connection shall be constructed only if approved in advance by a unanimous vote of the owners of the duplex single-units, each such unit having one vote, and such connection shall be constructed at the shared cost of the duplex single-unit owners.

C. Enforcement of Subdivision Covenants:

1. Duplex Subcommittee: A "Duplex Subcommittee" shall be established for the Subdivision. Each owner of a duplex single-unit is a member of the Duplex Subcommittee, for a total of six (6) members, and each member shall have one (1) vote. Votes on all matters shall be decided on the basis of majority rule. One member of the Duplex Subcommittee shall be elected Chairman for a term of one year. No chairman may serve two consecutive terms.

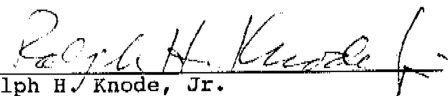
2. Authority of Subcommittee: The Duplex Subcommittee shall have the authority to hold meetings, to adopt new rules and regulations when necessary to meet unknown future care and maintenance requirements of, or enforcement methods for, the Subdivision, and to impose assessments on Subdivision duplex single-unit owners in accordance with Paragraph B, subparagraphs 2, 3, 4 and 5, and as provided in Paragraph C, subparagraphs 3 and 4. The Duplex Subcommittee shall implement and enforce Paragraph B, subparagraphs 2, 3, 4 and 5 and Paragraph C, subparagraphs 1, 2, 3 and 4 of these covenants. The Duplex Subcommittee Chairman shall keep minutes of each meeting of the Subcommittee, and shall keep and maintain records of all meetings, votes, invoices or bills, assessments, and enforcement actions. The Duplex

Subcommittee shall have the authority to open a Subcommittee account at a bank or savings and loan for the purposes of keeping moneys and making payments required to implement or enforce these covenants. Such account shall be administered by the Chairman.

3. Assessments: The Duplex Subcommittee shall select the date on which each assessment shall become effective. All assessment payments are due to the Subcommittee before thirty (30) days after the effective date of the assessment. If any assessment is not paid to the Subcommittee before thirty (30) days after the effective date of the assessment, then the unpaid assessment shall accrue interest at the rate of ten (10) percent per annum from the effective date of the assessment. All assessments made in furtherance of Paragraph B, subparagraphs 2, 3, 4, and 5 and Paragraph C, subparagraphs 2, 3 and 4 of these covenants, including accrued interest, litigation costs and attorneys' fees, shall constitute an automatic lien on the non-paying duplex single-unit owner's title if such assessment payment is not made before thirty (30) days after the effective date of the assessment. The Duplex Subcommittee shall have the authority to file a Notice of Lien in the records of the Sheridan County Clerk to accomplish the purpose of this paragraph.

4. Legal Enforcement: The Duplex Subcommittee may legally enforce these covenants in accordance with the laws of the State of Wyoming. All costs of litigation, including attorneys' fees, associated with the enforcement of these covenants shall be assessed to the party or parties against whom the enforcement action was taken, and shall become an automatic lien upon the property if not paid before thirty (30) days after the effective date of the assessment of such costs or fees.

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

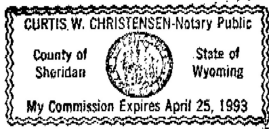

Ralph H. Knode, Jr.


Judith O. Knode

STATE OF WYOMING)
 : ss
COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me this _____
day of January 19, 1993, by Ralph H. Knode, Jr. and Judith
O. Knode.

WITNESS my hand and official seal.



Curtis W. Christensen
Notary Public

My commission expires: April 25 1993