

508609 DECLARATION OF COVENANTS
BOOK 463 PAGE 0575
RECORDED 05/23/2005 AT 10:25 AM
AUDREY KOLTISKA, SHERIDAN COUNTY CLERK

THIS DECLARATION CONTAINS NO RESTRICTION BASED
ON RACE, COLOR, GENDER, RELIGION, OR NATIONAL ORIGIN.

DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR

CLOUD PEAK RANCH

THIS DECLARATION of Protective Covenants, Conditions and Restrictions (this "Declaration") is made by System Land, LLC, a Wyoming Limited Liability Company, ("Declarant");

RECITALS:

A. Declarant is the owner of Lots 1 through 18 of Cloud Peak Ranch, Second Filing, a subdivision to the City of Sheridan depicted on the Final Plat of the Cloud Peak Ranch, Second Filing (the "Subdivision Plat") recorded in the Office of the County Clerk of Sheridan County, Wyoming.

B. Declarant intends to develop other areas of land within the City of Sheridan, Wyoming.

SUBMISSION OF REAL ESTATE

Declarant hereby declares that, in addition to all applicable governmental laws and ordinances, the following terms, covenants, conditions, easements, liens, reservations, restrictions, uses, locations, and obligations are adopted and shall be deemed to run with the Property, as hereafter defined, and shall be a burden and benefit to any person or persons acquiring or owning an interest in the Property and any improvements thereon, their grantees, successors, heirs, personal representatives, administrators, devisees, transferees, or assigns.

ARTICLE I

1. DEFINITIONS.

Section A. "Association" shall mean and refer to the SHERIDAN CLOUD PEAK RANCH HOMEOWNERS ASSOCIATION, INC., a Wyoming Non-Profit Corporation, its successors, and assigns. Members of the Association shall be the Owners of Lots within the Property.

Section B. "Owner" shall mean and refer to the record owner, including the Declarant, whether one or more persons or

other improvements to the Common Area of Cloud Peak Ranch Subdivision.

Section I. "Declarant" shall mean and refer to System Land, LLC, a Wyoming limited liability company, and/or its successors and assigns, who, by written instrument executed by the then-current Declarant, and recorded in the Office of the County Clerk of Sheridan County, Wyoming real estate records, agrees to an assignment of all or a portion of the duties and/or rights of Declarant, as described herein.

ARTICLE II

1. ACCEPTANCE OF COVENANTS.

Each Owner, as grantee in any deed or conveyance of an ownership interest, is and shall be subject to this Declaration by acceptance of a deed or other instrument conveying title, or the execution of a contract for purchase. Every Owner shall be deemed to have accepted this Declaration and each and all of the covenants and the agreements herein contained, and also the jurisdiction, rights and powers of the Association. By such acceptance, each Owner has and shall continue to, for himself, his heirs, personal representatives, successors and assigns covenant, consent and agree to and with the Association and to and with the grantees and subsequent Owners of each of the Lots within the Community to keep, observe, comply with and perform the covenants and agreements of this Declaration.

Every person who becomes the legal or equitable owner of any Lot in the Property by any means, is by the act of acquiring such title or by the act of contracting to acquire such title, obligated to pay the Association the assessments and charges that the Association shall make in accordance with this Declaration.

The funds received by the Association shall be used exclusively for the purposes of the Association.

ARTICLE III

1. OWNER'S RIGHTS.

Section A. Owners' Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(i) The right of the Association to charge reasonable fees and assessments (including attorney's fees relating to the

Section C. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area to the following persons who reside on the Property: members of his family, his tenants, or contract purchasers.

ARTICLE IV.

1. **ADMINISTRATION.**

Section A. The administration of the Property by the Association shall be governed by this Declaration, the Articles of Incorporation and the Bylaws of the Association.

2. **ASSOCIATION MEMBERSHIP AND VOTING RIGHTS.**

Section A. Membership in the Association will be comprised of Owners of Lots in the Property. Every person acquiring legal or equitable title to any Lot in the Property is automatically a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Membership shall pass by operation of law upon the sale of any Lot, which sale may be by deed or by installment land contract.

Section B. The Association shall have two (2) classes of voting members, as follows:

Class A Members. Class A members shall be all owners of Lots, with the exception of Declarant. Each Lot owned by a Class A Member shall be allocated one (1) vote in the Association. When more than one person or entity owns an interest in a Lot, the owners of that Lot shall designate in writing to the Association the person who shall have the power to vote for that Lot. The designation may be changed from time to time by a written instrument filed with the Association.

Class B Members. The only Class B member shall be the Declarant which shall be allocated ten (10) votes for each Lot owned by it.

Common Areas are not allocated votes.

ARTICLE V

1. **COVENANT FOR COMMON AREA MAINTENANCE RESPONSIBILITIES.**

Section A. Covenant for Maintenance of Common Area. The Association will provide for the maintenance of the Common Area. Declarant shall have, in its sole discretion, control of when

period, and the creation of a reasonable contingency or other reserve, sinking, or surplus fund, as well as other costs and expenses related to the Common Area.

Section C. Notice of Assessments. The Board of Directors of the Association shall fix the amount of the assessment to be made against each Owner at least thirty (30) days in advance of the assessment period. The due date shall be established by the Board of Directors and set forth in the notice of the assessment.

Section D. Exempt Property. All property dedicated to and accepted by the City of Sheridan or any school district shall be exempt from the assessments created herein. However, no lands or improvements devoted to dwelling use shall be exempt from said assessments.

2. **DESTRUCTION OF COMMON AREAS.** If the Common Area or a portion thereof is destroyed by fire or other casualty, the Board of Directors of the Association may replace or repair the Common Area if the Board of Directors determines that such replacement or repair is in the best interest of the Owners of the Property. The cost of such repair or replacement shall be a Common Expense that may be assessed against each Owner as defined herein.

ARTICLE VII

1. **LIEN FOR NONPAYMENT OF ASSESSMENTS.**

Section A. Effect of Nonpayment of Assessments; Remedies of the Association. Each Owner shall be allocated a fraction of the total Common Expenses, which fraction shall have as its numerator the number of Lots owned by each Owner, and the denominator of which shall be the total number of Lots in the Property subject to assessment. Each Owner shall pay the Owner's proportionate share of the Common Expenses and expenses of administration, maintenance, and repair of the Common Area and any other expenses set forth in this Declaration, or lawfully assessed by the Association. Payment thereof shall be in such amounts and at such times as may be determined by the Association. If any Owner shall fail or refuse to make any such payments of the Common Expenses when due, the amount thereof, including late charges and interest, shall constitute a lien against the Lot of the Owner, together with the Owner's interest in the Common Area, and upon the recording of notice thereof by the Association, such liens shall be constituted upon such Owner's interest in said Lot prior to all other liens and encumbrances, recorded or unrecorded, except only (a) taxes, special assessments, and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this state, and other state or federal

for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same. No Owner may exempt himself or itself from liability for his or its contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Area, or by abandonment of the Lot of the Owner.

Section B. Liability of Grantee. The grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his or its proportionate share of expenses up to the time of the grant or conveyance without prejudice to the grantee's right to recover from the grantor the amounts paid to the grantee therefore; provided, however, that upon payment of a reasonable fee not to exceed twenty dollars (\$20) and upon written request, any such prospective grantee shall be entitled to a statement from the Association setting forth the amount of the unpaid assessments, if any, with respect to the subject Lot, the amount of the current assessment and the period that it covers, and the date the assessment comes due, credit for advance payments or for prepaid items which shall be conclusive upon the Association. Unless a response to the request for a statement of indebtedness shall be sent by the Association to the prospective grantee within twenty (20) days of such request, then such grantee shall not be liable for, nor shall the Lot, if conveyed to the grantee, be subject to a lien for any unpaid assessments against the subject Lot.

require and enforce varied and more restrictive set-back and location requirements with respect to the various Lots located in the Cloud Peak Ranch Subdivision. No portion of any improvement or building on a Lot may encroach upon another Lot.

4. OTHER PROVISIONS RELATING TO THE CONSTRUCTION OF IMPROVEMENTS.

a. Garages and Storage Sheds. Unless otherwise consented to in writing by the Architectural Review Committee in its sole discretion, no detached garages, storage sheds, garden houses, or other buildings shall be constructed on any Lot.

b. Exterior Dwelling Roofs. All roofs must be approved by the Architectural Review Committee and, unless otherwise approved by the Architectural Review Committee, in its sole discretion, all exterior dwelling roofs shall be, at a minimum, at least a 25-year warranty composition shingled roof.

c. Sanitation and Appearance of Lots During Construction. During the construction of a dwelling on a Lot, the Owner of such Lot is responsible for ensuring that the Owner or Owner's builders (i) provide a portable toilet at the construction site; (ii) provide suitable receptacles for construction waste; (iii) do not deposit excess concrete, building materials and waste on the Common Area, adjacent Lots, ditches, or on the Roads and Easements, and that all such materials are appropriately removed from the Property by at least the time the construction of the dwelling is complete; (iv) pay for and repair any damage to Common Area, Roads and Easements, drainage ways, or any other portion of the Property occurring during the construction of the dwelling.

d. Architectural Design. The overall building design and the overall design of any improvements constructed on a Lot, including, but not limited to, size, exterior materials and colors and solar energy systems, shall be subject to the approval of the Architectural Review Committee, in its sole discretion. The Architectural Review Committee may adopt from time to time an Architectural Control Handbook (the "Architectural Control Handbook"), setting forth such matters which may include the size, exterior materials, colors, and systems which may be permitted on the Property. The Architectural Control Handbook may be changed at any time without notice, in the sole discretion of the Architectural Review Committee.

e. Site Planning. Overall site planning and grading of each Lot shall be subject to the approval of the Architectural Review Committee, in its sole discretion.

Lots, whether vacant, occupied, or those with improvements under construction.

11. APPEARANCE OF LOTS. Each Lot at all times shall be kept in a clean, sightly, and wholesome condition. No trash, litter, junk, boxes containers, bottles, cans, implements, machinery, lumber, or other building materials shall be permitted to remain exposed upon any Lot so they are visible from any neighboring Lot or streets, except as necessary during the period of construction.

In the event any structure is destroyed, either wholly or partially, by fire or any other casualty, said structure shall be promptly rebuilt or remodeled to conform with this Declaration; or if the structure is not to be rebuilt, all remaining portions of the structure, including the foundation and all debris, shall be promptly removed from the Lot.

12. SIGNS. No signs shall be located on any Lots except reasonably-sized signs offering the Lot for sale and except builders' or suppliers' signage during the period of construction, or unless approval for such other sign or signs is obtained in writing by the Architectural Review Committee, said Committee reserving the right to disapprove all such requests for signs except those described above.

13. ANIMALS. No animals, livestock, cattle, swine, fowl, poultry, or insects of any kind shall be housed, raised, or left on any Lot either temporarily or permanently except commonly accepted domestic household pets may be kept, provided they are not kept or maintained for any commercial purpose. Animal pens shall be maintained on a regular basis to assure a neat and orderly appearance and a clean and healthy atmosphere.

14. CLOTHES LINES. Any clothesline to be installed on a Lot must be retractable and must be approved by the Architectural Review Committee prior to installation.

15. EXTERIOR ANTENNAE. No outside radio or television antennae or satellite dishes shall be permitted on any Lot or any part of the Common Area unless approved by the Architectural Review Committee in its sole discretion, or except as otherwise allowed by State or Federal law.

16. RESUBDIVISION. The erection of more than one dwelling per Lot or the resubdivision of Lots is prohibited unless consent of the Architectural Review Committee is first obtained in writing. Additionally, no Lot may be resubdivided or have two principal buildings located thereon without approval of the Architectural

Review Committee and the City of Sheridan, or such other governmental entity having jurisdiction over the Property.

17. **FENCES.** The construction of all fencing, screening, awnings, trellises and the like, shall be constructed in a good and workmanlike manner. All fencing, screening, awnings, trellises and the like shall be maintained in good repair and shall be of the size, color, and material as approved by the Architectural Review Committee, in its sole discretion, and as may be further described in the Architectural Control Handbook adopted by the Architectural Review Committee.

ARTICLE X

1. **ARCHITECTURAL REVIEW.** There shall be created a committee called the Cloud Peak Ranch Subdivision Architectural Review Committee ("Architectural Review Committee"). No building shall be erected, placed, or altered on any Lot, nor shall any wall, fence, or other enclosure, deck, patio, porch, solar collector, or other improvement, be located thereon, until construction plans and specifications, including, without limitation, exterior colors for painted and stained surfaces, plot plan and configuration, size and square footage of improvements, have been submitted to and have been approved by the Architectural Review Committee, in its sole discretion, as to quality of workmanship and materials, harmony of design with surrounding structures, exterior colors, location with respect to topography and grade, and compliance with these covenants.

Two (2) complete sets of plans and specifications (including landscaping plans) with complete detail shall be furnished to the Architectural Review Committee. All plans and specifications must be complete, legible, and understandable but need not be professionally drawn or prepared. The Architectural Review Committee reserves the right to reject plans and specifications if they, in their sole discretion, deem them to be incomplete or insufficient. Additionally, the Architectural Review Committee reserves the right to waive or vary from any of the requirements described in this Declaration. The Architectural Review Committee may retain one (1) set as part of its permanent files. The following items must be included in such plans and specifications in addition to other items which the Architectural Review Committee may require, in its sole discretion from time to time, and shall, without limitation, be subject to approval of the Architectural Review Committee in its sole discretion:

a. Size and square footage of finished space including floor plans;

submitted to it for approval to defray the fees of the consultant. The consultant shall not have the right to vote in passing on the plans and specifications. The Association shall have the right to require an Owner to deposit with the Association a deposit of up to \$500.00 when the Owner submits Owner's plans and specification to the Architectural Review Committee. This deposit will be held in an interest bearing account to insure architectural control and construction compliance. When construction on Owner's Lot has been completed and landscaping installed, the deposit will be refunded with interest if, in the sole judgment of the Association the Owner has complied with the approved plans and specifications and requirements of these covenants. If the Association, in its sole judgment, determines that Owner has not complied with the approved plans and specifications, then the Association may, in addition to any other remedy available to the Association, expend the deposit and accrued interest to correct any noncompliance and assess Owner for any costs incurred in excess of the deposit. The Architectural Review Committee's approval or disapproval as required in this Declaration shall be in writing or indicated on the builder's or Owner's set of plans and specifications. In the event the Architectural Review Committee or its designated representative fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, the plans and specifications will be deemed to be approved; and the related covenants described in this Declaration shall be deemed to have been fully complied with; provided, however, that such approval will only be deemed to have occurred with regard to matters sufficiently and specifically described in plans and specifications which are actually received by the Architectural Review Committee.

All buildings and improvements shall be constructed in accordance with the plans and specifications approved by the Architectural Review Committee. Any changes to approved plans and specifications shall require resubmission to, and approval by, the Architectural Review Committee.

4. **ADOPTION OF GUIDELINES.** The Architectural Review Committee may from time to time formulate and adopt handbooks, guidelines and procedures (which may be altered or amended at any time) consistent with this Declaration for the purpose of clarifying or assisting in the exercise of its duties contemplated by this Declaration. Additionally, the Architectural Review Committee may formulate guidelines and rules regarding the adoption of architectural and construction standards and the regulation of use of Lots on the Property, the contents of which guidelines may not necessarily be reflected by this Declaration; provided, however, that to the extent the contents of any guideline is not

Declarant shall have the right to determine the number of models and the size and location of any sales offices, management offices, and models. The Declarant shall also have the right to relocate any sales offices, management offices, and models from time to time at its discretion. After the Declarant ceases to be the owner of a Lot, the Declarant shall have the right to remove any sales offices, management offices, and models from the Property.

c. Master Association. The right to make the Property subject to another non-profit Association formed to govern the Property and one or more common interest communities or subdivision.

d. Merger. The right to merge, consolidate or annex the Property with another common interest community or subdivision.

e. Amendment to Declaration. The right to revise, modify, amend, or add to this Declaration in any way, including, without limitation, in connection with the exercise of the following rights (collectively, the "Development Rights") to do any of the following:

- (i) Add real estate to the Property;
- (ii) Transfer and convey to any public or quasi-public entity any Common Area property;
- (iii) Create Lots and additional Common Area;
- (iv) Subdivide Lots or convert Lots into Common Area;
- (v) Withdraw all or any portion of the Property from the provisions of this Declaration.

(vi) Declarant shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of this Declaration, all as amended or supplemented, if the Veteran's Administration ("VA"), the Federal Housing Administration ("FHA"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal National Mortgage Association ("Fannie Mae"), the Governmental National Mortgage Association ("Ginnie Mae"), or any successor agencies or entities thereto, or any agencies or entities provisions similar programs, shall require such action as a condition precedent to the approval by such agency entity of the Property, or any part thereof, or any Lots thereon, for approved mortgage financing purposes under applicable VA, FHA, Freddie Mac, Fannie Mae, Ginnie Mae, or similar programs.

twenty (20) years after the recording of this Declaration, at which time this Declaration and said covenants shall be automatically extended for successive periods of ten (10) years, unless by vote of a majority of the then record Owners of the Lots it is agreed to amend this Declaration and said covenants in whole or in part. Provisions for maintenance of Common Area and open space located in the Property shall not be permitted to lapse with the other covenants unless other provisions are made for the continuation of maintenance. This Declaration may be amended by Declarant as provided in Article XI, and when Declarant no longer has the right to amend the Declaration, the Declaration may be amended in whole or in part at any time by a duly written and recorded instrument executed by the then record Owners of a majority of the Lots. Notwithstanding any provision to the contrary in this Declaration, until the expiration of twenty (20) years after the recording of this Declaration, any amendment to this Declaration shall require the consent of Declarant.

NOTWITHSTANDING ANY PROVISION TO THE CONTRARY IN THIS DECLARATION, THE ASSOCIATION CANNOT BE DISSOLVED WITHOUT THE WRITTEN CONSENT OF CITY OF SHERIDAN, WYOMING.

2. **DELINQUENCY.** Any assessment or other amount due from an Owner as provided for in this Declaration, which is not paid when due, shall be delinquent. With respect to each amount not paid within thirty (30) days after its due date, the Association may, at its election, require the Owner to pay a "late charge" in a sum to be determined by the Association, but not to exceed \$10 or 10 percent of the amount due, whichever is greater, regardless of the number of individual amounts due. If any such amount or assessment is not paid within thirty (30) days after the delinquency date, the assessment or amount shall bear interest from the date of delinquency at the rate of Eighteen Percent (18%).

3. **ASSOCIATION'S PERFORMANCE OF AN OWNER'S DUTIES.** In the event any Owner fails to comply with the provisions of this Declaration, the Association shall be entitled to take whatever lawful actions are necessary to enforce the provisions hereof including performing such duties on behalf of the Owner including as an example, but not limited to, unapproved storage of recreation vehicles, unapproved fencing, or other construction. If the performance of an Owner's duties by the Association requires the Association or its delegates to enter onto the Lot of an Owner for such purposes which shall include but not be limited to cutting of weeds, erosion control, and trash clean up, such entry shall be deemed to have occurred with the consent of the Owner and shall not constitute a trespass. The Association

7. CONDEMNATION OF COMMON AREA. If at any time, or from time to time, all or any portion of Common Area, or any interest therein, is taken for any public or quasi-public use, under any statute, by right of eminent domain or by private purchase in lieu of eminent domain, any award in condemnation shall be paid to the Association and deposited into its operating fund. No Owner shall be entitled to participate as a party, or otherwise, in any proceedings relating to such condemnation, such right of participation being herein reserved exclusively to the Association which shall, in its name alone, represent the interests of all Owners.

8. INVALIDATION. Invalidation of any one of the covenants or provisions in this Declaration by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

9. LIABILITY OF DECLARANT, ASSOCIATION, AND ARCHITECTURAL REVIEW COMMITTEE. To the maximum extent permitted by law, the Declarant, the Association, the Architectural Review Committee, and the managers, directors or officers of the Declarant, Association, and Architectural Review Committee, and any other committee or office established hereunder shall not be liable to any Owner or any other person for any error or omission unless the person against whom a claim is asserted has personally acted with intentional bad faith or malice toward the person making the claim. To the maximum extent permitted by law, the Declarant, the Association, and the Architectural Review Committee and the managers, directors and officers of these entities shall not be liable or responsible in any way for any defects in plans or specification submitted nor for any structural or other defects in any work done according to such plans and specifications nor for errors in the on-site location of any construction. The Architectural Review Committee shall not be responsible or liable for reviewing the plans and specifications for engineering or structural soundness or compliance with any applicable governmental regulations.

Dated this 23 day of May, 2005.

By: System Land, LLC,
A Wyoming Limited Liability Company

By: 

Manager

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AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR CLOUD PEAK RANCH

This document amends the Declaration of Protective Covenants, Conditions and Restrictions for Cloud Peak Ranch recorded in Book 463 of Deeds at Page 575 in the Office of the County Clerk of Sheridan County, Wyoming (hereafter referred to as "Declaration").

System Land, LLC ("Declarant") reserved the right to amend the Declaration by signing a document reflecting the amendment and filing the same in the Office of the County Clerk of Sheridan County, Wyoming. Declarant exercises that right and amends the Declaration as follows:

1. The following is added to the end Article VI.1.B., which is headed **Amount of Assessment**:

The amount of the assessment for each Lot shall not exceed the Assessment Limit. The "Assessment Limit" shall be determined as follows: the Assessment Limit shall be one thousand dollars (\$1000.00) per Lot in 2005 and on May 1 of each year thereafter, the Assessment Limit shall be adjusted by multiplying one thousand dollars (\$1000.00) by a fraction, the numerator of which is the Consumer Price Index for January of the year in which the adjustment is to be made and the denominator of which is the Consumer Price Index for January of 2005. "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers (commonly known as CPI-U) for the U.S. City Average for All Items, 1982-1984=100, as published by the United States Department of Labor. If the Consumer Price Index is no longer published, the Association shall in good faith select a successor, comparable index to be used for making these calculations.

2. The following paragraph 18 is added to Article IX:

18. **Modular Homes.** No modular homes or units, manufactured homes or units, mobile homes, or trailers may be placed or occupied on any Lot. Only site built homes or stick built homes will be allowed on any Lot.

Dated this 1 day of June, 2005

System Land, LLC

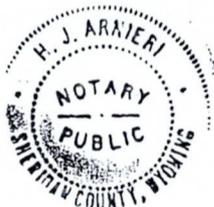
By: [Signature]
Donald B. Roberts, Manager

STATE OF WYOMING
COUNTY OF SHERIDAN

The foregoing instrument was acknowledged before me by Donald B. Roberts, manager of System Land, LLC, this 1st day of June, 2005. Witness my hand and official seal.

[Signature]
Notary Public

My commission expires: Oct 23, 2008



509678 AMENDED CONVENANTS
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AUDREY KOLTISKA, SHERIDAN COUNTY CLERK