

672490

**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR PROPERTY OWNERS**

THIS DECLARATION, is made by K.G. Construction Company, a Wyoming corporation, hereinafter referred to as "Declarant".

RECITALS

WHEREAS, Declarant is the owner of certain property in the City of Gillette, County of Campbell, State of Wyoming, which is more particularly described as:

Lot 1, Sunrise Addition, City of Gillette,
Campbell County, Wyoming

From the above-described property will be cut 2 Units and 4 Subunits, said Units being more fully described in a Recorded Condo Plat recorded in Book 5 of Plats, Page 200 of the Records of Campbell County, Wyoming.

AND WHEREAS, in order to establish a general plan for the improvement and development of the properties, Declarant desires to subject the properties to certain conditions, covenants and restrictions, upon and subject to which all of the properties shall be held, improved and conveyed.

AND WHEREAS, Declarant will convey the said properties, subject to certain protective covenants, conditions, restrictions, liens and changes as hereinafter set forth.

NOW THEREFORE, Declarant hereby declares that all of the properties described shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which

are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. The term "Association" shall mean and refer to the Sunrise Property Owners Association, Inc., a non-profit corporation, its successors and assigns.

Section 2. The term "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. The term "Properties" shall mean and refer to that certain real property hereinafter described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. The term "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area shall include all areas of Lot 1 of the Sunrise Addition excepting Unit A and Unit B including the structures and improvements thereon as shown on a Recorded Condo Plat in Book 5 of Plats, Page 200 of the Records of Campbell County, Wyoming. Common areas are all of the area in Lot one (1) of the Sunrise Addition not included in the

confines of Unit A or Unit B, including but not limited to parking areas, sidewalks, driveways and easements. The ground under all units shall be considered Common Area. Limited common elements shall include: (a) Unit A. All of the parts of the structure encompassed within the exterior dimensions of Unit A including but not limited to all footings, foundations, structural walls, supports and coverings.

(b) Unit B. All of the parts of the structure encompassed within the exterior confines of Unit B including but not limited to all footings, foundations, structural walls, supports and coverings.

Section 5. The term "Unit or Subunit" shall mean and refer to any of the five (5) areas, excepting the Common Area, on which there is or will be constructed a structure which is individually and separately owned. The term "Unit" shall also include reference to the Subunits unless specifically stated otherwise herein.

Section 6. "Declarant" shall mean and refer to K.G. Construction Company, Inc., its successors and assigns if such successor or assigns should acquire more than one Unit from the Declarant for the purpose of development.

Section 7. The term "Covenants" as used herein, shall mean and refer collectively to the covenants, conditions, restrictions, reservations, easements, liens and charges imposed by or expressed in this Declaration.

Section 8. The term "Board of Directors" or "Board" as used herein, shall mean and refer to the Board of Directors of the Association, which shall consist of five (5) persons, one

representative for each Unit. Ownership of a Unit shall entitle such owner to a position on such Board.

ARTICLE II

NATURE AND PURPOSE OF COVENANTS

The covenants, conditions and restrictions set forth in this Declaration constitute a general plan and scheme for the development, protection and maintenance of the properties to enhance the value, desirability and attractiveness of the Units and Common Area for the benefits of all owners of Units therein. These covenants, restrictions, and conditions are imposed upon Declarant and upon the owners of all Units. Said covenants, conditions and restrictions are for the benefit of all Units, and shall bind the owners of all such Units. Such covenants, conditions and restrictions shall be a burden upon and a benefit to not only the original owner of each Unit but also his successor and assigns. All such covenants, conditions and restrictions are intended as and are hereby declared to be covenants running with the land or equitable servitudes upon the land, as the case may be.

ARTICLE III

USE OF UNITS AND COMMON AREA

Section 1. USE. Each Unit within the properties, except for the Common Area, shall be improved, used and occupied only for business purposes.

Section 2. SIGNS. Signs shall be permitted subject to compliance with the rules and regulations of the City of Gillette. All signs must be approved by a majority vote of the Board of Directors

prior to application for a sign permit being submitted to the City. The Board of Directors shall be the applicant for all sign permits.

Section 3. DRILLING. No oil drilling, oil development, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Unit, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any Unit or within five hundred (500) feet below the surface of the properties. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon any Unit.

Section 4. The use of Common Area parking facilities shall be in accordance with the rules and regulations adopted by the Board of Directors.

Section 5. The Common Area shall be maintained in an attractive and safe manner suitable to the full enjoyment of the open spaces and all improvements located thereon.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

(a) The right of the Association to charge reasonable maintenance fees, including but not limited to, maintenance of sidewalk areas, snow removal, liability insurance, and other such beneficial and necessary items;

(b) The right of the Association to suspend the voting rights and right to use of the Common Area by an owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer has been recorded;

(d) Easements and rights of access for utility lines as shown on the relevant plat;

(e) The Association's Board of Directors retains full responsibility and authority over all Common Areas; therefore, no owner shall alter the existing area, erect structures or in any way change the Common Area without the written consent of the Board.

(f) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving and maintaining the Common Area.

Section 2. Access. Ownership of each Unit shall entitle the owners thereof, their customers, and business invitees to the right of ingress and egress upon and to each Unit; the covenants and restrictions of this Declaration shall in no way vest authority in the Association to deny an owner of a Unit with the right of ingress and egress to any Unit. No parking or storage of boats, camping equipment or disabled vehicles shall be allowed on any Common Area or parking Unit.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Unit which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

Section 2. The Association shall have only one type of voting membership, which shall constitute one vote for each Unit owned within the development.

Section 3. Each owner of a Unit shall be entitled to one (1) board position and one (1) vote on all matters except as restricted by Articles VI and VII herein.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Unit owned within the properties, hereby covenants, and each owner of any Unit by acceptance of a deed therefor, whether or not it will shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Scope and Limitation of Assessments and Maintenance. For the purpose of service, maintenance and assessments in all portions of these covenants, the following limitations shall apply:

(a) Common Areas (elements) shall be the responsibility of all Units in proportion to their Unit size as stated in Section 4 of this Article.

(b) Limited common elements shall be the responsibility of only Unit A or Unit B, wherever the service, maintenance or assessment is made, except for the common wall between the Units. The common wall shall be the responsibility of the units which share the common wall. Within Unit A, each Subunit shall be proportionately responsible for all limited Common Areas according to their size as stated in Section 4 of this Article

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the interests, health and safety, and welfare of the property owners for the improvement and maintenance of the Common Area and of structures situate upon the properties.

Section 4. Maximum Annual Assessment. For the purpose of computing the annual assessment, each Unit is deemed hereby to have square feet as follows:

Unit A - 15,290.06 square feet

Subunit A-1 - 6,184.42 square feet

Subunit A-2 - 4,236.59 square feet

Subunit A-3 - 2,792.84 square feet

Subunit A-4 - 913.55 square feet

(Subunit totals are less than Unit square
foot due to walls and limited common structures)

Unit B - 17,674.44 square feet

(a) From and after January 1 of the year immediately following the conveyance by Declarant to an owner, the annual assessment may be increased, effective January 1 of each year, without a vote of the membership, to an amount not to exceed 25% of the annual assessment for the preceding year, the effective date of the increase. Said increase shall not be cumulative.

(b) From and after January 1 of the year immediately following the conveyance by the Declarant of the first Unit to a new owner, the annual assessment may be increased above the amount provided for in paragraph (a) above by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, provided that any such assessment shall be approved by vote or written assent of two-thirds (2/3) of the votes of the members.

Section 6. Exterior Maintenance. Each Unit owner shall be individually responsible for the maintenance of the exterior of each building located on their Unit. The Association and individual property owners may agree to perform exterior maintenance as an Association. In the event any Unit owner fails to keep the exterior of his structure maintained in an appropriate manner, to be determined by the Board of Directors, the Association shall be allowed to assess a fee to that Unit owner which may include, but shall not be limited to paint, repair, replace and care for roofs, exterior building surfaces, and similar exterior repairs. It is the intent of this Declaration that each owner be responsible for his own exterior maintenance, but that in the event appropriate care is not taken the Association may levy and assess an amount of money adequate to keep such property in appropriate repair. In the event that the Board of Directors deem maintenance is not adequate, they shall first notify the property owner. In the event the owner does not make the necessary repairs within thirty (30) days, or provide verification that such repairs will be done, the Association shall have the right to make such repairs and assess the Unit owner.

Rights of access are hereby reserved to and granted to the Association for such exterior maintenance as provided by this Section.

Section 7. Uniform Rate of Special Assessment. Special assessments as provided for in Section 4 must be fixed at a uniform rate for all Units and may be collected on a monthly basis.

Section 8. Date of Commencement of Annual Assessments/Due Date. The annual assessments provided for herein shall commence as

to all Units within a building unit on the first day of the month following the conveyance of the first Unit and conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year.

The Board of Directors shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid.

Section 9. Effect of Non-payment of Assessments. Remedies of Association.

a. Delinquency. Any assessment provided for in this Declaration, which is not paid when due, shall be deemed delinquent. With respect to each assessment not paid within fifteen (15) 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 \$10.00 per each delinquent assessment, plus interest at the rate of ten percent (10%) per annum on the assessment.

b. Creation of Lien. The amount of all delinquent regular and special assessments plus interest thereon and any expenses reasonably incurred in collecting and/or enforcing such assessments, including reasonable attorney's fees, shall be and become a lien upon the Unit so assessed, which shall attach to the

Unit as of the time the Association causes to be recorded in the office of the County Clerk of Campbell County, Wyoming, a Notice of Assessment Lien, which shall state:

- i. the amount of the delinquent assessment and such related charges as may be authorized by this Declaration;
- ii the name of the owner of record or reputed Owner of the Unit;
- iii a description of the Unit against which the lien has been assessed.

The Notice shall be signed by two officers of the Association. The assessment lien shall also be deemed to secure all of the foregoing items which shall become due and/or incurred relative to the Unit after the recordation of the Notice of Assessment Lien until the completion of the enforcement of the lien or the payment of the full amount secured by the lien, or other satisfaction to be made in connection therewith. No proceeding or action shall be instituted to foreclose the lien until notice of intention to proceed to foreclose the lien has been delivered by the Association to the owner of the Unit affected by the lien at least thirty (30) days prior to the commencement of any such action or proceeding. The assessment lien may be enforced by judicial foreclosure; provided, however, that said method of enforcement shall not be exclusive but shall be in addition to any other rights or remedies which the Owners or the Association may have by law or otherwise. The Association shall also have the right to bid at any such foreclosure sale and to hold, lease, mortgage and convey such Unit upon its purchase. Upon payment of

the full amount secured by an assessment lien, including all authorized charges in accordance with the foregoing, or upon any other satisfaction duly made in connection therewith, the Association shall cause to be recorded a notice setting forth the fact of such payment and/or satisfaction and of the release of the assessment lien. Any assessment lien as to any Unit shall at all times be subject and subordinate to any mortgage or deed of trust on the Unit which is created in good faith and for value and which is recorded prior to the date of recordation of the assessment lien. In the event any assessment lien is destroyed by reason of the foreclosure of any prior mortgage or deed of trust on a Unit, the interest in the Unit of the purchaser at the foreclosure sale may be subject to a lien to secure assessments levied upon the Unit in the same manner as provided above in this Article.

c. Curing of Default. Upon the timely curing of any default for which a notice of claims or lien was filed by the Association, the offices of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment of the defaulting owner, of a fee to be determined by the Association, but not to exceed Fifteen Dollars (\$15.00) to cover the costs of preparing and filing or recording such release, together with the payment of such other costs, interest or fees as shall have been incurred.

d. Cumulative Remedies. The assessment lien and the rights to judicial foreclosure thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law,

including a suit to recover a money judgment for unpaid assessments, as above provided.

e. Mortgage Protection Clause. No breach of the covenants, conditions or restrictions herein contained, nor any liens created hereby, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is deprived through foreclosure or trustee's sale, or otherwise.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Notification and Rights of the Holder of a Mortgage.

(a) Upon the receipt of written notification to the Association of the existence of a mortgage on any Unit by the holder thereof, the Association shall notify such holder of a mortgage, at the last known address of the holder, of any default by the owner of such Unit in the performance of the owner's obligations hereunder which is not cured within thirty (30) days.

(b) Unless all holders of mortgage liens on individual units have given their prior written approval, the Association shall not be entitled to:

(1) change the pro rate interest or obligations of any unit for purposes of levying assessments and charges and determining shares of the common elements and proceeds of the project;

(2) partition or subdivide any unit or the common elements of the project.

ARTICLE VII
MANAGEMENT

1. All powers relating to management, operation and maintenance of the Common Area, as well as certain rights, duties and powers relating to the Units, as hereinafter set forth, shall be vested in the Association.

2. The specific and primary purposes and powers of the Association are to own, manage and maintain the Common Area, and the enforcement of the provisions set forth in this Declaration of Covenants, Conditions and Restrictions, and the Association Articles and By-Laws.

3. The Association shall have the right and power to employ or engage a manager and other employees or agents and contract for such services, labor and materials as it may deem reasonably necessary to operate and maintain the Common Area and the improvements thereon and to discharge its other duties as herein provided. Any manager, agent or employee selected prior to the first

annual election shall be employed to manage or work only until the first annual election, after initial organization, at which time the continuance of the same or the selection of a new manager or agent shall be determined by the Board of Directors elected at the first annual election. All contracts of the Association shall be limited in duration for a period of not more than one (1) year unless they contain reasonable cancellation provisions or have been approved by a vote of a majority of each class of Members of the Association.

4. In addition to the duties and powers enumerated in its Articles of Incorporation and By-laws, or elsewhere provided for herein, and without limiting the generality thereof, the Association, shall:

(a) Maintain the Common Area and any improvements thereon (including landscaping, furnishings and equipment related thereto) in a good, clean, attractive and sanitary order and repair.

(b) Maintain the roofs of structures situated on Unit A only, including any necessary replacement or repair thereof. Maintenance of the roof of Unit B shall be the sole responsibility of the Unit owner.

(c) Repaint the exterior surfaces of structures and fencing situated on the Units and Common Area, as such repainting is required in order to preserve the attractiveness of the Properties. Such exterior maintenance shall not include glass surfaces or any portion of Unit B.

(d) Keep and maintain adequate fire and public liability insurance on all improvements located within the Common Area.

(e) Have the authority to obtain, for the benefit of all the Common Areas, water, gas and electric service and refuse collection; and (if not separately metered or charged) for the benefit of the Units.

(f) Maintain those portions of Units not occupied by a structure.

(g) Pay the taxes and assessments which are or could become a lien on the Common Area or some portion thereof.

(h) Maintain and keep in force a policy of comprehensive public liability insurance insuring the Association against any liability arising out of the ownership, use, occupancy or maintenance of the Common Area and exterior of the properties.

(i) Maintain and keep in force a master policy providing blanket coverage for each of the occupied Units, covering loss or damage to the Properties in the amount of the full replacement value thereof, providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils (all risk).

(j) Insurance required hereunder shall be in companies rated AAA or better in "Best's Insurance Guide". The insurance carrier shall be instructed that each Unit is to be billed separately and payment made by the owner of the respective Unit. In the event that payment on a Unit is delinquent 20 days or more, the carrier shall be instructed that the Property Owners Association is to be notified at least 10 days prior to expiration or cancellation of coverage. The Property Owners Association shall have the right to order said coverage on behalf of the delinquent owner and charge

the cost thereof to that owner pursuant to the format prescribed for non-payment of special assessments.

(k) The Board of Directors to effect the requirements set forth in paragraphs (h) through (k) shall invite bids from all insurance agents maintaining a full-time office in the City of Gillette that represents a "Best's" AAA or better rated company. Ten (10) days after the mailing of the invitation to bid, the Board of Directors shall have the sole discretion to select the policy which they feel provides the best coverage for the Properties.

5. The Association shall adopt reasonable rules relating to the use of the Common Area and any improvements thereon. A copy of such rules and of all amendments thereto shall be mailed to each owner of a Unit, and a copy shall be posted in one or more places on the Common Area where the same may be conveniently inspected.

6. The Association may do any and all other acts and things that a nonprofit corporation is empowered to do, which may be necessary, convenient or desirable in the administration of its affairs for the specific and primary purposes and meet its duties as herein set forth.

7. The Association, through its Board of Directors, shall have the authority to delegate its powers to committees, officers of the Association or its employees.

ARTICLE VIII

TITLE TO COMMON AREA

The Declarant hereby covenants for itself, its heirs and assigns, that it will convey fee simple title to the Common Area to the Association.

ARTICLE IX

EASEMENTS

1. This Declaration of Covenants, Conditions and Restrictions shall be subject to all easements heretofore or hereafter granted by the Declarant or its successors and assigns for the installation and maintenance of utilities and drainage facilities that are reasonably necessary to the development of the properties.

2. Easements through the properties for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat map of the properties. Within these easements no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of these facilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

3. Easements over Units that are required in order that the Association may carry out its duties and powers as set forth in Article VII hereof are reserved by Declarant, its successors and assigns, for the benefit of the Association.

4. The rights and duties of the owners of the Units within the properties with respect to sanitary sewer and water, electricity, gas and telephone and CATV lines and drainage facilities shall be governed by the following:

(a) Wherever sanitary sewer connections and/or water connections or electricity, gas, or telephone and CATV lines or drainage facilities are installed within the properties, which connections, lines or facilities, or any portion thereof, lie or in or

upon Units owned by other than the owner of a Unit served by said connections, lines or facilities, the owner of each Unit served by said connections shall have the right, and is hereby granted an easement to the full extent necessary therefore, to enter upon the Units or to have utility companies enter upon the Units within the properties in or upon which said connections, lines or facilities, or any portion thereof, lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

(b) Wherever sanitary sewer connections and/or water connections or electricity, gas or telephone and CATV lines or drainage facilities are installed within the properties, which connections serve more than one Unit, the owner of each Unit served by said connections shall be entitled to the full use and enjoyment of such portions of said connections as service his Unit.

5. Each Unit and its owner within the properties is hereby declared to have an easement, and the same is hereby granted by Declarant, over all adjoining Units and Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, or any other cause. There shall be easements for the maintenance of said encroachment, settling or shifting; provided, however, that in no event shall an easement for encroachment be created in favor of owner or owners if said encroachment occurred due to willful misconduct of said owner or owners. In the event a structure on any Unit is partially or totally destroyed then repaired or rebuilt, the owners of each Unit agree that minor encroachments over adjoining

Units shall be permitted and there shall be easements for the maintenance of said encroachments so long as they shall exist. In addition, each Unit within the properties is hereby declared to have an easement for overhanging roofs and eaves as originally constructed over each adjoining Unit and/or Common Area and for the maintenance thereof. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to the Unit being serviced and shall pass with each conveyance of said Unit.

6. Each Unit and its owner within the properties is hereby declared to have an easement and right of ingress and egress over the adjoining Unit for the purpose providing access to the mailbox in the event that the mailbox for any particular Unit is located on the adjoining Unit. This easement of ingress and egress shall not be exercised so as to unreasonably interfere the adjoining Unit owner in the use of his Unit.

7. Declarant hereby grants to the Association for the benefit of its Members, a non-exclusive easement for landscaping and general recreational purposes over the Units. Such easement shall be located over those portions of Units which are located between the Unit lines and the exterior of the foundation walls for the structures as originally constructed on each of the Units by Declarant. Such easement shall also include that portion of each Unit which is located between the Common Area and the rear fence line as originally constructed by Declarant on each Unit. The allowable uses for the property subject to the foregoing easement are restricted to landscaping (flowers, plants, lawns, surface paving, sprinklers),

private streets and walkways and uses associated therewith, drainage and use as a general residential, recreational and garden area. It shall be the responsibility of the Association to maintain the property subject to the foregoing easement.

ARTICLE X

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the structures upon the properties and placed on the dividing line between the Units shall constitute a party wall, and to the extent not inconsistent with the Provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 3. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 4. Right to Contribution Runs With Land. The Right of any owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

Section 5. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator; and such arbitrators shall choose one arbitrator; and conduct the arbitration pursuant the Uniform Arbitration Act, Wyoming Statutes 1957 (as amended) Sections 1-1048.1 through 1-1048.21.

ARTICLE XI

OWNERSHIP AND TRANSFER

1. Each Unit within the properties shall be used pursuant to Article III Section 1 for business purposes only.

2. Each purchaser of a Unit will sign a declaration at the time of closing of said purchase containing the fact that the stated purpose for purchase of said Unit is for owner's use as a business.

3. Upon the sale, assignment, assumption or transfer of a Unit of an original owner the subsequent purchaser shall be required to sign the above-stated declaration and abide by its terms.

4. Nothing contained in this Article shall restrict an individual owner from renting or leasing his Unit if he moves out of it and chooses not to sell it to a subsequent purchaser.

ARTICLE XII

ARCHITECTURAL CONTROL

1. No building, fence, wall or other structure or additional landscaping (except all original construction by Developer within the

properties other than landscaping installed by Declarant shall be erected, altered or repaired until the building plans, specifications and plot plans showing the location, elevation and grade lines of such building or other structure, or such other description of the proposed work as shall be furnished to and approved in writing by the Board of Directors, or by an architectural committee composed of three or more representatives appointed by the Board of Directors, or by an architectural committee composed of three or more representatives appointed by the Board. One set of such plans, specifications and plot plans or other description shall be submitted to the Board or its architectural committee. The Board or its architectural committee, before giving such approval, may require that changes be made to comply with such requirements as the Board or its architectural committee, in its absolute discretion, may impose as to the structural features of said building or other structure, the type of building material used, or other features or characteristics thereof not expressly covered by any of the provisions of this instrument, including the location of the building or other structure with respect to topography and finished ground elevation. The Board or its architectural committee may also require that the exterior finish and color, and the architectural style or character of such building or other structure shall be such as in the discretion of the Board shall be deemed to be suitable in view of the general architectural style and character of structures erected or to be erected in the community. The repainting of the exterior surface of any building or other structure on the properties shall be the prime responsibility of the Unit owner and such surfaces shall not be repainted or refinished by

the owner in a color or manner differing from the previous painting or finishing of such building or other structure until the Board or its architectural committee shall have given its written approval of such repainting or refinishing following the submission of an acceptable description of the work or be done. In the event the Board or its architectural committee shall fail to approve or disapprove any plans, specifications, plot plans or work description submitted to it within thirty (30) days after such submission, then such approval shall be deemed to have been waived. No member may construct, repair, remove, improve or otherwise affect any portion of the Common Area in any manner unless specifically authorized in writing by the Board of Directors.

2. Neither the Association, the Board of Directors, the architectural committee, nor any member thereof shall be responsible for structural or other defects of any kind or nature in said plans or specifications, or in the structures and improvements erected in accordance therewith.

ARTICLE XIII

BREACH

1. Breach of any of the covenants contained in this Declaration and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by any owner, by the Association or the successors in interest of the Association.

2. The result of every act or omission whereby any of the covenants contained in this Declaration are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or

private shall be applicable against every such result and may be exercised by any owner, by the Association or its successors in interest.

3. The remedies herein provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

4. The failure of the Association to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

5. A breach of the covenants contained in this Declaration shall not affect or impair the lien or charge of any bona fide mortgage or deed of trust made in good faith and for value on any it or the improvements thereon, provided, however, that any subsequent owner of such property shall be bound by said covenants, whether such owner's title was acquired by foreclosure in a trustee's sale or otherwise.

ARTICLE XIV

NOTICES

In each instance in which notice is to be given to the owner of a Unit, the same shall be in writing and may be delivered personally, in which case personal delivery of such notice to one or two or more co-owners of a Unit, or to any general partner of a partnership owning such a Unit, shall be deemed delivery to all of the co-owners or to the partnership, as the case may be, and personal delivery of the notice to any officer or agent for the service of process of a corporation owning such Unit shall be deemed delivery to the corporation or such notice may be delivered by United States mail,

certified or registered, postage prepaid, return receipt requested, addressed to the owner of such Unit at the most recent address furnished by such owner in writing for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Unit, and any notice so deposited in the mail within Campbell County, Wyoming, shall be deemed delivered forty-eight (48) hours after such deposit. Any notice to be given to the Association may be delivered personally to any member of the Board, or delivered in such other manner as may be authorized by the Association. Any notice to be given to the Association shall be delivered by the United States mail, certified or registered, postage prepaid, return receipt requested, and any notice so deposited in the mail within Campbell County, Wyoming, shall be deemed delivered forty-eight (48) hours after such deposit.

ARTICLE XV

DESTRUCTION

In the event the Common Area subject to this Declaration is totally or substantially damaged or destroyed, the repair, reconstruction, or disposition of the Common Area shall be as provided by agreement of the owners representing more than fifty percent (50%) of the voting power of the owners. The use and disposition of insurance proceeds payable to the Association in the event of such destruction or damage shall be as determined by a majority of the voting power of the owners.

ARTICLE XVI

CITY'S EASEMENTS

Declarant hereby grants to the City of Gillette, easements over the Common Area for the following purposes: installation and maintenance of public utility lines and facilities and access for emergency and other vehicles associated with the various governmental services which will be furnished to the properties by the City of Gillette.

ARTICLE XVII

CONFLICTS

In case of any conflict between this Declaration and the Articles of Incorporation or By-Laws of the Association, this Declaration shall control.

ARTICLE XVIII

GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

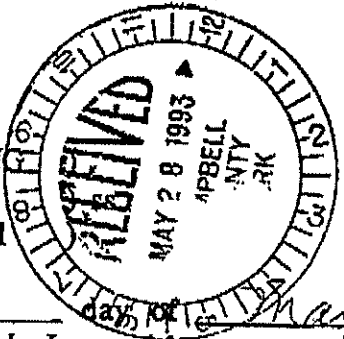
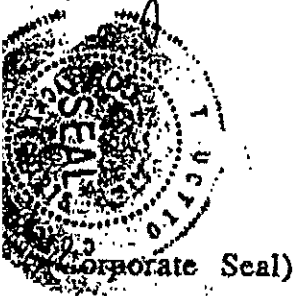
Section 2. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty-five (25) year period by an instrument signed by not less than ninety (90%) percent of the Unit owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Unit owners. Any amendment must be recorded.

Section 3. Annexation. Additional commercial property and Common Area may be annexed to the properties with the consent of two-thirds (2/3) of the members.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 24 day of May, 1993.

K. G. CONSTRUCTION COMPANY, INC.
DECLARANT

Jerry R Means
Jerry Means - President



STATE OF WYOMING
County of Campbell

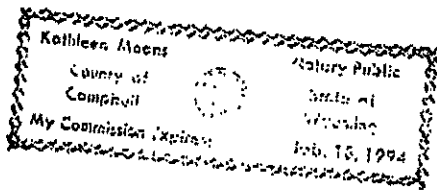
On this 24 day of May, 1993, before me personally appeared Jerry Means to me personally known, who, having been by me first duly sworn did say, that he is the president of K.G. Construction Company, Inc., the corporation described herein which executed the foregoing instrument, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said person acknowledged said instrument to be signed as a free act and deed of said corporation.

Witness my hand and official seal.

Kathleen Means
Notary Public

My commission expires: 7.22.18.1994

STATE OF WYOMING
Campbell County }
I for record this 28th day of May
1993 at 11:52 o'clock A.M. and recorded
Book 1242 of Photos RECORDED
309-337 Fees \$ 62.00 ABSTRACTED
INDEXED
CHECKED
Christina E. Addison
County Clerk and Ex-Officio Register of Deeds
672490



683071

**AMENDED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR PROPERTY OWNERS**

** SUNRISE CONDOMINIUM, a Resubdivision of Lot 1, Sunrise Addition
Now Units A1, A2, A3, A4, B and Common Area

THIS AMENDED DECLARATION, is made by K.G. Construction Company, a Wyoming corporation, hereinafter referred to as "Declarant".

RECITALS

WHEREAS, Declarant is the owner of certain property in the City of Gillette, County of Campbell, State of Wyoming, which is more particularly described as:

** Lot 1, Sunrise Addition, City of Gillette,
Campbell County, Wyoming

** See description above
From the above-described property will be cut 2 Units and 4 Subunits, said Units being more fully described in a Recorded Condo Plat recorded in Book 5 of Plats, Pages 200 through 201 of the Records of Campbell County, Wyoming.

AND WHEREAS, in order to establish a general plan for the improvement and development of the properties, Declarant desires to subject the properties to certain conditions, covenants and restrictions, upon and subject to which all of the properties shall be held, improved and conveyed.

AND WHEREAS, Declarant will convey the said properties, subject to certain protective covenants, conditions, restrictions, liens and changes as hereinafter set forth.

NOW THEREFORE, Declarant hereby declares that all of the properties described shall be held, sold and conveyed subject to the

following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. The term "Association" shall mean and refer to the Sunrise Property Owners Association, Inc., a non-profit corporation, its successors and assigns.

Section 2. The term "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. The term "Properties" shall mean and refer to that certain real property hereinafter described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. The term "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area shall include all areas of Lot 1 of the Sunrise Addition excepting Unit A and Unit B including the structures and improvements thereon as shown on a Recorded Condo Plat in Book 5 of Plats, Pages 200 through 201 of the Records of Campbell County, Wyoming. Common areas are all of the

area in Lot one (1) of the Sunrise Addition not included in the confines of Unit A or Unit B, including but not limited to parking areas, sidewalks, driveways and easements. The ground under all units shall be considered Common Area. Limited common elements shall include:

(a) Unit A. All of the parts of the structure common walls and exterior walls encompassed within the exterior dimensions of Unit A including but not limited to all footings, foundations, structural walls, supports and coverings but excluding walls, improvements and betterments within each unit.

(b) Unit B. No part portion of Unit B is limited common area.

Section 5. The term "Unit or Subunit" shall mean and refer to any of the five (5) areas, excepting the Common Area, on which there is or will be constructed a structure which is individually and separately owned. The term "Unit" shall also include reference to the Subunits unless specifically stated otherwise herein.

Section 6. "Declarant" shall mean and refer to K.G. Construction Company, Inc., its successors and assigns if such successor or assigns should acquire more than one Unit from the Declarant for the purpose of development.

Section 7. The term "Covenants" as used herein, shall mean and refer collectively to the covenants, conditions, restrictions, reservations, easements, liens and charges imposed by or expressed in this Declaration.

Section 8. The term "Board of Directors" or "Board" as used herein, shall mean and refer to the Board of Directors of the Association, which shall consist of five (5) persons, one

representative for each Unit. Ownership of a Unit shall entitle such owner to a position on such Board.

Section 9. Sunrise Condominiums is a Condominium project in accordance with the Condominium Ownership Act of the State of Wyoming.

ARTICLE II

NATURE AND PURPOSE OF COVENANTS

The covenants, conditions and restrictions set forth in this Declaration constitute a general plan and scheme for the development, protection and maintenance of the properties to enhance the value, desirability and attractiveness of the Units and Common Area for the benefits of all owners of Units therein. These covenants, restrictions, and conditions are imposed upon Declarant and upon the owners of all Units. Said covenants, conditions and restrictions are for the benefit of all Units, and shall bind the owners of all such Units. Such covenants, conditions and restrictions shall be a burden upon and a benefit to not only the original owner of each Unit but also his successor and assigns. All such covenants, conditions and restrictions are intended as and are hereby declared to be covenants running with the land or equitable servitudes upon the land, as the case may be.

ARTICLE III

USE OF UNITS AND COMMON AREA

Section 1. USE. Each Unit within the properties, except for the Common Area, shall be improved, used and occupied only for business purposes.

Section 2. SIGNS. Signs shall be permitted subject to compliance with the rules and regulations of the City of Gillette. All signs must be approved by a majority vote of the Board of Directors prior to application for a sign permit being submitted to the City. The Board of Directors shall be the applicant for all sign permits. Maintenance of signs shall be the responsibility of each unit owner posting said sign. In the event maintenance is not performed an assessment may be made by the association as provided for by Article IV of this document.

Section 3. DRILLING. No oil drilling, oil development, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Unit, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any Unit or within five hundred (500) feet below the surface of the properties. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon any Unit.

Section 4. The use of Common Area parking facilities shall be in accordance with the rules and regulations adopted by the Board of Directors.

Section 5. The Common Area shall be maintained in an attractive and safe manner suitable to the full enjoyment of the open spaces and all improvements located thereon.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area

which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

(a) The right of the Association to charge reasonable maintenance fees, including but not limited to, maintenance of sidewalk areas, snow removal, liability insurance, and other such beneficial and necessary items;

(b) The right of the Association to suspend the voting rights and right to use of the Common Area by an owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer has been recorded;

(d) Easements and rights of access for utility lines as shown on the relevant plat;

(e) The Association's Board of Directors retains full responsibility and authority over all Common Areas; therefore, no owner shall alter the existing area, erect structures or in any way change the Common Area without the written consent of the Board.

(f) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving and maintaining the Common Area.

Section 2. Access. Ownership of each Unit shall entitle the owners thereof, their customers, and business invitees to the right of ingress and egress upon and to each Unit; the covenants and

restrictions of this Declaration shall in no way vest authority in the Association to deny an owner of a Unit with the right of ingress and egress to any Unit. No parking or storage of boats, camping equipment or disabled vehicles shall be allowed on any Common Area or parking Unit.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Unit which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

Section 2. The Association shall have only one type of voting membership, which shall constitute one vote for each Unit owned within the development.

Section 3. Each owner of a Unit shall be entitled to one (1) board position and one (1) vote on all matters except as restricted by Articles VI and VII herein.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Unit owned within the properties, hereby covenants, and each owner of any Unit by acceptance of a deed therefor, whether or not it will shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and

special assessments, together with interest, costs, and reasonable attorney fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Scope and Limitation of Assessments and Maintenance. For the purpose of service, maintenance and assessments in all portions of these covenants, the following limitations shall apply:

(a) Common Areas (elements) shall be the responsibility of all Units in proportion to their Unit size as stated in Section 4 of this Article.

(b) Limited common elements shall be the responsibility of only Unit A, wherever the service, maintenance or assessment is made, except for the common wall between the Units. The common wall shall be the responsibility of the units which share the common wall. Within Unit A, each Subunit shall be proportionately responsible for all limited Common Areas according to their size as stated in Section 4 of this Article.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the interests, health and safety, and welfare of the property owners for the improvement and maintenance of the Common Area and of structures situate upon the properties.

Section 4. Maximum Annual Assessment. For the purpose of computing the annual assessment, each Unit is deemed hereby to have square feet as follows:

Unit A - 15,290.06 square feet

Subunit A-1 - 6,184.42 square feet

Subunit A-2 - 4,236.59 square feet

Subunit A-3 - 2,792.84 square feet

Subunit A-4 - 913.55 square feet

(Subunit totals are less than Unit square
foot due to walls and limited common structures)

Unit B - 17,674.44 square feet

(a) From and after January 1 of the year immediately following the conveyance by Declarant to an owner, the annual assessment may be increased, effective January 1 of each year, without a vote of the membership, to an amount not to exceed 25% of the annual assessment for the preceding year, the effective date of the increase. Said increase shall not be cumulative.

(b) From and after January 1 of the year immediately following the conveyance by the Declarant of the first Unit to a new owner, the annual assessment may be increased above the amount provided for in paragraph (a) above by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a

capital improvement upon the Common Area, provided that any such assessment shall be approved by vote or written assent of two-thirds (2/3) of the votes of the members.

Section 6. Exterior Maintenance. All exterior maintenance for Unit B shall be the sole and separate responsibility of Unit B. The exterior of Unit A shall be the responsibility of the association of Unit A. Each Unit owner shall be individually responsible for the maintenance of the exterior of each building located on their Unit. The Association and individual property owners may agree to perform exterior maintenance as an Association. In the event Unit B fails to keep the exterior of his structure maintained in an appropriate manner, to be determined by the Board of Directors, the Association shall be allowed to assess a fee to that Unit owner which may include, but shall not be limited to paint, repair, replace and care for roofs, exterior building surfaces, and similar exterior repairs. It is the intent of this Declaration that each owner be responsible for his own exterior maintenance, but that in the event appropriate care is not taken the Association may levy and assess an amount of money adequate to keep such property in appropriate repair. In the event that the Board of Directors deem maintenance is not adequate, they shall first notify the property owner. In the event the owner does not make the necessary repairs within thirty (30) days, or provide verification that such repairs will be done, the Association shall have the right to make such repairs and assess the Unit owner.

Rights of access are hereby reserved to and granted to the Association for such exterior maintenance as provided by this Section.

Section 7. Uniform Rate of Special Assessment. Special assessments as provided for in Section 4 must be fixed at a uniform rate for all Units and may be collected on a monthly basis.

Section 8. Date of Commencement of Annual Assessments/Due Date. The annual assessments provided for herein shall commence as to all Units within a building unit on the first day of the month following the conveyance of the first Unit and conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year.

The Board of Directors shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid.

Section 9. Effect of Non-payment of Assessments, Remedies of Association.

a. Delinquency. Any assessment provided for in this Declaration, which is not paid when due, shall be deemed delinquent. With respect to each assessment not paid within fifteen (15) 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 \$10.00 per each delinquent assessment, plus interest at the rate of ten percent (10%) per annum on the assessment.

b. Creation of Lien. The amount of all delinquent regular and special assessments plus interest thereon and any expenses reasonably incurred in collecting and/or enforcing such assessments, including reasonable attorney's fees, shall be and become a lien upon the Unit so assessed, which shall attach to the Unit as of the time the Association causes to be recorded in the office of the County Clerk of Campbell County, Wyoming, a Notice of Assessment Lien, which shall state:

- i. the amount of the delinquent assessment and such related charges as may be authorized by this Declaration;
- ii the name of the owner of record or reputed Owner of the Unit;
- iii a description of the Unit against which the lien has been assessed.

The Notice shall be signed by two officers of the Association. The assessment lien shall also be deemed to secure all of the foregoing items which shall become due and/or incurred relative to the Unit after the recordation of the Notice of Assessment Lien until the completion of the enforcement of the lien or the payment of the full amount secured by the lien, or other satisfaction to be made in connection therewith. No proceeding or action shall be instituted to foreclose the lien until notice of intention to proceed to foreclose the lien has been delivered by the Association to the owner of the Unit affected by the lien at least thirty (30) days prior to the commencement of any such action or proceeding. The assessment lien may be enforced by judicial foreclosure; provided, however, that

said method of enforcement shall not be exclusive but shall be in addition to any other rights or remedies which the Owners or the Association may have by law or otherwise. The Association shall also have the right to bid at any such foreclosure sale and to hold, lease, mortgage and convey such Unit upon its purchase. Upon payment of the full amount secured by an assessment lien, including all authorized charges in accordance with the foregoing, or upon any other satisfaction duly made in connection therewith, the Association shall cause to be recorded a notice setting forth the fact of such payment and/or satisfaction and of the release of the assessment lien. Any assessment lien as to any Unit shall at all times be subject and subordinate to any mortgage or deed of trust on the Unit which is created in good faith and for value and which is recorded prior to the date of recordation of the assessment lien. In the event any assessment lien is destroyed by reason of the foreclosure of any prior mortgage or deed of trust on a Unit, the interest in the Unit of the purchaser at the foreclosure sale may be subject to a lien to secure assessments levied upon the Unit in the same manner as provided above in this Article.

c. Curing of Default. Upon the timely curing of any default for which a notice of claims or lien was filed by the Association, the offices of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment of the defaulting owner, of a fee to be determined by the Association, but not to exceed Fifteen Dollars (\$15.00) to cover the costs of preparing and filing or recording such

release, together with the payment of such other costs, interest or fees as shall have been incurred.

d. Cumulative Remedies. The assessment lien and the rights to judicial foreclosure thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

e. Mortgage Protection Clause. No breach of the covenants, conditions or restrictions herein contained, nor any liens created hereby, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is deprived through foreclosure or trustee's sale, or otherwise.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Notification and Rights of the Holder of a Mortgage.

(a) Upon the receipt of written notification to the Association of the existence of a mortgage on any Unit by the holder thereof, the

Association shall notify such holder of a mortgage, at the last known address of the holder, of any default by the owner of such Unit in the performance of the owner's obligations hereunder which is not cured within thirty (30) days.

(b) Unless all holders of mortgage liens on individual units have given their prior written approval, the Association shall not be entitled to:

(1) change the pro rate interest or obligations of any unit for purposes of levying assessments and charges and determining shares of the common elements and proceeds of the project;

(2) partition or subdivide any unit or the common elements of the project.

ARTICLE VII

MANAGEMENT

1. All powers relating to management, operation and maintenance of the Common Area, as well as certain rights, duties and powers relating to the Units, as hereinafter set forth, shall be vested in the Association.

2. The specific and primary purposes and powers of the Association are to own, manage and maintain the Common Area, and the enforcement of the provisions set forth in this Declaration of Covenants, Conditions and Restrictions, and the Association Articles and By-Laws.

3. The Association shall have the right and power to employ or engage a manager and other employees or agents and contract for

such services, labor and materials as it may deem reasonably necessary to operate and maintain the Common Area and the improvements thereon and to discharge its other duties as herein provided. Any manager, agent or employee selected prior to the first annual election shall be employed to manage or work only until the first annual election, after initial organization, at which time the continuance of the same or the selection of a new manager or agent shall be determined by the Board of Directors elected at the first annual election. All contracts of the Association shall be limited in duration for a period of not more than one (1) year unless they contain reasonable cancellation provisions or have been approved by a vote of a majority of each class of Members of the Association.

4. In addition to the duties and powers enumerated in its Articles of Incorporation and By-laws, or elsewhere provided for herein, and without limiting the generality thereof, the Association, shall:

(a) Maintain the Common Area and any improvements thereon (including landscaping, furnishings and equipment related thereto) in a good, clean, attractive and sanitary order and repair.

(b) Maintain the roofs of structures situated on Unit A only, including any necessary replacement or repair thereof. Maintenance of the roof of Unit B shall be the sole responsibility of the Unit owner.

(c) Repaint the exterior surfaces of structures and fencing situated on the Units and Common Area, as such repainting is required in order to preserve the attractiveness of the Properties.

Such exterior maintenance shall not include glass surfaces or any portion of Unit B.

(d) Keep and maintain adequate fire and public liability insurance on all improvements located within the Common Area.

(e) Have the authority to obtain, for the benefit of all the Common Areas, water, gas and electric service and refuse collection; and (if not separately metered or charged) for the benefit of the Units.

(f) Maintain those portions of Units not occupied by a structure.

(g) Pay the taxes and assessments which are or could become a lien on the Common Area or some portion thereof.

(h) Maintain and keep in force a policy of comprehensive public liability insurance insuring the Association against any liability arising out of the ownership, use, occupance or maintenance of the Common Area and exterior of the properties.

(i) Maintain and keep in force a master policy providing blanket coverage for the limited common areas, covering loss or damage to the Properties in the amount of the full replacement value thereof, providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils (all risk).

(j) Insurance required hereunder shall be in companies rated B+ or better in "Best's Insurance Guide". Each unit and subunit shall be required to provide general liability insurance on their unit in an amount of \$500,000.00 combined single unit or more and property insurance on the improvements and contents of their unit.

Each unit and the association shall waive subrogation rights to the extent alluded by insurance.

(k) The Board of Directors to effect the requirements set forth in paragraphs (h) through (k) may invite bids from all insurance agents maintaining a full-time office in the City of Gillette that represents a "Best's" B+ or better rated company. Ten (10) days after the mailing of the invitation to bid, the Board of Directors shall have the sole discretion to select the policy which they feel provides the best coverage for the Properties.

5. The Association shall adopt reasonable rules relating to the use of the Common Area and any improvements thereon. A copy of such rules and of all amendments thereto shall be mailed to each owner of a Unit, and a copy shall be posted in one or more places on the Common Area where the same may be conveniently inspected.

6. The Association may do any and all other acts and things that a nonprofit corporation is empowered to do, which may be necessary, convenient or desirable in the administration of its affairs for the specific and primary purposes and meet its duties as herein set forth.

7. The Association, through its Board of Directors, shall have the authority to delegate its powers to committees, officers of the Association or its employees.

ARTICLE VIII

TITLE TO COMMON AREA

The Declarant hereby covenants for itself, its heirs and assigns, that it will convey fee simple title to the Common Area to the Association.

ARTICLE IX

EASEMENTS

1. This Declaration of Covenants, Conditions and Restrictions shall be subject to all easements heretofore or hereafter granted by the Declarant or its successors and assigns for the installation and maintenance of utilities and drainage facilities that are reasonably necessary to the development of the properties.

2. Easements through the properties for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat map of the properties. Within these easements no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of these facilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

3. Easements over Units that are required in order that the Association may carry out its duties and powers as set forth in Article VII hereof are reserved by Declarant, its successors and assigns, for the benefit of the Association.

4. The rights and duties of the owners of the Units within the properties with respect to sanitary sewer and water, electricity, gas and telephone and CATV lines and drainage facilities shall be governed by the following:

(a) Wherever sanitary sewer connections and/or water connections or electricity, gas, or telephone and CATV lines or drainage facilities are installed within the properties, which connections, lines or facilities, or any portion thereof, lie or in or

upon Units owned by other than the owner of a Unit served by said connections, lines or facilities, the owner of each Unit served by said connections shall have the right, and is hereby granted an easement to the full extent necessary therefore, to enter upon the Units or to have utility companies enter upon the Units within the properties in or upon which said connections, lines or facilities, or any portion thereof, lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

(b) Wherever sanitary sewer connections and/or water connections or electricity, gas or telephone and CATV lines or drainage facilities are installed within the properties, which connections serve more than one Unit, the owner of each Unit served by said connections shall be entitled to the full use and enjoyment of such portions of said connections as service his Unit.

5. Each Unit and its owner within the properties is hereby declared to have an easement, and the same is hereby granted by Declarant, over all adjoining Units and Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, or any other cause. There shall be easements for the maintenance of said encroachment, settling or shifting; provided, however, that in no event shall an easement for encroachment be created in favor of owner or owners if said encroachment occurred due to willful misconduct of said owner or owners. In the event a structure on any Unit is partially or totally destroyed then repaired or rebuilt, the owners of each Unit agree that minor encroachments over adjoining

Units shall be permitted and there shall be easements for the maintenance of said encroachments so long as they shall exist. In addition, each Unit within the properties is hereby declared to have an easement for overhanging roofs and eaves as originally constructed over each adjoining Unit and/or Common Area and for the maintenance thereof. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to the Unit being serviced and shall pass with each conveyance of said Unit.

6. Each Unit and its owner within the properties is hereby declared to have an easement and right of ingress and egress over the adjoining Unit for the purpose providing access to the mailbox in the event that the mailbox for any particular Unit is located on the adjoining Unit. This easement of ingress and egress shall not be exercised so as to unreasonably interfere the adjoining Unit owner in the use of his Unit.

7. Declarant hereby grants to the Association for the benefit of its Members, a non-exclusive easement for landscaping and general recreational purposes over the Units. Such easement shall be located over those portions of Units which are located between the Unit lines and the exterior of the foundation walls for the structures as originally constructed on each of the Units by Declarant. Such easement shall also include that portion of each Unit which is located between the Common Area and the rear fence line as originally constructed by Declarant on each Unit. The allowable uses for the property subject to the foregoing easement are restricted to landscaping (flowers, plants, lawns, surface paving, sprinklers),

private streets and walkways and uses associated therewith, drainage and use as a general residential, recreational and garden area. It shall be the responsibility of the Association to maintain the property subject to the foregoing easement.

ARTICLE X
PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the structures upon the properties and placed on the dividing line between the Units shall constitute a party wall, and to the extent not inconsistent with the Provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 3. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 4. Right to Contribution Runs With Land. The Right of any owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

Section 5. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator; and such arbitrators shall choose one arbitrator; and conduct the arbitration pursuant the Uniform Arbitration Act, Wyoming Statutes 1957 (as amended) Sections 1-1048.1 through 1-1048.21.

ARTICLE XI

OWNERSHIP AND TRANSFER

1. Each Unit within the properties shall be used pursuant to Article III Section 1 for business purposes only.
2. Each purchaser of a Unit will sign a declaration at the time of closing of said purchase containing the fact that the stated purpose for purchase of said Unit is for owner's use as a business.
3. Upon the sale, assignment, assumption or transfer of a Unit of an original owner the subsequent purchaser shall be required to sign the above-stated declaration and abide by its terms.
4. Nothing contained in this Article shall restrict an individual owner from renting or leasing his Unit if he moves out of it and chooses not to sell it to a subsequent purchaser.

ARTICLE XII

ARCHITECTURAL CONTROL

1. No building, fence, wall or other structure or additional landscaping (except all original construction by Developer within the properties other than landscaping installed by Declarant shall be erected, altered or repaired until the building plans, specifications and plot plans showing the location, elevation and grade lines of such building or other structure, or such other description of the proposed

work as shall be furnished to and approved in writing by the Board of Directors, or by an architectural committee composed of three or more representatives appointed by the Board of Directors, or by an architectural committee composed of three or more representatives appointed by the Board. One set of such plans, specifications and plot plans or other description shall be submitted to the Board or its architectural committee. The Board or its architectural committee, before giving such approval, may require that changes be made to comply with such requirements as the Board or its architectural committee, in its absolute discretion, may impose as to the structural features of said building or other structure, the type of building material used, or other features or characteristics thereof not expressly covered by any of the provisions of this instrument, including the location of the building or other structure with respect to topography and finished ground elevation. The Board or its architectural committee may also require that the exterior finish and color, and the architectural style or character of such building or other structure shall be such as in the discretion of the Board shall be deemed to be suitable in view of the general architectural style and character of structures erected or to be erected in the community. The repainting of the exterior surface of any building or other structure on the properties shall be the prime responsibility of the Unit owner and such surfaces shall not be repainted or refinished by the owner in a color or manner differing from the previous painting or finishing of such building or other structure until the Board or its architectural committee shall have given its written approval of such repainting or refishing following the submission of an acceptable

description of the work or be done. In the event the Board or its architectural committee shall fail to approve or disapprove any plans, specifications, plot plans or work description submitted to it within thirty (30) days after such submission, then such approval shall be deemed to have been waived. No member may construct, repair, remove, improve or otherwise affect any portion of the Common Area in any manner unless specifically authorized in writing by the Board of Directors.

2. Neither the Association, the Board of Directors, the architectural committee, nor any member thereof shall be responsible for structural or other defects of any kind or nature in said plans or specifications, or in the structures and improvements erected in accordance therewith.

ARTICLE XIII

BREACH

1. Breach of any of the covenants contained in this Declaration and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by any owner, by the Association or the successors in interest of the Association.

2. The result of every act or omission whereby any of the covenants contained in this Declaration are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any owner, by the Association or its successors in interest.

3. The remedies herein provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

4. The failure of the Association to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

5. A breach of the covenants contained in this Declaration shall not affect or impair the lien or charge of any bona fide mortgage or deed of trust made in good faith and for value on any it or the improvements thereon, provided, however, that any subsequent owner of such property shall be bound by said covenants, whether such owner's title was acquired by foreclosure in a trustee's sale or otherwise.

ARTICLE XIV

NOTICES

In each instance in which notice is to be given to the owner of a Unit, the same shall be in writing and may be delivered personally, in which case personal delivery of such notice to one or two or more co-owners of a Unit, or to any general partner of a partnership owning such a Unit, shall be deemed delivery to all of the co-owners or to the partnership, as the case may be, and personal delivery of the notice to any officer or agent for the service of process of a corporation owning such Unit shall be deemed delivery to the corporation or such notice may be delivered by United States mail, certified or registered, postage prepaid, return receipt requested, addressed to the owner of such Unit at the most recent address furnished by such owner in writing for the purpose of giving notice,

or if no such address shall have been furnished, then to the street address of such Unit, and any notice so deposited in the mail within Campbell County, Wyoming, shall be deemed delivered forty-eight (48) hours after such deposit. Any notice to be given to the Association may be delivered personally to any member of the Board, or delivered in such other manner as may be authorized by the Association. Any notice to be given to the Association shall be delivered by the United States mail, certified or registered, postage prepaid, return receipt requested, and any notice so deposited in the mail within Campbell County, Wyoming, shall be deemed delivered forty-eight (48) hours after such deposit.

ARTICLE XV

DESTRUCTION

In the event the Common Area subject to this Declaration is totally or substantially damaged or destroyed, the repair, reconstruction, or disposition of the Common Area shall be as provided by agreement of the owners representing more than fifty percent (50%) of the voting power of the owners. The use and disposition of insurance proceeds payable to the Association in the event of such destruction or damage shall be as determined by a majority of the voting power of the owners.

ARTICLE XVI

CITY'S EASEMENTS

Declarant hereby grants to the City of Gillette, easements over the Common Area for the following purposes: installation and maintenance of public utility lines and facilities and access for emergency and other vehicles associated with the various

governmental services which will be furnished to the properties by the City of Gillette.

ARTICLE XVII

CONFLICTS

In case of any conflict between this Declaration and the Articles of Incorporation or By-Laws of the Association, this Declaration shall control.

ARTICLE XVIII

GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

Section 2. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty-five (25) year period by an instrument signed by not less than ninety (90%) percent of the Unit owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Unit owners. Any amendment must be recorded.

Section 3. Annexation. Additional commercial property and Common Area may be annexed to the properties with the consent of two-thirds (2/3) of the members.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has amended this document hereunto and set its hand and seal this 22 day of FEBRUARY 1994.

