

905027

**MORNINGSIDE ESTATES**  
A SUBDIVISION OF CAMPBELL COUNTY, WYOMING

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

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THIS DECLARATION is made by MORNINGSIDE, LLC, a Wyoming Limited Liability Company duly registered and authorized to do business in Wyoming, hereinafter referred to as Declarant:

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property (hereinafter described as "Tracts, Subdivision, Lots, Property, Properties", or like term) situated in Campbell County, Wyoming, which property is more particularly described on the plat map for Morningside Estates as the same that is filed for record with the County Clerk and Recorder of Campbell County, Wyoming, a copy of which is attached hereto as Exhibit "A", which description of the real property is incorporated herein by this reference; and

WHEREAS, in order to establish a general plan for the improvement and development of the property or lots within the subdivision (hereinafter referred to as "lots, subdivision or property"), Declarant desires to subject the lots to certain covenants, conditions and restrictions (hereinafter referred to as "DCCRs" or "covenants" or "Declaration"), to which all of the Lots shall be subject to, held, improved and conveyed; and

WHEREAS, Declarant will convey the said lots subject to certain protective covenants, conditions and restrictions, liens and charges as set forth herein.

NOW, THEREFORE Declarant declares that all of the lots described above, except for Lot 1 of Block 7, shall be held, sold and conveyed subject to the following easements, covenants, conditions and restrictions, which are for the purpose of protecting the value and desirability of, and which shall run with the lots and be binding upon all parties having any right title and interest in the described lots or any part, their heirs, successors and assigns, shall inure to the benefit of each Owner, and which are intended not to be merely personal.

ARTICLE I.  
DEFINITIONS

- Section 1: "Association" shall mean and refer to Morningside Estates HOMEOWNERS ASSOCIATION, a nonprofit Wyoming association, its members, successors and assigns.
- Section 2: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Subdivision, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
- Section 3: "Lot" shall mean and refer to certain lots, tracts and real property within the subdivision as set forth on Exhibit "A", and such conditions or property as may be brought within the jurisdiction of the Association.
- Section 4: "Common Area" shall mean road right-of-way, utility easements, and other property owned by the Association for the common use and enjoyment of the owners.
- Section 5: "Double-wide mobile home" shall mean and refer collectively to any mobile home comprised of two or more units constructed to attach side by side into a single residential dwelling.
- Section 6: "Declarant" shall mean and refer to Morningside, LLC, or its successors and assigns.
- Section 7: "Member" shall mean and refer to every person or entity who is an owner of a Lot. See Article V.
- Section 8: "Covenants or DCCRs" shall mean and refer collectively to the covenants, conditions, restrictions, reservations, easements, liens, fees, dues and charges imposed by or expressed in this DECLARATION.
- Section 9: "Board of Directors" or "Board" shall mean the DECLARANT until all Lots have sold. Thereafter, the term "Board of Directors" or "Board" shall refer to the duly elected Board of Directors of the Association. There shall be three (3) directors serving three (3) year terms. Once all Lots are sold, the initial Board shall consist of (1) director serving for one (1) year, one (1) director serving for a two (2) year term, and one director serving for a three (3) year term. Thereafter, each director shall serve a three (3) year term.

Elections shall be held each year during January: The directors are responsible to handle the financial matters of the Association and shall report annually to all Association members. Members of the Board of Directors shall not be entitled to compensation of any kind, except reimbursement for verified actual expenses, for services performed pursuant to these DCCRs.

Section 10: "Vote" shall mean the expressly manifested desire of the owner(s) of a Lot on any issue that comes before the Association in an election or vote. Each Lot shall be entitled to one vote, regardless of the number of owners for any one Lot, except the DECLARANT shall have ten (10) votes per Lot until all Lots are sold.

ARTICLE II  
NATURE AND PURPOSE OF COVENANTS

The covenants, conditions and restrictions set forth in this DECLARATION constitute a general scheme for the development, protection and maintenance of the Properties to enhance the value, desirability, and attractiveness of the Lots and Common Area. These covenants, restrictions, and conditions are for the benefit of all Lots, and shall bind the Owners of all such Lots. Such covenants, conditions and restrictions shall be a burden upon and a benefit to not only the original Owner(s) of each Lot, but also their/his/her/its successors and assigns. All such covenants, conditions, and restrictions are intended as and are declared to be covenants that run with the land and are perpetually binding in nature.

ARTICLE III  
PROPERTY RIGHTS

Section 1 - OWNER'S EASEMENT OF ENJOYMENT: Every owner shall have a right and an easement of enjoyment and use in and to the Common Area, if any, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- a. The right of the Association to assess and charge a reasonable maintenance, operation and usage fee and to impose such charge or assessment as a lien against any Lot for which such charge or lien has not been paid in accordance with these DECLARATIONS, Bylaws and Articles of Incorporation, if any.
- b. The right of the Association to suspend the voting rights of an Owner of any Lot whose assessment against his Lot remains unpaid, or for any material infraction of these DCCRs.
- c. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purposes of improving or operation said facilities and to mortgage said properties and the rights of such mortgages in such properties shall be subordinate to the rights of the homeowners.
- d. The right of the Association, through its Board of Directors, to adopt and publish rules and regulations and usage fees with respect to the Common Area, if any.
- e. No Lot owner(s) may sue to partition the common area. The common area is for the benefit of all Lot owners and not for a particular individual.

ARTICLE IV  
USE OF RESIDENTIAL LOTS AND COMMON AREA

**Section 1 – USE AND CONSTRUCTION:** Each Lot within the properties, except for the Common Area, shall be constructed, improved, used, and occupied only for private residential purposes consistent with the Zoning Regulations for Campbell County and these DCCRs in effect on the date that said construction, improvement, use or occupation begins.

- a. **Subdivision:** No Lot shall be further subdivided or split.
- b. **Building Plans and Approval:** No building structure of any kind, including windbreaks or sheds, shall be erected, placed, or altered on any Lot until the construction plans, specifications, materials, and plot plan showing the location of the structure have been approved by the Board of Directors. Plot plans shall show the location of the structure, dimensions of structure, distance from property lines, setbacks, easements, curb elevation at front lot corners, grading with proposed elevations, and drainage flow arrows. In the event the Board fails to approve or disapprove within forty five (45) days after plans, specifications, and plot plans have been submitted, or in completion thereof, approval will not be required, and the related covenants shall be deemed to have been complied with.
- c. **Construction and Maintenance:** No more than one single-family dwelling shall be constructed on each Lot. Out buildings may be constructed so long as the appearance of the out building is substantially similar to the residential dwelling. The siding and roofing on out building(s) shall be the same as that of the residential dwelling. All buildings and structures shall be constructed and maintained in such a fashion and of such materials so as not to detract from living conditions in the area. All exterior colors shall be subdued and in the earth tone or light pastel range. No bright or garish colors shall be permitted. Construction of any home shall be completed within one year of the start of construction.
- d. **Construction Criteria:** All home construction shall be "stick built", modular, or double-wide mobile homes. A Modular or double-wide mobile home must be new when installed on any Lot. No mobile homes designed as a single-wide, regardless of square footage shall be allowed. The principal dwelling shall have a minimum fully enclosed finished living area devoted to living purposes of 900 square feet, exclusive of porches, terraces, and garage. All construction shall be done with new materials, including utilities, and shall meet the building codes for Campbell County, Wyoming in force on the date construction begins. Two mobile homes designed as a single-wide and connected together shall not constitute a double-wide. All modular homes and double-wide mobile homes shall be placed on permanent frost-free foundations. All structures shall have a pitched roof with a slope of not less than a three inch (3") vertical rise for each twelve inches (12") of horizontal run. All modular and double-wide mobile home shall comply with the following design criteria:
  1. Each modular or mobile home shall provide and comply with all building permit approval requirements applicable to all residential dwelling units prior to arrival at the site.
  2. The Owner of the lot must also be the owner of the unit.
  3. The load bearing foundation system shall be constructed in accordance with the manufacturer's specifications or with HUD's Permanent

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Foundation Guide for Manufactured Housing and applicable sections of  
the Building code in force on the date construction begins.

4. The vertical placement of the unit shall be similar to stick built homes and shall not be elevated excessively above the curb elevation. The finished floor of the main level shall be a minimum of eighteen inches (18") above the adjacent curb. The steel mainframe members shall have a minimum clearance of eighteen inches (18") from the ground. An unobstructed minimum 18" high x 24" wide plumbing access door shall be provided. Ventilation for the crawl space shall be per the Building code and specifications in force at the time construction begins shall be provided.
5. Units shall be skirted with permanent skirting within three (3) weeks of the dwelling being set on the permanent foundation. The perimeter of the unit shall be fully enclosed from the bottom of the manufacturer installed siding the ground to the ground with a perimeter skirt wall constructed of a material rated for exterior applications giving the appearance of concrete, brick, stucco, block, or stone, and able to withstand the effects of wind, water, soil, decay, termites, and prevent entry of rodents. Soil shall be graded around the skirting or foundation to within six inches (6") of the bottom of the siding on all sides of the unit. No more than six inches (6") of skirting or foundation shall be exposed. Soils shall be graded to drain away from the unit with a minimum drop of at least six inches (6") for at least ten feet (10') from the unit. If distance from unit to structure or property line is less than ten feet (10'), the minimum drop in the distance available shall be six inches (6").
6. The unit shall be permanently connected to all utilities in a manner consistent with residential housing and in accordance with the adopted Campbell County, Wyoming codes.
7. Roof material shall consist of non-reflective material used for residential dwellings including, but not limited to, asphalt, fiberglass, shake, tile shingles or metal.
8. Siding material shall consist of a material customarily used for residential dwellings including, but not limited to, wood, wood products, stucco, brick, steel, aluminum or vinyl lap siding, or rock.
9. A roof overhang exclusive of gutters of not less than six inches (6") as measured from the vertical side of the home. When an attached carport, garage, porch, or similar structure is an integral part of the unit, this overhang may be waived where the attachment occurs provided that the exterior perimeter of the roof line contains the required overhang.
10. Unless the foundation perimeter wall is load bearing, no attachments, additions, alterations or modifications to the exterior walls of the unit are allowed except those approved by the manufacturer of the unit. If the foundation perimeter wall is not load bearing, all additions, porches, decks, garages or other add-on attachments must be free standing and self-supporting with no structural reliance on the unit itself and in accordance with applicable County regulations.
11. All wheels, hitches, tongues and axles shall be removed from the unit and the property at the time the unit is placed on the permanent foundation.

- e. Fencing: Perimeter fencing shall be typical residential fencing and constructed of wood, vinyl, or concrete. Fence shall be a maximum of six and one half feet (6-1/2') high and shall not be located in the sight triangle for vehicle traffic. If owners install perimeter fencing other than typical residential style fencing on their Lots, such fencing shall be approved by the Board of Directors prior to construction.

Section 2 - RUBBISH AND TRASH COLLECTION: No Lot shall be used or maintained as a dumping or collecting ground for rubbish. All rubbish, trash and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon. Each Lot owner shall be responsible for arranging for pick-up and removal of garbage at least once every two weeks and for paying all costs associated therewith. All refuse containers, storage areas, machinery, and equipment shall be maintained in a clean and sanitary manner and secured so trash containers or garbage may not be blown or scattered in any manner.

Section 3 - VEHICLES: Only motor vehicles, boats or trailers, licensed for the current year, and in general daily use shall be kept on the property. No parking or storage of any vehicle, boat or trailer or parts may occur on a Lot other than inside the homeowner's garage or outbuilding for more than one week. No major repair of any vehicle, boat or trailer may occur on a Lot other than inside the homeowner's garage or out-building.

Section 4 - NUISANCES: No nuisances or offensive activity shall be carried on within the subdivision, nor shall anything be done or permitted which shall constitute a public nuisance, nor shall anything be done or permitted which will endanger any person. No speeding or reckless driving will be permitted in the subdivision. Loud music, loud noises and barking dogs will be considered an annoyance and nuisance and shall be considered a violation of these Covenants. Any condition considered an eyesore by a majority of the Board of Directors must be corrected upon notification to the offending Owner within thirty (30) days.

Section 5 - INTERFERENCE WITH EASEMENT/COMMON AREA: No owner shall place any permanent structure or foundation over an easement or common area; in addition no accessory building or object shall be placed over a common area. The Association has the right to require the owners to remove said permanent structure, foundation, accessory building, or object from the respective easement or common area.

Section 6 - SIGNS: Signs shall not be permitted except for 1.) a FOR SALE sign not to exceed 2' X 3' in size, or 2.) name/residence signs of a reasonable size done in a tasteful manner and posted in accordance with local laws and regulations.

Section 7 - OTHER STRUCTURES: No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other out-building shall be used on any Lot at any time as a residence, either temporarily or permanently, except for a development construction or sales office, which shall be removed upon the sale of the last Lot.

Section 8 - HUNTING: No hunting shall be allowed on any Lot.

Section 9 - COMMERCIAL USE: This is a residential subdivision. No part of any Lot shall be used or caused to be used for any business or commercial activity.

ARTICLE V  
MEMBERSHIP AND VOTING RIGHTS

Every owner of a Lot shall be a member of the Association. Membership shall not be separated from ownership of any Lot. All owners shall be entitled to one vote for each Lot, except the DECLARANT who has ten (10) votes per Lot until all of the Lots are sold. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. When two or more persons are stockholders in a corporation holding an interest in any Lot, one, and only one, shall be a member for voting purposes. Where multiple owners own any Lot, they shall give written notice to the Board of Directors as to which of the owners has the authority to cast the single vote for the Lot.

ARTICLE VI  
ASSESSMENTS

Section 1 - CREATION OF THE LIEN AND PERSONAL OBLIGATIONS FOR ASSESSMENTS: Each owner of any Lot, by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual, or more frequent if necessary for operating reasons, assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as provided. The assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, cost, and reasonable attorney's fees, shall be their 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 - PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties and for the maintenance, preservation, replacement and operation of the Common Area, and Association costs.

Section 3 - MAXIMUM ANNUAL ASSESSMENT: Until January 1 of the year immediately following the conveyance of the first Lot to an owner, the maximum assessment for each Lot shall be four hundred eighty dollars and no/100 (480.00) per year. The DECLARANT shall be responsible for the remaining amount of yearly costs until eighty percent (80%) of the Lots are sold at which time all Lots not owned by DECLARANT will be assessed on an equal basis to pay the yearly costs. DECLARANT does not pay annual or special assessments on a per Lot basis and will not pay on the yearly costs once eighty percent (80%) of the Lots are sold.

From and after January 1 of the year immediately following the conveyance on the first Lot to an owner, the maximum annual assessment may be increased each year provided that any such increase shall have the assent of a majority of the votes of the Lots represented at a meeting duly called for this purpose.



Section 4 - SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS: In addition to the annual assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement and the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of the Lots represented at a meeting duly called for this purpose.

Section 5 - NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 3 AND 4: Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than fifteen (15) days not more than forty-five (45) days in advance of the meeting.

Section 6 - RATE OF ASSESSMENT: Both annual and special assessments must be fixed at uniform rates for all Lots not owned by DECLARANT and may be collected on a monthly basis.

Section 7 - DATE OF COMMENCEMENT OF ANNUAL AND SPECIAL ASSESSMENTS DUE DATES: The annual and special assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of such Lot by DECLARANT. The Board of Directors shall fix and give written notice of the amount of the annual assessment, not to exceed the maximum established herein, against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates and collection methods shall be established by the Board of Directors, and unless otherwise provided, the Association or its assigns shall collect each month from the owner of each Lot one-twelfth (1/12) of the annual assessment of such Lot. 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 Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment stated to have been paid.

Section 8 - EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION:

- a. Delinquency: Any assessment provided for in this Declaration, which is not paid when due, shall be 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 the sum to be determined by the Board of Directors, but not to exceed ten dollars and no/100 (10.00) per each delinquent assessment, plus interest at the rate of ten percent (10%) per annum on such assessment.
- b. Creation of Lien: The amount of all delinquent regular and special assessments plus interest and any expenses reasonably incurred in collection and/or enforcing such assessments, including reasonable attorney's fees, shall be and become a lien upon the Lot so assessed, which shall attach to the Lot 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:

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- 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 Lot;
- iii. A description of the Lot 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 Lot after the recording 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 the notice of intention to proceed to foreclose the lien has been delivered by the Association to the owner of the Lot affected by the lien at least thirty (30) days prior to the commencement of any such 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 on any such foreclosure sale and to hold, lease, mortgage, and convey such Lot upon its purchase. Upon repayment 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, 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 Lot shall at all times be subject and subordinate to any mortgage or deed of trust on the Lots 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 Lot, the interest in the Lot of the purchaser at the foreclosure sale may be subjected to a lien to secure assessments levied on the Lot in the same manner provided in this Article.

- c. Curing the Default: Upon timely curing of the default for which a notice of claims or lien was filed by the Association, the officers of the Association are 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 fifty dollars and no/100 (\$50.00) 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 shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have in these covenants 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, nor any lien so created, 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 the owner whose title is deprived through foreclosure of trustee's sale, or otherwise.

Section 9 - SUBORDINATION OF THE LIEN TO MORTGAGES: The lien of the assessments shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relive such Lot from liability for any assessments becoming due or from the lien.

Section 10 - INSURANCE ASSESSMENTS: The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for the improvements subject to the jurisdiction of the Association, excepting of course, individually owned residences and other structures, against loss or damage by any hazard in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any hazard, and shall also obtain a broad form public liability policy covering all Common Areas, if any, and all damage or injury caused by the negligence of the Association or any of its agents. Said insurance may include coverage against vandalism. Premiums for all such insurance shall be common expenses.

In the event of damage or destruction by any casualty to any property covered by insurance written in the name of the Association, the Board of Directors shall, with concurrence of the mortgagees, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damage or destroyed portions of the property to as good a condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by the FDIC, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. The Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed improvements. In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly, the Board of Directors shall levy a special assessment against all owners in such proportions as the Board of Directors deem fair and equitable in the light of the damage sustained to make up any deficiency. In the event such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the owners in such proportions as the Board of Directors deem fair and equitable.

ARTICLE VII  
MANAGEMENT COMMITTEE

The Board of Directors may in its discretion appoint a Management Committee composed of one (1) Board member and two (2) Lot owners to supervise the management of the maintenance, preservation and use of the Common Area and related facilities.

ARTICLE VIII  
GENERAL PROVISIONS

Section 1 - ENFORCEMENT: "The Association" shall have the exclusive right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or imposed by the provisions of this Declaration. Enforcement shall be by proceedings at law or in equity against any person or persons in accordance with the provisions contained herein. Failure by the Association to enforce any covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter, nor shall it be a cause of action against the Association by any Lot Owner.

Section 2 - SEVERABILITY: "Invalidation" of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions, which shall remain in full force and effect.

Section 3 - DURATION AND AMENDMENT: These covenants are perpetual in nature, shall run with the land and shall be binding on all parties and all persons claiming under them for a period of 30 years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by no less than 75% of the then owners of the Lots has been recorded in the Campbell County real estate records agreeing to the change or abrogation of said covenants in whole or in part.

Section 4 - ATTORNEY FEES: If any action is taken to enforce these covenants, or if any Lot Owner shall sue the Association or its officers or Board of Directors, the prevailing party shall be entitled to reimbursement of their attorney fees and litigation costs from the non-prevailing party.

Section 5 - BINDING EFFECT: These DCCRs are binding upon and inure to the benefit of the heirs, successors and assigns of the Declarant and the Lot Owners. The lease, rental or execution of a contract for deed, or similar contract, regarding a Lot does NOT relieve the owner of any liability or the responsibility to comply with these DCCRs, which liability and responsibility shall survive any delegation, lease, rental, or contract for deed, and is binding upon the Owner(s).

DATED this 17 day of September, 2007.

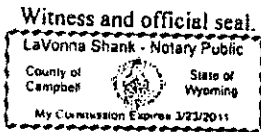
DECLARANT (Morningside, LLC):

By: [Signature]  
member

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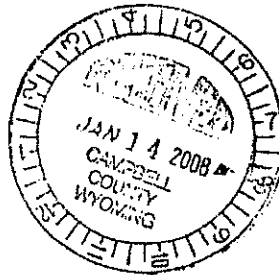
STATE OF WYOMING )  
 )ss.  
COUNTY OF CAMPBELL )

The forgoing DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS was acknowledged before me on September 17, 2007 by Don Oakley as the authorized agent for Morningside, LLC.



LaVonna Shank  
Notary Public

My commission expires: 3/23/2011



RECORDED  
ABSTRACTED  
INDEXED  
CHECKED

STATE OF WYOMING )  
Campbell County )ss.  
Filed for record this 14th day of January A.D., 2008 at 8:12 o'clock A M. and recorded in Book 2329  
of Photos on page 74-86 Fees \$ 44.00 905027  
Christina Sanders By Deputy Linda Grose  
County Clerk and Ex-Officio Register of Deeds

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**919954**

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**AMENDMENT TO MORNINGSIDE ESTATES  
DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS**

WHEREAS, the undersigned are the owners of certain real property located in Campbell County, Wyoming and described as: **Morningside Estates according to the official plat thereof**, (hereinafter "Property"); and,

WHEREAS, the undersigned wish to provide for the use, enjoyment and development of the Property as well as to maintain the values of the Property and improvements located and to protect the owners, their heirs, successors and assigns from the offensive activities of other owners; and,

WHEREAS, this Amendment is adopted by the requisite number of owners of Lots in the Subdivision and is intended to replace the original covenants recorded at Book 2329 of Photos, Page 74, in the Office of the County Clerk, Campbell County, Wyoming in their entirety.

WHEREAS, IT IS SPECIFICALLY INTENDED that the Covenants, Conditions and Restrictions shall constitute Covenants, Conditions and Restrictions that shall run with the Property and be binding on all current and future owners of the Property, as well as all assigns and successors of current and future owners.

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**MORNINGSIDE ESTATES**  
A SUBDIVISION OF CAMPBELL COUNTY, WYOMING

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DEFINITIONS

- Section 1: "Association" shall mean and refer to Morningside Estates HOMEOWNERS ASSOCIATION, a nonprofit Wyoming association, its members, successors and assigns.
- Section 2: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Subdivision, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
- Section 3: "Lot" shall mean and refer to certain lots, tracts and real property within the subdivision as set forth on **Exhibit "A"**, and such conditions or property as may be brought within the jurisdiction of the Association.
- Section 4: "Common Area" shall mean road right-of-way, utility easements, and other property owned by the Association for the common use and enjoyment of the owners.
- Section 5: "Double-wide mobile home" shall mean and refer collectively to any mobile home comprised of two or more units constructed to attach side by side into a single residential dwelling.
- Section 6: "Declarant" shall mean and refer to Morningside, LLC, or its successors and assigns.
- Section 7: "Member" shall mean and refer to every person or entity who is an owner of a Lot. See Article V.
- Section 8: "Covenants or DCCRs" shall mean and refer collectively to the covenants, conditions, restrictions, reservations, easements, liens, fees, dues and charges imposed by or expressed in this DECLARATION.
- Section 9: "Board of Directors" or "Board" shall mean the DECLARANT until all Lots have sold. Thereafter, the term "Board of Directors" or "Board" shall refer to the duly elected Board of Directors of the Association. There shall be three (3) directors serving three (3) year terms. Once all Lots are sold, the initial Board shall consist of (1) director serving for one (1) year, one (1) director serving for a two (2) year term, and one director serving for a three (3) year term. Thereafter, each director shall serve a three (3) year term.

Elections shall be held each year during January. The directors are responsible to handle the financial matters of the Association and shall report annually to all Association members. Members of the Board of Directors shall not be entitled to compensation of any kind, except reimbursement for verified actual expenses, for services performed pursuant to these DCCRs.



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Section 10: "Vote" shall mean the expressly manifested desire of the owner(s) of a Lot on any issue that comes before the Association in an election or vote. Each Lot shall be entitled to one vote, regardless of the number of owners for any one Lot, except the DECLARANT shall have ten (10) votes per Lot until all Lots are sold.

ARTICLE II  
NATURE AND PURPOSE OF COVENANTS

The covenants, conditions and restrictions set forth in this DECLARATION constitute a general scheme for the development, protection and maintenance of the Properties to enhance the value, desirability, and attractiveness of the Lots and Common Area. These covenants, restrictions, and conditions are for the benefit of all Lots, and shall bind the Owners of all such Lots. Such covenants, conditions and restrictions shall be a burden upon and a benefit to not only the original Owner(s) of each Lot, but also their/his/her/its successors and assigns. All such covenants, conditions, and restrictions are intended as and are declared to be covenants that run with the land and are perpetually binding in nature.

ARTICLE III  
PROPERTY RIGHTS

Section 1 - OWNER'S EASEMENT OF ENJOYMENT: Every owner shall have a right and an easement of enjoyment and use in and to the Common Area, if any, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- a. The right of the Association to assess and charge a reasonable maintenance, operation and usage fee and to impose such charge or assessment as a lien against any Lot for which such charge or lien has not been paid in accordance with these DECLARATIONS, Bylaws and Articles of Incorporation, if any.
- b. The right of the Association to suspend the voting rights of an Owner of any Lot whose assessment against his Lot remains unpaid, or for any material infraction of these DCCRs.
- c. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purposes of improving or operation said facilities and to mortgage said properties and the rights of such mortgages in such properties shall be subordinate to the rights of the homeowners.
- d. The right of the Association, through its Board of Directors, to adopt and publish rules and regulations and usage fees with respect to the Common Area, if any.
- e. No Lot owner(s) may sue to partition the common area. The common area is for the benefit of all Lot owners and not for a particular individual.

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ARTICLE IV  
USE OF RESIDENTIAL LOTS AND COMMON AREA

Section 1 – USE AND CONSTRUCTION: Each Lot within the properties, except for the Common Area, shall be constructed, improved, used, and occupied only for private residential purposes consistent with the Zoning Regulations for Campbell County and these DCCRs in effect on the date that said construction, improvement, use or occupation begins.

- a. Subdivision: No Lot shall be further subdivided or split.
- b. Building Plans and Approval: No building structure of any kind, including windbreaks or sheds, shall be erected, placed, or altered on any Lot until the construction plans, specifications, materials, and plot plan showing the location of the structure have been approved by the Board of Directors. Plot plans shall show the location of the structure, dimensions of structure, distance from property lines, setbacks, easements, curb elevation at front lot corners, grading with proposed elevations, and drainage flow arrows. In the event the Board fails to approve or disapprove within forty five (45) days after plans, specifications, and plot plans have been submitted, or in completion thereof, approval will not be required, and the related covenants shall be deemed to have been complied with.
- c. Construction and Maintenance: No more than one single-family dwelling shall be constructed on each Lot. Out buildings may be constructed so long as the appearance of the out building is substantially similar to the residential dwelling. The siding and roofing on out building(s) over 250 square feet or with any horizontal dimension over 16 feet shall be the same as that of the residential dwelling. Out building(s) equal to or less than 250 square feet and with a maximum horizontal dimension equal to or less than 16 feet shall be the same color as the residential dwelling, but shall not be required to have the same siding and roofing as that of the residential dwelling. All buildings and structures shall be constructed and maintained in such a fashion and of such materials so as not to detract from living conditions in the area. All exterior colors shall be subdued and in the earth tone or light pastel range. No bright or garish colors shall be permitted. Construction of any home shall be completed within one year of the start of construction.
- d. Construction Criteria: All home construction shall be "stick built", modular, or double-wide mobile homes. A Modular or multi-section manufactured home must be new when installed on any Lot. No mobile homes designed as a single-wide, regardless of square footage shall be allowed. The principal dwelling shall have a minimum fully enclosed finished living area devoted to living purposes of 900 square feet, exclusive of porches, terraces, and garage. All construction shall be done with new materials, including utilities, and shall meet the building codes for Campbell County, Wyoming in force on the date construction begins. Two mobile homes designed as a single-wide and connected together shall not constitute a double-wide. All modular homes and double-wide mobile homes shall be placed on permanent frost-free foundations. All structures shall have a pitched roof with a slope of not less than a three inch (3") vertical rise for each

twelve inches (12") of horizontal run. All modular and double-wide mobile home shall comply with the following design criteria:

1. Each modular or mobile home shall provide and comply with all building permit approval requirements applicable to all residential dwelling units prior to arrival at the site.
2. The Owner of the lot must also be the owner of the unit.
3. The load bearing foundation system shall be constructed in accordance with the manufacturer's specifications or with HUD's Permanent Foundation Guide for Manufactured Housing and applicable sections of the Building code in force on the date construction begins.
4. The vertical placement of the unit shall be similar to stick built homes and shall not be elevated excessively above the curb elevation. The finished floor of the main level shall be a minimum of eighteen inches (18") above the adjacent curb. The steel mainframe members shall have a minimum clearance of eighteen inches (18") from the ground. An unobstructed minimum 18" high x 24" wide plumbing access door shall be provided. Ventilation for the crawl space shall be per the Building code and specifications in force at the time construction begins shall be provided.
5. Units shall be skirted with permanent skirting within three (3) weeks of the dwelling being set on the permanent foundation. The perimeter of the unit shall be fully enclosed from the bottom of the manufacturer installed siding to the ground with a perimeter skirt wall constructed of a material rated for exterior applications giving the appearance of concrete, brick, stucco, block, or stone, and able to withstand the effects of wind, water, soil, decay, termites, and prevent entry of rodents. Soil shall be graded around the skirting or foundation to within six inches (6") of the bottom of the siding on all sides of the unit. No more than six inches (6") of skirting or foundation shall be exposed. Soils shall be graded to drain away from the unit with a minimum drop of at least six inches (6") for at least ten feet (10') from the unit. If distance from unit to structure or property line is less than ten feet (10'), the minimum drop in the distance available shall be six inches (6"). Not more than two (2) risers shall be allowed to access the first floor at the front stoop.
6. The unit shall be permanently connected to all utilities in a manner consistent with residential housing and in accordance with the adopted Campbell County, Wyoming codes.
7. Roof material shall consist of non-reflective material used for residential dwellings including, but not limited to, asphalt, fiberglass, shake, tile shingles or metal.
8. Siding material shall consist of a material customarily used for residential dwellings including, but not limited to, wood, wood products, stucco, brick, steel, aluminum or vinyl lap siding, or rock.
9. A roof overhang exclusive of gutters of not less than six inches (6") as measured from the vertical side of the home. When an attached carport, garage, porch, or similar structure is an integral part of the unit, this overhang may be waived where the attachment occurs provided that the exterior perimeter of the roof line contains the required overhang.

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10. Unless the foundation perimeter wall is load bearing, no attachments, additions, alterations or modifications to the exterior walls of the unit are allowed except those approved by the manufacturer of the unit. If the foundation perimeter wall is not load bearing, all additions, porches, decks, garages or other add-on attachments must be free standing and self-supporting with no structural reliance on the unit itself and in accordance with applicable County regulations.
  11. All wheels, hitches, tongues and axles shall be removed from the unit and the property at the time the unit is placed on the permanent foundation.
- e. Fencing: Perimeter fencing shall be typical residential fencing and constructed of wood, vinyl, or concrete. Fence shall be a maximum of six and one half feet (6-1/2') high and shall not be located in the sight triangle for vehicle traffic. If owners install perimeter fencing other than typical residential style fencing on their Lots, such fencing shall be approved by the Board of Directors prior to construction.

Section 2 - RUBBISH AND TRASH COLLECTION: No Lot shall be used or maintained as a dumping or collecting ground for rubbish. All rubbish, trash and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon. Each Lot owner shall be responsible for arranging for pick-up and removal of garbage at least once every two weeks and for paying all costs associated therewith. All refuse containers, storage areas, machinery, and equipment shall be maintained in a clean and sanitary manner and secured so trash containers or garbage may not be blown or scattered in any manner.

Section 3 - VEHICLES: Only motor vehicles, boats or trailers, licensed for the current year, and in general daily use shall be kept on the property. No parking or storage of any vehicle, boat or trailer or parts may occur on a Lot other than inside the homeowner's garage or outbuilding for more than one week. No major repair of any vehicle, boat or trailer may occur on a Lot other than inside the homeowner's garage or out-building.

Section 4 - NUISANCES: No nuisances or offensive activity shall be carried on within the subdivision, nor shall anything be done or permitted which shall constitute a public nuisance, nor shall anything be done or permitted which will endanger any person. No speeding or reckless driving will be permitted in the subdivision. Loud music, loud noises and barking dogs will be considered an annoyance and nuisance and shall be considered a violation of these Covenants. Any condition considered an eyesore by a majority of the Board of Directors must be corrected upon notification to the offending Owner within thirty (30) days.

Section 5 - INTERFERENCE WITH EASEMENT/COMMON AREA: No owner shall place any permanent structure or foundation over an easement or common area; in addition no accessory building or object shall be placed over a common area. The Association has the right to require the owners to remove said permanent structure, foundation, accessory building, or object from the respective easement or common area.

Section 6 - SIGNS: Signs shall not be permitted except for 1.) a FOR SALE sign not to exceed 2' X 3' in size, or 2.) name/residence signs of a reasonable size done in a tasteful manner and posted in accordance with local laws and regulations.

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Section 7 - OTHER STRUCTURES: No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other out-building shall be used on any Lot at any time as a residence, either temporarily or permanently, except for a development construction or sales office, which shall be removed upon the sale of the last Lot.

Section 8 - HUNTING: No hunting shall be allowed on any Lot.

Section 9 - COMMERCIAL USE: This is a residential subdivision. No part of any Lot shall be used or caused to be used for any business or commercial activity.

ARTICLE V  
MEMBERSHIP AND VOTING RIGHTS

Every owner of a Lot shall be a member of the Association. Membership shall not be separated from ownership of any Lot. All owners shall be entitled to one vote for each Lot, except the DECLARANT who has ten (10) votes per Lot until all of the Lots are sold. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. When two or more persons are stockholders in a corporation holding an interest in any Lot, one, and only one, shall be a member for voting purposes. Where multiple owners own any Lot, they shall give written notice to the Board of Directors as to which of the owners has the authority to cast the single vote for the Lot.

ARTICLE VI  
ASSESSMENTS

Section 1 - CREATION OF THE LIEN AND PERSONAL OBLIGATIONS FOR ASSESSMENTS: Each owner of any Lot, by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual, or more frequent if necessary for operating reasons, assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as provided. The assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, cost, and reasonable attorney's fees, shall be their 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 - PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties and for the maintenance, preservation, replacement and operation of the Common Area, and Association costs.

Section 3 - MAXIMUM ANNUAL ASSESSMENT: Until January 1 of the year immediately following the conveyance of the first Lot to an owner, the maximum assessment for each Lot shall be four hundred eighty dollars and no/100 (480.00) per year. The DECLARANT shall be responsible for the remaining amount of yearly costs until eighty percent (80%) of the

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Lots are sold at which time all Lots not owned by DECLARANT will be assessed on an equal basis to pay the yearly costs. DECLARANT does not pay annual or special assessments on a per Lot basis and will not pay on the yearly costs once eighty percent (80%) of the Lots are sold.

From and after January 1 of the year immediately following the conveyance on the first Lot to an owner, the maximum annual assessment may be increased each year provided that any such increase shall have the assent of a majority of the votes of the Lots represented at a meeting duly called for this purpose.

Section 4 - SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS: In addition to the annual assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement and the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of the Lots represented at a meeting duly called for this purpose.

Section 5 - NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 3 AND 4: Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than fifteen (15) days not more than forty-five (45) days in advance of the meeting.

Section 6 -RATE OF ASSESSMENT: Both annual and special assessments must be fixed at uniform rates for all Lots not owned by DECLARANT and may be collected on a monthly basis.

Section 7 - DATE OF COMMENCEMENT OF ANNUAL AND SPECIAL ASSESSMENTS DUE DATES: The annual and special assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of such Lot by DECLARANT. The Board of Directors shall fix and give written notice of the amount of the annual assessment, not to exceed the maximum established herein, against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates and collection methods shall be established by the Board of Directors, and unless otherwise provided, the Association or its assigns shall collect each month from the owner of each Lot one-twelfth (1/12) of the annual assessment of such Lot. 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 Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment stated to have been paid.

Section 8 - EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION:

- a. Delinquency: Any assessment provided for in this Declaration, which is not paid when due, shall be delinquent. With respect to each assessment not paid within fifteen (15) days after it's due date, the Association may, at it's election, require the owner to pay a "late charge" in the sum to be determined by the Board of Directors, but not to exceed ten dollars and no/100 (10.00) per each delinquent assessment, plus interest at the rate of ten percent (10%) per annum on such assessment.

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- b. Creation of Lien: The amount of all delinquent regular and special assessments plus interest and any expenses reasonably incurred in collection and/or enforcing such assessments, including reasonable attorney's fees, shall be and become a lien upon the Lot so assessed, which shall attach to the Lot 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 Lot;
  - iii. A description of the Lot 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 Lot after the recording 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 the notice of intention to proceed to foreclose the lien has been delivered by the Association to the owner of the Lot affected by the lien at least thirty (30) days prior to the commencement of any such 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 on any such foreclosure sale and to hold, lease, mortgage, and convey such Lot upon its purchase. Upon repayment 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, 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 Lot shall at all times be subject and subordinate to any mortgage or deed of trust on the Lots 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 Lot, the interest in the Lot of the purchaser at the foreclosure sale may be subjected to a lien to secure assessments levied on the Lot in the same manner provided in this Article.

- c. Curing the Default: Upon timely curing of the default for which a notice of claims or lien was filed by the Association, the officers of the Association are 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 fifty dollars and no/100 (\$50.00) 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.

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- d. Cumulative Remedies: The assessment lien and the rights to judicial foreclosure shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have in these covenants 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, nor any lien so created, 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 the owner whose title is deprived through foreclosure of trustee's sale, or otherwise.

Section 9 - SUBORDINATION OF THE LIEN TO MORTGAGES: The lien of the assessments shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relive such Lot from liability for any assessments becoming due or from the lien.

Section 10 - INSURANCE ASSESSMENTS: The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for the improvements subject to the jurisdiction of the Association, excepting of course, individually owned residences and other structures, against loss or damage by any hazard in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any hazard, and shall also obtain a broad form public liability policy covering all Common Areas, if any, and all damage or injury caused by the negligence of the Association or any of its agents. Said insurance may include coverage against vandalism. Premiums for all such insurance shall be common expenses.

In the event of damage or destruction by any casualty to any property covered by insurance written in the name of the Association, the Board of Directors shall, with concurrence of the mortgagees, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damage or destroyed portions of the property to as good a condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by the FDIC, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. The Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed improvements. In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly, the Board of Directors shall levy a special assessment against all owners in such proportions as the Board of Directors deem fair and equitable in the light of the damage sustained to make up any deficiency. In the event such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the owners in such proportions as the Board of Directors deem fair and equitable.



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ARTICLE VII  
MANAGEMENT COMMITTEE

The Board of Directors may in its discretion appoint a Management Committee composed of one (1) Board member and two (2) Lot owners to supervise the management of the maintenance, preservation and use of the Common Area and related facilities.

ARTICLE VIII  
GENERAL PROVISIONS

Section 1 - ENFORCEMENT: "The Association" shall have the exclusive right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or imposed by the provisions of this Declaration. Enforcement shall be by proceedings at law or in equity against any person or persons in accordance with the provisions contained herein. Failure by the Association to enforce any covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter, nor shall it be a cause of action against the Association by any Lot Owner.

Section 2 - SEVERABILITY: "Invalidation" of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions, which shall remain in full force and effect.

Section 3 - DURATION AND AMENDMENT: These covenants are perpetual in nature, shall run with the land and shall be binding on all parties and all persons claiming under them for a period of 30 years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by no less than 75% of the then owners of the Lots has been recorded in the Campbell County real estate records agreeing to the change or abrogation of said covenants in whole or in part.

Section 4 - ATTORNEY FEES: If any action is taken to enforce these covenants, or if any Lot Owner shall sue the Association or its officers or Board of Directors, the prevailing party shall be entitled to reimbursement of their attorney fees and litigation costs from the non-prevailing party.

Section 5 - BINDING EFFECT: These DCCRs are binding upon and inure to the benefit of the heirs, successors and assigns of the Declarant and the Lot Owners. The lease, rental or execution of a contract for deed, or similar contract, regarding a Lot does NOT relieve the owner of any liability or the responsibility to comply with these DCCRs, which liability and responsibility shall survive any delegation, lease, rental, or contract for deed, and is binding upon the Owner(s).

DATED this 25 day of November, 2008.

DECLARANT (Morningside, LLC):

By: Jaime L. Turner

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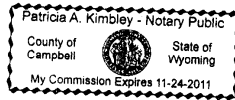
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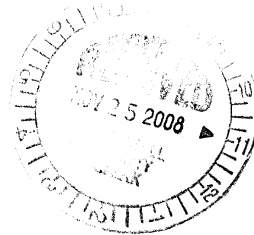
The forgoing DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS was acknowledged before me on November 25, 2008 by Jaime L. Tarver as the authorized agent for Morningside, LLC.

Witness and official seal.



*Patricia A. Kimbley*  
Notary Public

My commission expires: November 24, 2011



RECORDED  
ABSTRACTED  
INDEXED *M*  
CHECKED

919954 Recorded on 11/25/2008 at 11.06.00 Fee 44.00  
Book 2406 of PHOTOS Pages 626 to 638  
Susan F. Saunders, Campbell County Clerk by: A. SNIDER

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