

STATE OF WYOMING)
COUNTY OF CAMPBELL)

Book 535 of Photos, page 345

488661

A. K. MORLEY & SON, INC.

TO THE PUBLIC:

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
BUFFALO HILLS HOMEOWNERS ASSOCIATION

THIS DECLARATION, made on the date hereinafter set forth by A. K. MORLEY & SON, INC., hereinafter referred to as "DECLARANT".

WITNESSETH:

WHEREAS, DECLARANT is the owner of certain property in Campbell County, State of Wyoming, which is more particularly described upon the plat as the same that is filed for record with the County Clerk and Recorder of Campbell County in connection with the Subdivision designated by Campbell County as "BUFFALO HILLS" situate in Campbell County, Wyoming, as the same is described in Exhibit "A" attached hereto.

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 charges as hereinafter set forth:

NOW THEREFORE, Declarant hereby declares that all of the properties described above 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 BUFFALO HILLS HOMEOWNERS 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 Lot 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 herein described in Exhibit "A", 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 is more particularly described as follows:

A tract of land located in Section 27, Township 44 North, Range 72 West, of the 6th P.M., Campbell County, Wyoming and is also a part of Buffalo Hills Filing No. 1, recorded in Plat #2, Page 178 in the records of Campbell County, Wyoming.

Commencing at the Southwest corner of said Buffalo Hills Filing No. 1, thence S58°-18'00"E, 53.25 feet, to a point of beginning, thence continuing S58°-42'-00"E, 58.75 feet, to a point of the west right-of-way of Cattle Drive, thence N31°-18'-00"E, 150.00 feet, thence N58°-42'00"W, 85.00 feet, thence S31°-18'-00"W, 8.49 feet, thence S58°-42'-00"E, 36.00 feet, thence S31°-18'-00"W, 27.80 feet, thence S58°-42'-00"E, 4.00 feet, thence S31°-18'-00"W, 27.80 feet, thence S58°-42'-00"E, 4.00 feet, thence S31°-18'-00"W, 27.80 feet, thence N58°-42'-00"W, 27.5 feet, thence S31°-18'-00"W, 16.00 feet, thence S58°-42'00"E, 27.5 feet, thence 31°-18'-00"W, 47.91 feet, thence N58°-42'00"W, 13.75 feet, thence S31°-18'00"W, 22.00 feet to the point of beginning. Said tract of land contains ± .18 acres.

Also, a tract of land located in Section 27, Township 44 North, Range 72 West, of the 6th P.M., Campbell County, Wyoming and is also a part of Buffalo Hills Filing No. 1, recorded in Plat #2, Page 178 in the records of Campbell County, Wyoming.

Commencing at the Southwest corner of Buffalo Hills Filing No. 1, thence N31°-18'-00"E, 22.00 feet, thence N58°-42'-00"W, 65.00 feet, thence N31°-18'-00"E, 27.80 feet, thence S58°-42'-00"E, 4.00 feet, thence N31°-18'-00"E, 27.80 feet, thence S58°-42'-00"E, 4.00, thence N31°-18'-00"E, 27.80 feet, thence S58°-42'-00"E, 57.00 feet, thence N31°-18'-00"E, 24.60 feet, thence N58°-42'-00"W, 105.00 feet to a point on the east right-of-way of Cattle Drive, thence S31°-18'-00"W, 130.00 feet along said east right-of-way of Cattle Drive, thence S58°-42'-00"E, 105.00 feet to the point of beginning.

Said Tract of land contains ±.19 acres.

As shown on a Recorded Plat of Buffalo Hills in Book 2 Plats, Page 178 of the Records of Campbell County, Wyoming.

Section 5 The term "Lot" shall mean and refer to any of the recorded lots of the plat (except the Common Area) on which there is or will be constructed a single family townhouse which shall be individually and separately owned.

Section 6 "Declarant" shall mean and refer to A.K. Morley & Son, Inc., their successors and assigns if such successors or assigns should acquire more than one undeveloped Lot 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" as used herein shall mean and refer to the duly elected Board of Directors of the Association.

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 for the benefit of all Owners of Lots therein. These covenants, restrictions, and conditions are imposed upon Declarant

and upon the Owners of all Lots. Said covenants, conditions and restrictions 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 a benefit to not only the original Owner of each Lot but also his successors 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 lands, as the case may be.

ARTICLE III

USE OF RESIDENTIAL LOTS AND COMMON AREA

Section 1 USE: Each Lot within the Properties, except for the Common Area, shall be improved, used and occupied only for private residential purposes.

Section 2 PETS AND OTHER ANIMALS: Dogs, cats, or usual and ordinary household pets may be kept in any dwelling unit upon a Lot. Residents of any dwelling unit upon a Lot may not exceed a total of two (2) pets. Except as hereinabove provided, no animals, livestock, birds or poultry shall be brought within the Properties or kept on any Lot thereof.

Section 3 COMMERCIAL USE: No part of the Properties shall ever be used or caused to be used for any business, commercial, manufacturing, mercantile, storing, vending establishment or any other non-residential purpose, except that Declarant, its successors or assigns, and the owners of any tract annexed pursuant to Article XVIII hereof, may use the Properties for a model home site, display, and sales office during the construction and sales period.

Section 4 SIGNS: Signs shall not be permitted other than a "For Sale" sign not to exceed 18" by 24" in size and posted in accordance with local laws and regulations.

Section 5 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. No trailer, camper, boat, truck larger than a three-quarter (3/4) ton pickup, or similar equipment shall be permitted to remain upon any property within the Properties, unless placed or maintained within an enclosed garage except as detailed hereinafter.

Section 6 DRILLING: No oil drilling, oil development, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot or at any depth below the surface, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any Lot or within five hundred (500) feet below the surface of the Properties. No derrick or other structure designated for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 7 TRASH COLLECTION: All rubbish, trash and garbage shall be regularly removed from the Properties, and shall not be allowed to accumulate thereon. All clothes lines, refuse containers, woodpiles, storage areas and machinery and equipment shall be prohibited upon any Lot, unless obscured from view of adjoining Lots and streets, by a fence of appropriate screen.

Section 8 EXTERNAL ANTENNA: No Owner of any Lot within the Properties shall be permitted to construct external radio and/or television antennas or external air conditioning units or evaporative coolers which are mounted on or extend above the roof of any dwelling unit within the Properties, unless with prior approval of the Board pursuant to the rules contained hereinafter.

Section 9 The use of Common Area parking facilities shall be in accordance with rules and regulations adopted by the Board of Directors.

Section 10 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: Each 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 each Lot, subject to the following provisions:

a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot 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 shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rd of each class of member has been recorded;

d) Easements and rights of access for utility lines as shown on the plat of Buffalo Hills.

e) The Board retains full responsibility and authority over all common Area; therefore, no Owner shall alter landscaping, erect structures or in any way change the appearance of the Common Area without the written consent of the Board.

f) The right of the Association to limit the number of guests of members;

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

Section 2. DELEGATION OF USE: Any owner may assign, in accordance with the By-Laws, his right of enjoyment to

the Common Area and facilities to the members of his family, tenants, or contract purchasers who reside on the Lot.

Section 3 DRIVEWAYS: Ownership of each Lot shall entitle the Owner or Owners thereof to the right of ingress and egress in and upon the driveway area connected to each Lot; the covenants and restrictions of this Declaration shall in no way vest authority in the Association to deny an Owner of a Lot with the right of egress and ingress to said Lot. No parking or storage of boats, camping equipment or disabled vehicles will be allowed on driveways or private streets.

Section 4 GREENBELTS: The greenbelts shall be restricted to pedestrian and non-motorized vehicle use and shall be left open for the use of all Owners and their guests at all times.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS:

Section 1 Every Owner of a Lot 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 Lot which is subject to assessment.

Section 2 The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. 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 (1) vote be cast with respect to any Lot;

CLASS B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

b) On December 31, 1981.

ARTICLE VI

COVENANT FOR MAINTENANCE

ASSESSMENTS

Section 1 CREATION OF THE LIEN AND PERSONAL OBLIGATION

OF ASSESSMENTS: The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as herein-after 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 Lot 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 and safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, and of the homes situated upon the Properties.

Section 3 MAXIMUM ANNUAL ASSESSMENTS: The maximum annual assessment shall be Six Hundred Dollars (\$600.00) for each Lot until January 1 of the year immediately following the conveyance of the first Lot to an Owner.

(a) From and after January 1 of the year immediately following the conveyance by Declarant of the first Lot 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 110% of the annual assessment for the year preceding the effective date of the increase.

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

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

Section 4 SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS:

In addition to the annual assessments authorized above, the Association may levy, in an assessment year, a special assessment applicable to that year only for the purpose of delaying, 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 each class of members.

Section 5 EXTERIOR MAINTENANCE: In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: paint, repair, replace and care for roofs, exterior building surfaces, walks, driveways and other exterior improvements; such exterior maintenance shall not include glass surfaces. Maintenance and repairs as provided for above are considered to be for normal wear.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family or guest or invitees, or caused by storm, wind, hail, snow, or other acts of God or by fire, the cost of such maintenance for repairs shall be the responsibility of

the Owner. In the event the Owner does not make the necessary repairs within a reasonable time, the Association retains the right to make such repairs. This expense shall be added to and become a part of the assessment to which such Lot is subject. Section IX of Article IV shall apply to this section as it pertains to non-payment of assessment.

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

Section 6 NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4: Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 of this Article shall be given to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be the same as the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7 UNIFORM RATE OF SPECIAL ASSESSMENT: Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 8 DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS DUE DATES: The annual assessments provided for herein shall commence as to all Lots within a building unit (one or more contiguous Lots) on the first day of the month following the conveyance of the first Lot and/or 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 shall fix the amount of the annual assessment against each Lot 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. 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.

Section 9 EFFECT ON NON-PAYMENT OF ASSESSMENTS, REMEDIES OF 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 a sum to be determined by the Association, but not to exceed \$10.00 per each delinquent assessment, plus interest at the rate of fifteen percent (15%) per annum on such 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 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 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 Lot 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 the right to bid at any such foreclosure sale and to hold, lease, mortgage and convey such Lot 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 of 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 Lot 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 purchase at the foreclosure sale may be subjected to a lien to secure assessments levied on the Lot 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 officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such lien, 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 with 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 lien 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 Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot 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 receipt of written notification to the Association of the existence of a mortgage on any Lot 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 Lot in the performance of the owner's obligations hereunder which is not cured within thirty (30) days.

(b) In addition to any other requirements imposed by this Declaration, 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 rated 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 the rights, duties and powers relating to the Lots, 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, foster and support community activities of the members, 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 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 membership 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 any 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 dwellings situated on the lots, including any necessary replacement or repair thereof.

(c) Repaint the exterior surfaces of dwellings, and fencing situated on the Lots 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.

(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 of the Common Areas, water, gas and electric service

and refuse collection; and (if not separately metered or charged) for the benefit of the Lots.

(f) Maintain those portions of Lots not occupied by a dwelling except for enclosed private patio areas and enclosed entry courts.

(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.

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 Lot, 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, 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, free and clear of all encumbrances and liens, except for the lien of this Declaration, prior to the conveyance of the first Lot in the Properties.

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 provided that no easement may be granted by Declaration on, upon, in or under any Lot.

2. Easements through the Properties for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat 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 Lots 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 Lots 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:

Whenever sanitary sewer house connections and/or water house connections or electricity, gas, or telephone and CATV lines or drainage facilities are installed within the Properties, which connections serve more than one Lot, in that event each resident shall be entitled to the full use and enjoyment of such portions of said connections that services his Lot.

5. Each Lot and its Owner within the Properties is hereby declared to have an easement of one foot in width, and the same is hereby granted by Declarant, over all adjoining Lots and Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of a dwelling unit, 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 an Owner or Owners if said encroachment occurred due to willful misconduct of said Owner or Owners. In the event a structure on any Lot is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and there shall be easements for the maintenance of said encroachments so long as they shall exist. In addition, each Lot within the Properties is hereby declared to have an easement for overhanging roofs and eaves as originally constructed over each adjoining Lot and/or the 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 Lot being serviced and shall pass with each conveyance of said Lot.

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

7. Declarant hereby grants to the Association for the benefit of the Owners, a non-exclusive easement for landscaping

and general recreational purposes over the Lots. Such easement shall be located over those portions of Lots which are located between the Lot lines and the exterior of the foundation walls for the structures as originally constructed on each of the Lots by Declarant. Such easement shall also include that portion of each Lot which is located between the Common Area and the rear fence line as originally constructed by Declarant on each Lot. 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. There shall be excepted from this grant an easement that portion of each Lot which lies within the enclosed private patios and entry areas of each of the Lots as originally constructed by Declarant.

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 homes upon the Properties and placed on the dividing line between the Lots 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, an 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 provisions 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, the dispute shall be settled by arbitration, such arbitration to be performed pursuant to the Uniform Arbitration Act, Wyoming Statutes 1977 (as amended) Section 1-36-101 through 1-36-119.

ARTICLE XI

ARCHITECTURAL CONTROL

1. No building, fence, wall or other structure or additional landscaping (except all original construction by Developer within the Properties and landscaping within enclosed private patio areas and entry courts) 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, 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, based upon a harmony with external design and location of surrounding structures, 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 Association 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 to 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 person 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.

2. Neither the Association, the Board, 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 XII

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 covenant 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 Lot or the improvements thereon, provided, however, that any subsequent Owner of such Lot shall be bound by said covenants, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

ARTICLE XIII

NOTICES

In each instance in which notice is to be given to the Owner of a Lot, 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 Lot, to any general partner of a partnership owning such a Lot, 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 lot 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 Lot 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 Lot, 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 deem delivered forty-eight (48) hours after such deposit.

ARTICLE XIV

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 per cent (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 XV

CITY'S EASEMENT

Declarant hereby grants to the County of Campbell, 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 County of Campbell.

ARTICLE XVI

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 XVII

GENERAL PROVISIONS

Section 1 SEVERABILITY: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way 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 Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75) percent of the Lot Owners. Any amendment must be recorded.

Section 3 ANNEXATION: Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 4 FHA/VA APPROVAL: As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, or amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hercunto set its hand and seal this 28 day of July, 1980.

A.K. MORLEY & SON, INC.

by Gerald D. Green V.P.
GERALD D. GREEN

STATE OF WYOMING)
) ss.
COUNTY OF CAMPBELL)

On this 19th day of August, 1980, before me personally appeared Gerald D. Green, to me personally known, who, being by me first duly sworn, did say that he is the Vice-President of A.K. Morley & Son, Inc., and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said Gerald D. Green acknowledged said instrument to be the free act and deed of said corporation.

Given under my hand and notarial seal this 19th day of August, 1980.

L. WIL DRAKE - Notary Public
County of Campbell
My Commission Expires June 4, 1983

L. Wil Drake
NOTARY PUBLIC

My Commission Expires: June 4, 1983

EXHIBIT "A"

A plat of a part of Lot 1, Block 11 of Latigo Hills Filing No. 1, being located in Sections 27 and 34, Township 44 North, Range 72 West, of the 6th P.M., Campbell County, Wyoming, and is more particularly described as follows:

Beginning at the Southwest corner, marked with an iron pin, of said Lot 1, Block 11 of Latigo Hills Filing No. 1, recorded in Plat #2, page 63, in the records of Campbell County, Wyoming, thence N31°-18'-00"E, 150.00 feet along the west property line of said Lot 1, Block 11 of Latigo Hills Filing No. 1, to an iron pin, thence S58°-42'00"E, 112.00 feet to an iron pin, thence S31°-18'-00"W, 20.00 feet to an iron pin, thence S58°-42'-00"E, 133.00 feet to an iron pin, thence S31°-18'-00"W, 130.00 feet to an iron pin on the south property line of said Lot 1, Block 11 of Latigo Hills Filing No. 1, thence N58°-42'00"W, 245.00 feet along the south line of Lot 1, Block 11 of Latigo Hills Filing No. 1, to the point of beginning and contained ±.78 acres.



STATE OF WYOMING } ss.
Campbell County

Filed for record this 10th day of Dec. A. D., 19 80 at 1:00 o'clock P. M. and recorded in Book 535 of Photos on page 345 Fees \$ 54.00

Virgil E. Addison
County Clerk and Ex-Officio Register of Deeds

RECORDED
ABSTRACTED
INDEXED
CHECKED

By *Marshall R. ...*
Deputy

485612

STATE OF WYOMING
COUNTY OF CAMPBELL

Book 602 of Photos, page 93

508900 BUFFALO HILLS INCORPORATION

TO THE PUBLIC:

DECLARATION OF AMENDED
COVENANTS, CONDITIONS AND RESTRICTIONS
BUFFALO HILLS HOMEOWNERS ASSOCIATION

THIS DECLARATION, made on the date hereinafter set forth by Buffalo Hills Incorporation, hereinafter referred to as "DECLARANT".

WITNESSETH:

WHEREAS, DECLARANT is the owner of certain property in Campbell County, State of Wyoming, which is more particularly described upon the plat as the same that is filed for record with the County Clerk and Recorder of Campbell County in connection with Subdivision designated by Campbell County as "BUFFALO HILLS" situate in Campbell County, Wyoming, as the same is described in Exhibit "A" attached hereto.

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 charges as hereinafter set forth;

NOW THEREFORE, Declarant hereby declares that all of the properties described above 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

STATE OF WYOMING }
Campbell County } ss.
Filed for record this 16th day of March A. D. 1982 at 4:12 o'clock P. M. and recorded in Book 602
of Photos on page 93 Fees/\$ 54.00
Deborah E. Addison RECORDED
County Clerk and Ex-Officio Registrar of Deeds ABSTRACTED
By 508900 INDEXED
Deputy CHLCREG

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 BUFFALO HILLS HOMEOWNERS 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 Lot 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 herein described in Exhibit "A", 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 is more particularly described as follows: BUFFALO HILLS FILING 1

A plat of part of Lot #1, Block #11 of Latigo Hills Filing #1, being located in Section 27 and 34, Township 44 North, Range 72 West of the 6th Principal Meridian, Campbell County, Wyoming, and is particularly described as follows:

Beginning at the Southwest corner, marked with an iron pin, of said Lot #1, Block #11 of Latigo Hills Filing #1, recorded in plat #2, page #63 in the records of Campbell County, Wyoming. Thence N 31° 18' 00" E. 150.00 feet along the west property line of said Lot #1, Block #11 of Latigo Hills Filing #1, to an iron pin, thence S 53° 42' 00" E. 112.00 feet to an iron pin, thence S 31° 18' 00" W 20.00 feet to an iron pin, thence S 58° 42' 00" E. 133.00 feet to an iron pin, thence S 31° 18' 00" W, 130.00 feet to an iron pin on the south property line of said Lot #1, Block #11 of Latigo Hills Filing #1, thence N 58° 42' 00" W. 245.00 feet along said south line of Lot #1, Block #11 of Latigo Hills Filing #1 to the point of beginning and containing 0.78 acres more or less. Excepting Lots 1-7, Block A and Lots 1-6, Block B, Buffalo Hills Subdivision.

As shown on a Recorded Plat of Buffalo Hills in Book 2 Plats, Page 178 of the Records of Campbell County, Wyoming.

Section 5 The term "Lot" shall mean and refer to any of the recorded lots of the plat (except the Common Area) on which there is or will be constructed a single family townhouse which shall be individually and separately owned.

Section 6 "Declarant" shall mean and refer to Buffalo Hills Incorporation, their successors and assigns if such successors or assigns should acquire more than one undeveloped Lot 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" as used herein shall mean and refer to the duly elected Board of Directors of the Association.

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 for the benefit of all Owners of Lots therein. These covenants, restrictions, and conditions are imposed upon Declarant.

and upon the Owners of all Lots. Said covenants, conditions and restrictions 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 a benefit to not only the original Owner of each Lot but also his successors 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 lands, as the case may be.

ARTICLE III

USE OF RESIDENTIAL LOTS AND COMMON AREA

Section 1 USE: Each Lot within the Properties, except for the Common Area, shall be improved, used and occupied only for private residential purposes.

Section 2 PETS AND OTHER ANIMALS: Dogs, cats, or usual and ordinary household pets may be kept in any dwelling unit upon a Lot. Residents of any dwelling unit upon a Lot may not exceed a total of two (2) pets. Except as hereinabove provided, no animals, livestock, birds or poultry shall be brought within the Properties or kept on any Lot thereof.

Section 3 COMMERCIAL USE: No part of the Properties shall ever be used or caused to be used for any business, commercial, manufacturing, mercantile, storing, vending establishment or any other non-residential purpose, except that Declarant, its successors or assigns, and the owners of any tract annexed pursuant to Article XVIII hereof, may use the Properties for a model home site, display, and sales office during the construction and sales period.

Section 4 SIGNS: Signs shall not be permitted other than a "For Sale" sign not to exceed 18" by 24" in size and posted in accordance with local laws and regulations.

Section 5 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. No trailer, camper, boat, truck larger than a three-quarter (3/4) ton pickup, or similar equipment shall be permitted to remain upon any property within the Properties, unless placed or maintained within an enclosed garage except as detailed hereinafter.

Section 6 DRILLING: No oil drilling, oil development, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot or at any depth below the surface, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any Lot or within five hundred (500) feet below the surface of the Properties. No derrick or other structure designated for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 7 TRASH COLLECTION: All rubbish, trash and garbage shall be regularly removed from the Properties, and shall not be allowed to accumulate thereon. All clothes lines, refuse containers, woodpiles, storage areas and machinery and equipment shall be prohibited upon any Lot, unless obscured from view of adjoining Lots and streets, by a fence of appropriate screen.

Section 8 EXTERNAL ANTENNA: No Owner of any Lot within the Properties shall be permitted to construct external radio and/or television antennas or external air conditioning units or evaporative coolers which are mounted on or extend above the roof of any dwelling unit within the Properties, unless with prior approval of the Board pursuant to the rules contained hereinafter.

Section 9 The use of Common Area parking facilities shall be in accordance with rules and regulations adopted by the Board of Directors.

Section 10 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: Each 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 each Lot, subject to the following provisions:

- a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.
- b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot 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 shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rd of each class of member has been recorded;
- d) Easements and rights of access for utility lines as shown on the plat of Buffalo Hills.
- e) The Board retains full responsibility and authority over all common Area; therefore, no Owner shall alter landscaping, erect structures or in any way change the appearance of the Common Area without the written consent of the Board.
- f) The right of the Association to limit the number of guests of members;
- g) The right of the Association, in accordance with its Articles and By-Laws, to borrow money or the purpose of improving the Common Area.

Section 2. DELEGATION OF USE: Any owner may assign, in accordance with the By-Laws, his right of enjoyment to

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the Common Area a. facilities to the members his family,
tenants, or contract purchasers who reside on the Lot.

Section 3 DRIVEWAYS: Ownership of each Lot shall entitle the Owner or Owners thereof to the right of ingress and egress in and upon the driveway area; the covenants and restrictions of this Declaration shall in no way vest authority in the Association to deny an Owner of a Lot with the right of egress to and ingress to said Lot. No parking or storage of boats, camping equipment or disabled vehicles will be allowed on driveways or private streets.

Section 4 GREENBELTS: The greenbelts shall be restricted to pedestrian and non-motorized vehicle use and shall be left open for the use of all Owners and their guests at all times.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS:

Section 1 Every Owner of a Lot 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 Lot which is subject to assessment.

Section 2 The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. 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 (1) vote be cast with respect to any Lot;

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- b) On September 30, 1985.

ARTICLE VI

COVENANT FOR MAINTENANCE

ASSESSMENTS

Section 1 CREATION OF THE LIEN AND PERSONAL OBLIGATION

OF ASSESSMENTS: The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as herein-after 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 Lot 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 and safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, and of the homes situated upon the Properties.

Section 3 MAXIMUM ANNUAL ASSESSMENTS: The maximum annual assessment shall be One Thousand Three Hundred Dollars (\$1,300.00) for each Lot until July 1 of the year immediately following the conveyance of the first Lot to an Owner.

(a) From and after July 1 of the year immediately following the conveyance by Declarant of the first Lot to an

Owner, the annual assessment may be increased, effective July 1 of each year, without a vote of the membership, to an amount not to exceed 110% of the annual assessment for the year preceding the effective date of the increase.

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

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

Section 4 SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS:

In addition to the annual assessments authorized above, the Association may levy, in an assessment year, a special assessment applicable to that year only for the purpose of delaying, 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 each class of members.

Section 5 EXTERIOR MAINTENANCE:

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: paint, repair, replace and care for roofs, exterior building surfaces, walks, driveways and other exterior improvements; such exterior maintenance shall not include glass surfaces. Maintenance and repairs as provided for above are considered to be for normal wear.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family or guest or invitees, or caused by storm, wind, hail, snow, or other acts of God or by fire, the cost of such maintenance for repairs shall be the responsibility of

the Owner. In the event the Owner does not make the necessary repairs within a reasonable time, the Association retains the right to make such repairs. This expense shall be added to and become a part of the assessment to which such Lot is subject. Section IX of Article IV shall apply to this section as it pertains to non-payment of assessment.

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

Section 6 NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4: Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 of this Article shall be given to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be the same as the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7 UNIFORM RATE OF SPECIAL ASSESSMENT: Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 8 DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS DUE DATES: The annual assessments provided for herein shall commence as to all Lots within a building unit (one or more contiguous Lots) on the first day of the month following the conveyance of the first Lot and/or 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 shall fix the amount of the annual assessment against each Lot 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. 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.

Section 9 EFFECT ON NON-PAYMENT OF ASSESSMENTS, REMEDIES OF 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 five (5) 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 \$25.00 per each delinquent assessment, plus interest at the rate of twenty-five percent (25%) per annum on such 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 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 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 Lot 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 the right to bid at any such foreclosure sale and to hold, lease, mortgage and convey such Lot 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 of 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 Lot 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 purchase at the foreclosure sale may be subjected to a lien to secure assessments levied on the Lot 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 officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such lien, 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 with 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 lien 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 Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot 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 receipt of written notification to the Association of the existence of a mortgage on any Lot 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 Lot in the performance of the owner's obligations hereunder which is not cured within thirty (30) days.

(b) In addition to any other requirements imposed by this Declaration, 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 rated 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 the rights, duties and powers relating to the Lots, 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, foster and support community activities of the members, 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 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 membership 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 any 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 dwellings situated on the lots, including any necessary replacement or repair thereof.

(c) Repaint the exterior surfaces of dwellings, and fencing situated on the Lots 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.

(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 of the Common Areas, water, gas and electric service

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and refuse collection; and (if not separately metered or charged) for the benefit of the Lots.

(f) Maintain those portions of Lots not occupied by a dwelling except for enclosed private patio areas and enclosed entry courts.

(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.

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 Lot, 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, 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, by phases, to the Association, free and clear of all encumbrances and liens, except for the lien of this Declaration, prior to the conveyance of the first Lot in the Properties.

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 provided that no easement may be granted by Declaration on, upon, in or under any Lot.

2. Easements through the Properties for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat 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 Lots 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 Lots 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:

Whenever sanitary sewer house connections and/or water house connections or electricity, gas, or telephone and CATV lines or drainage facilities are installed within the Properties, which connections serve more than one Lot, in that event each resident shall be entitled to the full use and enjoyment of such portions of said connections that services his Lot.

5. Each Lot and its Owner within the Properties is hereby declared to have an easement of one foot in width, and the same is hereby granted by Declarant, over all adjoining Lots and Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of a dwelling unit, 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 an Owner or Owners if said encroachment occurred due to willful misconduct of said Owner or Owners. In the event a structure on any Lot is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and there shall be easements for the maintenance of said encroachments so long as they shall exist. In addition, each Lot within the Properties is hereby declared to have an easement for overhanging roofs and eaves as originally constructed over each adjoining Lot and/or the 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 Lot being serviced and shall pass with each conveyance of said Lot.

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

7. Declarant hereby grants to the Association for the benefit of the Owners, a non-exclusive easement for landscaping

and general recreational purposes over the Lots. Such easement shall be located over those portions of Lots which are located between the Lot lines and the exterior of the foundation walls for the structures as originally constructed on each of the Lots by Declarant. 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 homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with Provisions of the 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, an 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 provisions 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, the dispute shall be settled by arbitration, such arbitration to be performed pursuant to the Uniform Arbitration Act, Wyoming Statutes 1977 (as amended) Section 1-36-101 through 1-36-119.

ARTICLE XI

ARCHITECTURAL CONTROL

1. No building, fence, wall or other structure or additional landscaping 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, 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, based upon a harmony with external design and location of surrounding structures, 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 Association 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 to 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 person 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.

2. Neither the Association, the Board, 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 XII

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 covenant 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 Lot or the improvements thereon, provided, however, that any subsequent Owner of such Lot shall be bound by said covenants, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

ARTICLE XIII

NOTICES

In each instance in which notice is to be given to the Owner of a Lot, 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 Lot, to any general partner of a partnership owning such a Lot, 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 lot 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 Lot 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 Lot, 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 XIV

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 per cent (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 XV

CITY'S EASEMENT

Declarant hereby grants to the County of Campbell, 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 County of Campbell.

ARTICLE XVI

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 XVII

GENERAL PROVISIONS

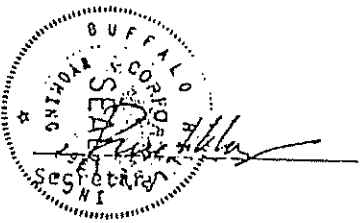
Section 1 SEVERABILITY: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

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 Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75) percent of the Lot Owners. Any amendment must be recorded.

Section 3 ANNEXATION: Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 4 FHA/VA APPROVAL: As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, or amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 11th day of March, 1981.



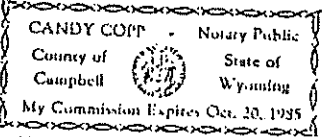
BUFFALO HILLS INCORPORATION

[Signature]
BY GERALD D. GREEN
PRESIDENT

STATE OF WYOMING
COUNTY OF CAMPBELL

On this 11th day of March, 1981, before me personally appeared Gerald D. Green, to me personally known, who, being by me first duly sworn, did say that he is the President of Buffalo Hills Incorporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said Gerald D. Green acknowledged said instrument to be the free act and deed of said corporation.

Given under my hand and notarial seal this 11th day of March, 1981.



[Signature]
NOTARY PUBLIC

My Commission Expires: Oct 20, 1985

EXHIBIT "A"

A plat of part of Lot #1, Block #11 of Latigo Hills Filing #1 being located in Section 27 and 34, Township 44 North, Range 72 West of 6th Principal Meridian, Campbell County, Wyoming, and is particularly described as follows:

Beginning at the Northwest corner, marked with an iron pin, of said Lot #1, Block #11 of Latigo Hills Filing #1, recorded in plat #2, page #63 in the records of Campbell County, Wyoming. Thence along curve to the left said curve having central angle of 4° 34' 40", radius of 600 feet and an arc length of 47.94 feet, and chord of which bears S 70° 56' 44" E. 47.93 feet to a point on said curve; thence S 9° 42' 57" E. 301.96 feet to a point; thence S 31° 18' 00" W. 305.00 feet to an iron pin on south property line of said Lot #1. Thence N 58° 42' 00" W. 245.00 feet along said south property line of said Lot #1 to an iron pin on west property line of said Lot #1. Thence N 31° 18' 00" E. 522.67 feet along said west property line of Lot #1, Block #11 of Latigo Hills Filing #1 to the point of beginning and containing 2.47 acres more or less.

STATE OF WYOMING
Campbell County

Filed for record this _____ day of _____ A.D.
19____ at _____ o'clock _____ M. and recorded in Book _____
of _____ on page _____. Fees \$ _____

Recorded
Abstracted
Indexed
Checked

County Clerk and Ex-Officio Register of Deeds

By _____
Deputy

