

937139

**DECLARATION OF COVENANTS
LEGACY RIDGE SUBDIVISION-PHASE I
THE VILLAS AT LEGACY RIDGE**

Hitt Land Development, LLC, herein the "Declarant", hereby declares that all of the lands within the LEGACY RIDGE, PHASE I, commonly referred to as "The Villas At Legacy Ridge" as more particularly described and laid out in that certain Plat approved by the City of Gillette, Campbell County, Wyoming on October 6th, 2008, and recorded in the Office of the County Clerk of Campbell County as Book 9 Plats, Page 252 on DECEMBER 30th, 2009, (herein referred to sometimes as "The Villas") shall be subject to the following covenants:

1. **LOTS DEFINED.** These Covenants shall apply to The Villas and each and every of the thirty-four (34) Lots thereof, as designated and shown on the aforesaid plat (herein referred to as "Lot" or "Lots"). Each Lot, and all improvements thereon, shall be owned separately and in fee simple, and only the common areas of The Villas shall be owned/used in common with other Lot owners. Each covenant herein shall apply to each such Lot, shall be binding upon and run with the land.

2. **SUBDIVISION.** No Lot shall be further divided, subdivided, split or partitioned in any manner by any owner; provided however, Declarant reserves the right to divide and/or reconfigure Lots in its discretion while developing the Lots.

3. **RESIDENTIAL USE: MULTI-FAMILY CONSTRUCTION.** The Lots in The Villas shall be used for single family residential purposes only. No home constructed on a Lot shall be occupied by more than one family. For purposes of these Covenants, "family" is defined as: no more than two unrelated adults over the age of eighteen years of age and their immediate family members (i.e., children, parents, siblings and grandchildren).

The intended density and use occurring within the residences constructed on a Lot will be in the form of townhouses, duplexes and/or detached single family homes.

4. **GENERAL CONSTRUCTION AND IMPROVEMENT REQUIREMENTS.**

a. **Committee Approval; New Construction/Time For Completion.** Any improvements erected on a Lot shall be on-site new construction with new quality materials and must be approved by the Committee, defined below, prior to commencement.

No owner of a Lot shall erect or place any mobile homes, factory-constructed or other modular residential buildings on any Lot. Once construction of a structure is commenced on a Lot, construction of that structure shall be completed within twelve (12) months of commencement.

b. **Setbacks.** No improvement shall be constructed closer to any property line than a distance of five (5) feet. Eaves, steps and open porches of buildings shall not be considered as part of such improvement.

c. **Compatibility of Improvements.** To maintain a uniformity of appearance in the exteriors of all dwellings or structures within The Villas, the exteriors shall be uniform in color and appearance. No Owner shall repaint the outside of a dwelling nor shall any change in color of any dwelling be allowed without approval of the Committee.

d. **Colors of Improvements.** All buildings and improvements will be painted, stained, sided and roofed in colors specifically approved by the Committee only.

e. **Minimum Square Footage for Homes.** Every home shall have a minimum

of 1,200 square feet and a maximum of 3500 square feet of above-grade finished living area. No home shall exceed two stories above finished grade. No basement area will be considered a part of the finished floor area requirements. No basement shall extend higher than twenty four inches (24") from the highest point of the finished grade elevation of the home.

f. **Permitted Siding.** Each home shall be sided with the following materials or a combination thereof, all as approved by the Committee: hardy board or similar siding and cultured stone.

g. **Soffit and Fascia.** All soffit and fascia shall be considered a part of the siding and shall be installed using new quality material and in accord with the siding materials allowed in preceding paragraph, above, and shall be of a high quality and thickness.

h. **Roofing Requirements.** All roof lines and the roof pitch of porches, dormers and other ancillary roofs shall be approved by the Committee, defined below.

i. **Fences.** No fence shall be built on any Lot except: (A) the separate lawn for the home so long as the fence is consistent with the The Villas PUD plan, is constructed with the same materials/style as the fencing on the other Lots, and approved by the Committee, and (b) that fencing which may be erected around the perimeter of The Villas by the Association, which shall be maintained by the Association.

j. **Antennae/Towers.** Except for the standard and customary sized satellite television dishes, no other antennae, tower, dish or other such fixture shall be mounted on a home, or anywhere on a Lot.

6. **EXTERIOR LIGHTING.** Only standard residential lighting shall be used to illuminate a Lot. All outside lighting shall be arranged, directed and/or shielded so as to prevent any such light shining onto or at the adjacent road and/or Lots and comply with all local lighting ordinances, if any.

7. **UTILITIES/EASEMENTS.** All utilities and service lines installed on Lots shall be underground. Easements are granted to and for the benefit of each Lot along those routes shown on the above-described Plat and designated thereon. The purpose of the easements is to provide each Lot with the benefit of allowing access, utilities, drainage and irrigation along such routes as may be necessary for each Lot.

8. **WASTE DISPOSAL.** The owner of each Lot shall adhere to local regulations for disposing of trash and garbage. No rubbish, debris, ashes or trash of any kind shall be burned on any Lot, nor shall it be placed or permitted to accumulate upon said Lot.

9. **PARKING OF VEHICLES, MACHINERY AND EQUIPMENT.** Vehicles which are not in running condition or are in a state of disrepair, and trailers, campers, snow machines, four wheelers, boats, recreational vehicles and other like vehicles, machinery and equipment shall not be placed, stored or parked anywhere on a Lot unless enclosed in a garage and out of the view of other Lot owners nor shall the same be parked on any street within The Villas. Private vehicles which are used on a daily basis and are used regularly do not need to be stored on a Lot in such an enclosed manner. Provided however, nothing herein shall prohibit an Owner from parking such a vehicle upon their Lot in preparation for a trip for no more than twenty four hours.

Lot owners shall not park, nor allow their guests and invitees to park, along the streets or rights-of-way for any consecutive period longer than twenty-four (24) hours.

10. PETS. No Lot owner shall keep more than three (3) household pets on a Lot, and all such dogs/cats/pets shall be kept restrained on an owner's Lot in a reasonable manner and shall at all times be kept from creating a nuisance or disturbance, particularly a noise disturbance to other Lot owners within The Villas.

11. FIREARMS, FIREWORKS AND HUNTING. No firearm shall be discharged, and no fireworks shall be displayed or used, within The Villas.

12. HAZARDOUS, NOXIOUS, OR OFFENSIVE ACTIVITIES. No hazardous, illegal, noxious, or unreasonably loud or offensive activities shall be permitted within The Villas nor shall anything be done or placed within The Villas which is or may become a nuisance.

12. LANDSCAPING; SNOW REMOVAL

Landscaping, including the introduction and planting of grasses, shrubs, and trees, on each Lot is required and the Lot owner's landscaping plan for each Lot shall be approved by the Committee.

Should a Lot owner desire snow removal from their respective Lot to be provided at the same time as the snow is removed from the common areas by the Association, the Lot owner shall have the option to pay for that additional Lot snow removal at a rate established by the Association. Provided further, Lots 8A, 8B, 8C and 8D of The Villas shall have mandatory snow removal due to the configuration of the shared driveway and the need to ensure that driveway is plowed for the common benefit of those four lots, and each of those four lots shall be assessed accordingly.

13. LEGACY RIDGE SUBDIVISION HOMEOWNERS' ASSOCIATION AND ARCHITECTURAL CONTROL COMMITTEE

A. HOMEOWNERS' ASSOCIATION

i. Creation. The Villas Homeowners' Association (herein referred to as the "Association") is hereby created as an unincorporated, nonprofit Association under the Wyoming Unincorporated Nonprofit Association Act, Wyoming Statutes, to exercise the powers granted, and to perform the functions imposed, by these Covenants with regard to the Lots.

- ii. Purposes and Powers. The general purposes of the Association are to:
- (A) enforce these Covenants, as set forth herein and as may be amended;
 - (B) To assess homeowner dues to each Lot, as contemplated herein;
 - (C) to govern, administer and pay for the private maintenance and repair of any privately maintained roads, rights of way, common areas, common landscaping and individual Lot lawns, and snow removal of common areas and rights of way (together with providing Lot owners the ability to opt into snow removal of their Lot for a fee fixed by the Association);
 - (D) to cooperate and take direction from the Committee (defined below) to protect the generally required characteristics of construction, design and use contemplated herein and to prohibit any construction or use in violation thereof.
 - (E) to generally promote the health, safety, and welfare of the residents of the Lots. The Association shall also have the power to provide such additional services for the Lots as the owners may from time to time approve.

For these purposes, the Association is hereby empowered to but are not limited to the following:

- (1) to maintain a neat, clean and uniform exterior appearance of the structures (but not including repairs to the foundations or repairs or replacement of

broken window glass), mowing and maintenance of yards, including watering, maintenance of open spaces, common areas, signage and all elements of common landscaping (grass, trees, shrubs) and to keep driveways and sidewalks free of debris and snow.

- (2) to hold any and all monies deposited in the Association account, and to use those monies only for the purposes set out under this document and activities incident thereto.
- (3) to fix, levy, collect and enforce payment by any lawful means all charges or assessments incurred by the Association in fulfillment of its purposes. All charges shall be assessed against each Lot on an equal uniform basis, that is, each Lot regardless of size or abutting front footage will bear an equal expenses assessed; provided however, should an owner do something in their back yard which requires more time for maintenance by the Association, that additional time will be uniformly assessed to that Lot(s) requiring the additional services.
- (4) exercise all of the authority, powers, and privileges delegated to or vested in the Association by these Covenants, by Wyoming Statutes, or as may be reasonably implied as being necessary and proper hereunder, and to perform all of the duties and obligations established by these Covenants;
- (5) To vote on the adoption of Bylaws to be prepared by Declarant for the Association as the Villas is developed hereafter, and to elect officers to carry out the administrative duties authorized by the Association's members after the management role thereof is transferred from Declarant. Officers may include a President, Vice President and Secretary/Treasurer unless otherwise provided by the Association;
- (6) fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to these Covenants, and to pay all expenses in connection therewith and all expenses incident to the conduct of the business of the Association, specifically including the costs associated with repairing, maintaining and operating Legacy Ridge Subdivision Phase I roads; and
- (7) pay Declarant a reasonable management fee for its services managing the Association until transferred, and to employ such firms or persons to perform any or all of the duties and obligations of the Association.

iii. **Membership.** Every person who is an owner of a Lot shall be a member of the Association, and such membership shall be appurtenant to and may not be separated from the ownership of the Lot. An owner shall become a member upon conveyance of record to him of his Lot and shall cease being a member upon his conveyance of record of such Lot. No certificate or document, save and except a recorded conveyance to a Lot, shall be required to evidence such membership.

iv. **Voting Rights.** The Lots shall be divided into two classes. Class A lots shall be lots owned by persons or entities other than Hitt Land Development, LLC, MC Hitt Development, LLC or High Plains Builders, LLC, and each Class A lot shall be entitled to vote one vote for each lot. Class B lots shall be lots owned of record by Hitt Land Development, LLC, MC Hitt Development, LLC or High Plains Builders, LLC and each Class B lot shall be entitled to 19 votes per lot (except that High Plains Builders, LLC cannot exercise voting power to establish salary fee structure). At the time a Lot is sold by High Plains Builders, LLC or MC Hitt Development, LLC it shall automatically switch from a Class B lot to a Class A lot.

Class A lot owners shall be entitled to one vote for each Lot owned, save and except that the voting rights of any owner who is more than 30 days past due on the payment of any assessment to the Association shall be automatically suspended until such assessment, together with interest, costs, and reasonable attorney's fees, is paid in full. The voting rights of any owner against an enforcement issue is being voted upon by the Association shall be suspended for the vote on that enforcement issue only. When more than one

person holds an interest in any Lot, the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast on behalf of one Lot.

v. **Action.** An action of the Association, or any approval required of the owners under these Covenants, shall require the affirmative vote of *at least* seventy percent (70%) of the votes eligible to vote, excluding the vote of any owner whose voting rights are suspended, cast in person or by proxy, at a duly constituted meeting of the Association, or, without a meeting by written approval of such action.

vi. **Meetings.** The Association shall have an annual meeting. The first annual meeting shall be held in the month of November 2009, as shall be called to order by Declarant. At such initial annual meeting, the members of the Association shall determine the preferred time, date and location for the annual meetings thereafter. Other special meetings of the Association may be called at any time by the written request of the owners of any three (3) Lots. Written notice of any and all meetings of the Association shall be given by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each owner, addressed to the owner's address last appearing on the books of the Association, or supplied by such owner to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and the purpose of the meeting. Each owner may vote in person or by proxy at all meetings of the Association. All proxies shall be in writing. Every proxy shall be revocable and shall automatically cease upon conveyance by the owner of his Lot.

vii. **Management - Initially by Declarant: Officers and Board of Directors.** The Association shall be managed by Declarant until such time as Declarant resigns in writing or until all of the Lots in The Villas and all of the lots in adjacent subdivisions or planned unit developments which are intended to be developed by Declarant are sold and conveyed of record, whichever occurs first. Declarant shall be entitled to receive reasonable compensation for its services managing the Association and Committee.

When the Association is no longer managed by Declarant, then the Association shall elect a Board of Directors, which shall consist of no less than three nor more than five Directors, the officers of which shall include a President who shall replace Declarant in presiding at meetings of the Association, receive and process complaints, represent the Association as necessary before any City, County or State Agencies and shall generally be the executive officer of the Board of Directors; a Vice-President who shall act in the absence of the President and a Secretary-Treasurer who shall keep all records of the Association and shall collect assessments of members and make necessary disbursements of the Association's funds. The President, Vice-President and Secretary-Treasurer shall each be elected for a two year term. The officers of the Association may be paid such salary or fees as the members of the Association may determine by majority membership vote.

The composition of the Board of Directors and the number of Directors may be changed by Bylaws hereafter adopted by the Association. In the event a vacancy occurs during the term of a Director, the Board of Directors shall appoint a replacement to fill the office for the remainder of the term.

viii. **Insurance.** The owners of each Lot shall insure all improvements on their Lot, at the sole expense of the owner, and such insurance shall consider the party wall shared with the adjoining neighbor's improvements.

The Association shall carry a master policy to cover liability on the common grounds and coverage for directors and officers liability. In addition, the Association will carry insurance to cover the common areas and improvements thereon. Insurance covering the common grounds shall be paid from the Lot Owner's dues.

ix. **Initial Assessment.** The initial Association fees will be \$90.00 per month for each Class A Lot, subject to increase or decrease as provided herein. The Association may determine, from time to time, to offer a discount to any/all Lots wishing to pay their association fees for the entire year, rather than in monthly installments. Class B lots shall not pay any fees or assessments to the Association. The fees are expected to cover the costs of the maintenance, repairs and general upkeep of the exterior aesthetics of The Villas, including landscaping and maintenance to the exterior of all structures (excluding foundations and glass), Association common grounds, liability insurance, and any business fees incurred in the general operation of the Association. The Association may contract for services required by the Association. Fees may be higher than expenses to allow the Association to build up a reserve of funds.

x. **Books and Records.** Upon prior written request, the books, records, and papers of the Association shall be subject to inspection at a reasonable time and place by any owner and by a mortgagee holding a duly recorded mortgage against a Lot.

xi. **Principal Office.** The Association shall designate a principal office from time to time.

xii. **Dissolution.** The Association may be dissolved upon the written approval of all of the owners of all the Lots. Upon dissolution of the Association, the assets of the Association shall be distributed to the owners of the Lots within The Villas in equal shares, or, dedicated to an appropriate public agency or nonprofit organization to be used for purposes broadly similar to those for which this Association was created.

xiii. **Limitations.** No part of the net earnings of the Association shall inure to the benefit of, or be distributed to, the owners, except that the Association shall be authorized to pay reasonable compensation for services rendered.

B. Architectural, Design and Landscape Control Committee (Committee).

i. The Association designates, delegates and assigns all architectural, construction and design review and approval authority to the Architectural, Design and Landscape Control Committee (herein the "Committee"). The Committee shall initially consist of Mark Christiansen, on behalf of Declarant, and no less than two other persons appointed by Declarant who may, but need not be, an Owner of a Tract, and the Initial Committee shall so serve until such time as Declarant resigns in writing or until all of the Lots in The Villas are sold and conveyed of record, whichever occurs first. Thereafter, the Association shall elect at least three (3) members to comprise the Committee thereafter, each of whom shall be Lot Owners

ii. **Powers and Duties.** The Committee's primary duty and right is the exclusive right to review all improvements to be constructed on a Lot so that all new construction, remodeling, landscaping and all other items affecting the exterior of a Lot shall be subject to the Committee's prior written approval. The Committee shall also have the right to grant variances for such construction matters.

A. **Design Review.** The Committee shall have the exclusive right to review and approve the plans and specifications for all construction, landscaping or any improvement of a Lot, in any manner, and the repair and replacement thereof.

B. **Review Process.** Whenever an Owner of a Lot wishes to construct any improvement, whether construction or landscaping, or to re-construct, maintain or repair same, the Owner shall submit to the Committee a complete set of building plans for such proposed construction, one copy on 11"x17" paper and one full-size set. Such building plans shall show all exterior elevations of the proposed building and shall designate all the

materials and colors to be used for all exterior materials so that the Committee has sufficient information to evaluate if the proposal meets the requirements set forth herein. Additionally, the Owner shall submit color samples of all such materials for the Committee's review process.

Upon receipt of such plans, the Committee shall call a special meeting of the Committee for the purpose of reviewing the plans and samples submitted as soon as possible, but in no event shall such meeting occur later than thirty (30) calendar days from the date of their receipt of the plans and samples or any proposed changes or amendments to previously approved said plans.

At the conclusion of the Committee's review of the Plans, it shall vote on its approval or disapproval of the proposed Plans and samples, or defer action on the matter as is necessary to obtain more information. Within ten (10) business days following any final vote on Plans, the Committee shall issue a written statement outlining the result of said vote and state whether it approved or denied the proposed Plans and samples. If denied, the Committee shall further provide a written summary of the reasons for such denial and shall provide the same to the Lot owner who proposed the Plans.

C. **Approval and Conformity of Plans.** No home, building, fence, wall or other structure, or landscaping or improvement shall be commenced, erected or maintained upon the Property, nor shall there be any addition to or substantial change to the exterior of any building or improvement upon a Lot or the landscaping, grading or drainage from a Lot, except in compliance with plans and specifications (collectively, "Plans") which have been submitted to and approved by the Committee in writing.

D. **Variances.** It is the intent of these Covenants to ensure that the improvements constructed within The Villas are higher than average in terms of quality, appearance and styling and compatible and cohesive in design, colors and construction. The Committee shall promote high quality construction and appearance for each building to be constructed in The Villas to protect each Owner's desired lifestyles and property values. The Committee, in exercising its architectural control, may grant a variance to an Owner, upon the Owner's written request, to allow a variance so long as such variance will maintain or inflate property values in The Villas. Declarant and Owners acknowledge there may be a type of construction, siding, roofing or other materials proposed that may be otherwise prohibited herein but because of the overall high quality of construction, appearance and style of the proposed residence or building the Committee may desire, on behalf of the Owners, to allow such and grant a variance.

E. **Inspection and Approval.** Any Committee Member or authorized consultant of the Committee may at any reasonable time enter upon any Lot after reasonable notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with this Declaration and Plans approved by the Committee. The Committee shall cause an inspection of Plans or premises to be undertaken and the Committee shall respond in writing to requests for approval within 30 days of a request from any Owner as to his/her/its Lot.

iii. **Committee Actions: Voting.** Any action by or on behalf of the Committee shall be deemed approved when such action receives the affirmative vote of two (2) or more of the Committee's three (3) members.

iv. **Immunity From Liability.** Neither the Declarant, nor any member of the Committee, nor any agent thereof shall be personally liable for actions taken by the Committee in any matter. It is the specific intent of these covenants that no Committee Member will face financial liability for any action or omission they may take in carrying out their duties. Approval of Plans by the Committee shall not be deemed to be a

representation or warranty that the Plans comply with applicable laws or regulations, including zoning ordinances and building codes.

14. ASSESSMENTS.

a. Creation of Lien & Personal Obligation of Assessments. Each owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all assessments or charges duly established and collected as hereinafter provided. All such 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 Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's 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 an owner's successors in title unless expressly assumed by them.

b. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to pay the obligations imposed upon the Association by these Covenants and to promote the health, safety, and welfare of the residents of the Lots.

c. Monthly Assessments. The Association shall establish monthly assessments to meet its obligations under these Covenants, including specifically the obligations to maintain common areas, rights of way, landscaping, satisfy the operating expenses of the Association. The Association shall have the power to include within the assessment amounts to meet the costs of any other service duly approved by the Association. The initial monthly assessments, when commenced, shall be \$90.00/month for all Class A lots. Provided further, the Association may offer to all Lots a discount if the monthly assessments are paid in one lump sum for the entire calendar year.

d. Special Assessments. In addition to the regular assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only.

e. Approval of Assessments; Fiscal Year. All assessments under this Section 14 shall be subject to the approval of the Association, as provided herein. For purposes of assessments, the Association's fiscal year shall be from July 1st through June 30th each year.

f. Uniform Rate of Assessment. Both annual and special assessments shall be fixed as a uniform rate for all Class A Lots. All Class B lots shall uniformly not be assessed.

g. Commencement of Assessments. The monthly assessments provided for herein shall commence as to all Class A Lots the month following the first sale and conveyance of a Class A Lot. The Association shall fix the amount of the monthly assessment against each Lot at the annual meeting of the Association. Written notice of the assessment shall be sent to every owner subject thereto. The due dates shall be established by the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

h. Effect of Nonpayment of Assessments. Any assessment not paid within 30 days after the due date shall thereafter bear interest from the due date at the rate of 12 percent per annum. Upon the failure of a Lot owner to pay the assessment when due, the Association will provide written notice to the violating Lot owner by delivering the notice by certified mail -- such delivery shall be deemed effective on the date notice is mailed by the Association. The violating Lot owner shall have thirty (30) days from the date the notice is deposited in the mail to pay, in full, the unpaid assessment, interest thereon and costs. If payment is not received by the Association within said 30 day period, the Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the Lot which is created herein by such nonpayment. The lien created herein shall be foreclosed in the manner provided for the foreclosure of real estate mortgages in the State of Wyoming and may be, at the Association's discretion, accomplished by advertisement and sale as provided in the

Wyoming Statutes. In the event of such collection and/or foreclosure, the nonpaying Lot owner shall be liable for all attorney's fees and costs incurred by the enforcing party in such collection. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of his Lot.

i. Subordination of Lien to Mortgages. The lien of the assessment 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 the foreclosure of a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

15. VARIANCE. In addition to the Committee's power to grant a variance to any provision herein, the Association shall also have the authority, upon an affirmative vote of at least ninety percent (90%) of Lot owners, to grant a variance from these Covenants for good cause shown in order to prevent undue hardship on an owner subject to the Covenants. The variance, if granted, shall not violate the overall theme and appearance of the property subject to these Covenants and shall be in writing.

16. ENFORCEABILITY. These Covenants may be enforced by the record owner of any Lot or parcel in The Villas or by the Committee or by the Association, but shall not run to the benefit of a third party, except as otherwise specifically provided below. The Association shall be entitled to recovery of its attorneys fees and costs incurred in a successful enforcement of these Covenants.

17. SEVERABILITY. Invalidation of any one of these Covenants or restrictions by judgment or court order shall in no way wise affect any other provisions which shall remain in full force and effect.

18. NON-WAIVER. Any failure to promptly enforce a violation of these Covenants shall not be deemed a waiver of the right to so enforce whatsoever.

19. COVENANTS RUN WITH THE LAND; AMENDMENT. This Declaration of Covenants shall run with the land and shall be binding upon all parties and shall be automatically extended for successive periods of ten (10) years unless an instrument signed by Declarant and at least ninety percent (90%) of Lots repeals or amends this Declaration covenants.

Except as expressly otherwise provided hereafter, these Covenants may be amended only upon an affirmative vote of Declarant together with at least fifty one percent (51%) of votes eligible to vote, which said amendment shall be filed in the Office of the County Clerk of Campbell County, Wyoming.

Executed by the Declarant this 15th day of December 2009.

Hitt Land Development, LLC

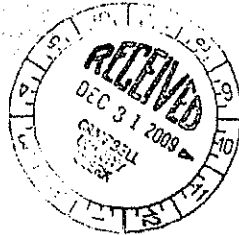
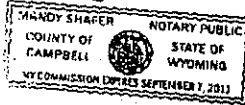
Bruce L. Hitt MANAGING MEMBER
Bruce L. Hitt, Managing Member

STATE OF WYOMING)
) ss.
COUNTY OF CAMPBELL)

On this 15th day of December 2009, the foregoing Declaration was acknowledged before me by Bruce L. Hitt as Managing Member of Hitt Land Development, LLC, who appeared before me and was personally known to me.

Mandy Shaper
Notary Public

My Commission expires: 9-7-11



937139 Recorded on 12/31/2009 at 10:30:00 Fee 36.00
Book 2506 of PHOTOS Page 263 to 262
Susan F. Saunders, Campbell County Clerk By: L. GROFF

RECORDED ✓
ABSTRACTED ✓
INDEXED ✓
CHECKED ✓

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**DECLARATION OF COVENANTS
LEGACY RIDGE SUBDIVISION-PHASE I
THE VILLAS AT LEGACY RIDGE
AS AMENDED AND RESTATED**

MC Hitt Development, LLC (who is hereinafter referred to as the "Declarant"), hereby amends and restates the Declaration of Covenants recorded in the Campbell County Clerk's office in Book 2506 of photos at Page 253 (herein the "Initial Covenants"). The undersigned own one hundred percent (100%) of the land and lots (with the exception of Tract A as laid out in that certain Plat, further described below) within LEGACY RIDGE, PHASE I, commonly referred to as "The Villas At Legacy Ridge" as more particularly described and laid out in that certain Plat approved by the City of Gillette, Campbell County, Wyoming on October 6, 2009, and recorded in the Office of the County Clerk of Campbell County in Book 9 of Plats, Page 252 on December 30, 2009 (herein referred to sometimes as "The Villas"), and as the sole owner, hereby amends and restates in its entirety the Initial Covenants for The Villas, as follows.

The Declarant declares that all of the lands within LEGACY RIDGE, PHASE I, commonly referred to as "The Villas At Legacy Ridge" as more particularly described and laid out in that certain Plat for The Villas shall be subject to the following covenants:

1. **LOTS DEFINED.** These Covenants shall apply to The Villas and each and every of the thirty-four (34) Lots thereof, as designated and shown on the aforesaid plat (herein referred to as "Lot" or "Lots"). Each Lot, and all improvements thereon, shall be owned separately and in fee simple, and only the common areas of The Villas shall be owned/used in common with other Lot owners. Each covenant herein shall apply to each such Lot, shall be binding upon and run with the land.

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3. **RESIDENTIAL USE; MULTI-FAMILY CONSTRUCTION.** The Lots in The Villas shall be used for single family residential purposes only. No home constructed on a Lot shall be occupied by more than one family. For purposes of these Covenants, "family" is defined as: no more than two unrelated adults over the age of eighteen years of age and their immediate family members (i.e., children, parents, siblings and grandchildren).

The intended density and use occurring within the residences constructed on a Lot will be in the form of townhouses, duplexes and/or detached single family homes.

4. **GENERAL CONSTRUCTION AND IMPROVEMENT REQUIREMENTS.**

a. *Committee Approval; New Construction/Time For Completion.* Any improvements erected on a Lot shall be on-site new construction with new quality materials and must be approved by the Committee, defined below, prior to commencement.

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b. *Setbacks.* No improvement shall be constructed closer to any property line than a distance of five (5) feet. Eaves, steps and open porches of buildings shall not be considered as part of such improvement.

c. *Compatibility of Improvements.* To maintain a uniformity of appearance in

the exteriors of all dwellings or structures within The Villas, the exteriors shall be uniform in color and appearance. No Owner shall repaint the outside of a dwelling nor shall any change in color of any dwelling be allowed without approval of the Committee.

d. *Colors of Improvements.* All buildings and improvements will be painted, stained, sided and roofed in colors specifically approved by the Committee only.

e. *Minimum Square Footage for Homes.* Every home shall have a minimum of 1,200 square feet and a maximum of 3500 square feet of above-grade finished living area. No home shall exceed two stories above finished grade. No basement area will be considered a part of the finished floor area requirements. No basement shall extend higher than twenty four inches (24") from the highest point of the finished grade elevation of the home.

f. *Permitted Sidings.* Each home shall be sided with the following materials or a combination thereof, all as approved by the Committee: hardy board or similar siding and cultured stone.

g. *Soffit and Fascia.* All soffit and fascia shall be considered a part of the siding and shall be installed using new quality material and in accord with the siding materials allowed in preceding paragraph, above, and shall be of a high quality and thickness.

h. *Roofing Requirements.* All roof lines and the roof pitch of porches, dormers and other ancillary roofs shall be approved by the Committee, defined below.

i. *Fences.* No fence shall be built on any Lot except: (A) the separate lawn for the home so long as the fence is consistent with the The Villas PUD plan, is constructed with the same materials/style as the fencing on the other Lots, and approved by the Committee, and (b) that fencing which may be erected around the perimeter of The Villas by the Association, which shall be maintained by the Association.

j. *Antennae/Towers.* Except for the standard and customary sized satellite television dishes, no other antennae, tower, dish or other such fixture shall be mounted on a home, or anywhere on a Lot.

6. **EXTERIOR LIGHTING.** Only standard residential lighting shall be used to illuminate a Lot. All outside lighting shall be arranged, directed and/or shielded so as to prevent any such light shining onto or at the adjacent road and/or Lots and comply with all local lighting ordinances, if any .

7. **UTILITY AND ACCESS EASEMENTS.** All utilities and service lines installed on Lots shall be underground. Easements are granted to and for the benefit of each Lot along those routes shown on the above-described Plat and designated thereon. The purpose of the easements is to provide each Lot with the benefit of allowing access, utilities, drainage and irrigation along such routes as may be necessary for each Lot.

Provided Further, Declarant hereby grants an access easement to and for the benefit of each Lot along all roads labeled and shown on the Plat, specifically including but not limited to "Villa Way" (also shown on the Plat as "Tract D (Private Drive)" for all owners of all Lots, and their guests and invitees to access each Lot.

8. **WASTE DISPOSAL.** The owner of each Lot shall adhere to local regulations for disposing of trash and garbage. No rubbish, debris, ashes or trash of any kind shall be burned on any Lot, nor shall it be placed or permitted to accumulate upon said Lot.

9. **PARKING OF VEHICLES, MACHINERY AND EQUIPMENT.** Vehicles which are not in

running condition or are in a state of disrepair, and trailers, campers, snow machines, four wheelers, boats, recreational vehicles and other like vehicles, machinery and equipment shall not be placed, stored or parked anywhere on a Lot unless enclosed in a garage and out of the view of other Lot owners nor shall the same be parked on any street within The Villas. Private vehicles which are used on a daily basis and are used regularly do not need to be stored on a Lot in such an enclosed manner. Provided however, nothing herein shall prohibit an Owner from parking such a vehicle upon their Lot in preparation for a trip for no more than twenty four hours.

Lot owners shall not park, nor allow their guests and invitees to park, along the streets or rights-of-way for any consecutive period longer than twenty-four (24) hours.

10. PETS. No Lot owner shall keep more than three (3) household pets on a Lot, and all such dogs/cats/pets shall be kept restrained on an owner's Lot in a reasonable manner and shall at all times be kept from creating a nuisance or disturbance, particularly a noise disturbance to other Lot owners within The Villas.

11. FIREARMS, FIREWORKS AND HUNTING. No firearm shall be discharged, and no fireworks shall be displayed or used, within The Villas.

12. HAZARDOUS, NOXIOUS, OR OFFENSIVE ACTIVITIES. No hazardous, illegal, noxious, or unreasonably loud or offensive activities shall be permitted within The Villas nor shall anything be done or placed within The Villas which is or may become a nuisance.

12. LANDSCAPING; SNOW REMOVAL.
Landscaping, including the introduction and planting of grasses, shrubs, and trees, on each Lot is required and the Lot owner's landscaping plan for each Lot shall be approved by the Committee.

Should a Lot owner desire snow removal from their respective Lot to be provided at the same time as the snow is removed from the common areas by the Association, the Lot owner shall have the option to pay for that additional Lot snow removal at a rate established by the Association. Provided further, Lots 8A, 8B, 8C and 8D of The Villas shall have mandatory snow removal due to the configuration of the shared driveway and the need to ensure that driveway is plowed for the common benefit of those four lots, and each of those four lots shall be assessed accordingly.

13. THE VILLAS HOMEOWNERS' ASSOCIATION AND ARCHITECTURAL CONTROL COMMITTEE.

A. HOMEOWNERS' ASSOCIATION.

i. **Creation.** The Villas Homeowners' Association (herein referred to as the "Association") is hereby created as an unincorporated, nonprofit Association under the Wyoming Unincorporated Nonprofit Association Act, Wyoming Statutes, to exercise the powers granted, and to perform the functions imposed, by these Covenants with regard to the Lots.

- ii. **Purposes and Powers.** The general purposes of the Association are to:
- (A) enforce these Covenants, as set forth herein and as may be amended;
 - (B) To assess homeowner dues to each Lot, as contemplated herein;
 - (C) to govern, administer and pay for the private maintenance and repair of any privately maintained roads, rights of way, common areas, common landscaping and individual Lot lawns, and snow removal of common areas and rights of way (together with providing Lot owners the ability to opt into snow removal of their Lot for a fee fixed by the Association);
 - (D) to cooperate and take direction from the Committee (defined below) to protect the generally required characteristics of construction, design and use

contemplated herein and to prohibit any construction or use in violation thereof.

- (E) to generally promote the health, safety, and welfare of the residents of the Lots. The Association shall also have the power to provide such additional services for the Lots as the owners may from time to time approve.

For these purposes, the Association is hereby empowered to but are not limited to the following:

- (1) to maintain a neat, clean and uniform exterior appearance of the structures (but not including repairs to the foundations or repairs or replacement of broken window glass), mowing and maintenance of yards, including watering, maintenance of open spaces, common areas, signage and all elements of common landscaping (grass, trees, shrubs) and to keep driveways and sidewalks free of debris and snow.
- (2) to hold any and all monies deposited in the Association account, and to use those monies only for the purposes set out under this document and activities incident thereto.
- (3) to fix, levy, collect and enforce payment by any lawful means all charges or assessments incurred by the Association in fulfillment of its purposes. All charges shall be assessed against each Lot on an equal uniform basis, that is, each Lot regardless of size or abutting front footage will bear an equal expenses assessed; provided however, should an owner do something in their back yard which requires more time for maintenance by the Association, that additional time will be uniformly assessed to that Lot(s) requiring the additional services.
- (4) exercise all of the authority, powers, and privileges delegated to or vested in the Association by these Covenants, by Wyoming Statutes, or as may be reasonably implied as being necessary and proper hereunder, and to perform all of the duties and obligations established by these Covenants;
- (5) To vote on the adoption of Bylaws to be prepared by Declarant for the Association as the Villas is developed hereafter, and to elect officers to carry out the administrative duties authorized by the Association's members after the management role thereof is transferred from Declarant. Officers may include a President, Vice President and Secretary/Treasurer unless otherwise provided by the Association;
- (6) fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to these Covenants, and to pay all expenses in connection therewith and all expenses incident to the conduct of the business of the Association, specifically including the costs associated with repairing, maintaining and operating Legacy Ridge Subdivision Phase I roads; and
- (7) pay Declarant a reasonable management fee for its services managing the Association until transferred, and to employ such firms or persons to perform any or all of the duties and obligations of the Association.

iii. **Membership.** Every person who is an owner of a Lot shall be a member of the Association, and such membership shall be appurtenant to and may not be separated from the ownership of the Lot. An owner shall become a member upon conveyance of record to him of his Lot and shall cease being a member upon his conveyance of record of such Lot. No certificate or document, save and except a recorded conveyance to a Lot, shall be required to evidence such membership.

iv. **Voting Rights.** The Lots shall be divided into two classes. Class A lots shall be lots owned by persons or entities other than MC Hitt Development, LLC or High Plains Builders, LLC, and each Class A lot shall be entitled to vote one vote for each lot. Class B lots shall be lots owned of record by MC Hitt Development, LLC or High Plains Builders, LLC and each Class B lot shall be entitled to 19 votes per lot (except that High Plains Builders, LLC

cannot exercise voting power to establish salary fee structure). At the time a Lot is sold by High Plains Builders, LLC or MC Hitt Development, LLC it shall automatically switch from a Class B lot to a Class A lot.

Class A lot owners shall be entitled to one vote for each Lot owned, save and except that the voting rights of any owner who is more than 30 days past due on the payment of any assessment to the Association shall be automatically suspended until such assessment, together with interest, costs, and reasonable attorney's fees, is paid in full. The voting rights of any owner against an enforcement issue is being voted upon by the Association shall be suspended for the vote on that enforcement issue only. When more than one

person holds an interest in any Lot, the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast on behalf of one Lot.

v. **Action.** An action of the Association, or any approval required of the owners under these Covenants, shall require the affirmative vote of *at least* seventy percent (70%) of the votes eligible to vote, excluding the vote of any owner whose voting rights are suspended, cast in person or by proxy, at a duly constituted meeting of the Association, or, without a meeting by written approval of such action.

vi. **Meetings.** The Association shall have an annual meeting. The first annual meeting shall be held in the month of November 2009, as shall be called to order by Declarant. At such initial annual meeting, the members of the Association shall determine the preferred time, date and location for the annual meetings thereafter. Other special meetings of the Association may be called at any time by the written request of the owners of any three (3) Lots. Written notice of any and all meetings of the Association shall be given by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each owner, addressed to the owner's address last appearing on the books of the Association, or supplied by such owner to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and the purpose of the meeting. Each owner may vote in person or by proxy at all meetings of the Association. All proxies shall be in writing. Every proxy shall be revocable and shall automatically cease upon conveyance by the owner of his Lot.

vii. **Management - Initially by Declarant; Officers and Board of Directors.** The Association shall be managed by Declarant until such time as Declarant resigns in writing or until all of the Lots in The Villas and all of the lots in adjacent subdivisions or planned unit developments which are intended to be developed by Declarant are sold and conveyed of record, whichever occurs first. Declarant shall be entitled to receive reasonable compensation for its services managing the Association and Committee.

When the Association is no longer managed by Declarant, then the Association shall elect a Board of Directors, which shall consist of no less than three nor more than five Directors, the officers of which shall include a President who shall replace Declarant in presiding at meetings of the Association, receive and process complaints, represent the Association as necessary before any City, County or State Agencies and shall generally be the executive officer of the Board of Directors; a Vice-President who shall act in the absence of the President and a Secretary-Treasurer who shall keep all records of the Association and shall collect assessments of members and make necessary disbursements of the Association's funds. The President, Vice-President and Secretary-Treasurer shall each be elected for a two year term. The officers of the Association may be paid such salary or fees as the members of the Association may determine by majority membership vote.

The composition of the Board of Directors and the number of directors may be changed by Bylaws hereafter adopted by the Association. In the event a vacancy occurs during the term of a Director, the Board of Directors shall appoint a replacement to fill the office for the remainder of the term.

viii. **Insurance.** The owners of each Lot shall insure all improvements on their Lot, at the sole expense of the owner, and such insurance shall consider the party wall shared with the adjoining neighbor's improvements.

The Association shall carry a master policy to cover liability on the common grounds and coverage for directors and officers liability. In addition, the Association will carry insurance to cover the common areas and improvements thereon. Insurance covering the common grounds shall be paid from the Lot Owner's dues.

ix. **Initial Assessment.** The initial Association fees will be \$90.00 per month for each Class A Lot, subject to increase or decrease as provided herein. The Association may determine, from time to time, to offer a discount to any/all Lots wishing to pay their association fees for the entire year, rather than in monthly installments. Class B lots shall not pay any fees or assessments to the Association. The fees are expected to cover the costs of the maintenance, repairs and general upkeep of the exterior aesthetics of The Villas, including landscaping and maintenance to the exterior of all structures (excluding foundations and glass), Association common grounds, liability insurance, and any business fees incurred in the general operation of the Association. The Association may contract for services required by the Association. Fees may be higher than expenses to allow the Association to build up a reserve of funds.

x. **Books and Records.** Upon prior written request, the books, records, and papers of the Association shall be subject to inspection at a reasonable time and place by any owner and by a mortgagee holding a duly recorded mortgage against a Lot.

xi. **Principal Office.** The Association shall designate a principal office from time to time.

xii. **Dissolution.** The Association may be dissolved upon the written approval of all of the owners of all the Lots. Upon dissolution of the Association, the assets of the Association shall be distributed to the owners of the Lots within The Villas in equal shares, or, dedicated to an appropriate public agency or nonprofit organization to be used for purposes broadly similar to those for which this Association was created.

xiii. **Limitations.** No part of the net earnings of the Association shall inure to the benefit of, or be distributed to, the owners, except that the Association shall be authorized to pay reasonable compensation for services rendered.

B. Architectural, Design and Landscape Control Committee (Committee).

i. The Association designates, delegates and assigns all architectural, construction and design review and approval authority to the Architectural, Design and Landscape Control Committee (herein the "Committee"). The Committee shall initially consist of Mark A. Christensen, on behalf of Declarant, and no less than two other persons appointed by Declarant who may, but need not be, an Owner of a Tract, and the initial Committee shall so serve until such time as Declarant resigns in writing or until all of the Lots in The Villas are sold and conveyed of record, whichever occurs first. Thereafter, the Association shall elect at least three (3) members to comprise the Committee thereafter, each of whom shall be Lot Owners

ii. **Powers and Duties.** The Committee's primary duty and right is the exclusive right to review all improvements to be constructed on a Lot so that all new construction, remodeling, landscaping and all other items affecting the exterior of a Lot shall be subject to the Committee's prior written approval. The Committee shall also have the right to grant variances for such construction matters.

A. **Design Review.** The Committee shall have the exclusive right to review and approve the plans and specifications for all construction, landscaping or any improvement of a Lot, in any manner, and the repair and replacement thereof.

B. **Review Process.** Whenever an Owner of a Lot wishes to construct any improvement, whether construction or landscaping, or to re-construct, maintain or repair same, the Owner shall submit to the Committee a complete set of building plans for such proposed construction, one copy on 11"x17" paper and one full-size set. Such building plans shall show all exterior elevations of the proposed building and shall designate all the materials and colors to be used for all exterior materials so that the Committee has sufficient information to evaluate if the proposal meets the requirements set forth herein. Additionally, the Owner shall submit color samples of all such materials for the Committee's review process.

Upon receipt of such plans, the Committee shall call a special meeting of the Committee for the purpose of reviewing the plans and samples submitted as soon as possible, but in no event shall such meeting occur later than thirty (30) calendar days from the date of their receipt of the plans and samples or any proposed changes or amendments to previously approved said plans.

At the conclusion of the Committee's review of the Plans, it shall vote on its approval or disapproval of the proposed Plans and samples, or defer action on the matter as is necessary to obtain more information. Within ten (10) business days following any final vote on Plans, the Committee shall issue a written statement outlining the result of said vote and state whether it approved or denied the proposed Plans and samples. If denied, the Committee shall further provide a written summary of the reasons for such denial and shall provide the same to the Lot owner who proposed the Plans.

C. **Approval and Conformity of Plans.** No home, building, fence, wall or other structure, or landscaping or improvement shall be commenced, erected or maintained upon the Property, nor shall there be any addition to or substantial change to the exterior of any building or improvement upon a Lot or the landscaping, grading or drainage from a Lot, except in compliance with plans and specifications (collectively, "Plans") which have been submitted to and approved by the Committee in writing.

D. **Variances.** It is the intent of these Covenants to ensure that the improvements constructed within The Villas are higher than average in terms of quality, appearance and styling and compatible and cohesive in design, colors and construction. The Committee shall promote high quality construction and appearance for each building to be constructed in The Villas to protect each Owner's desired lifestyles and property values. The Committee, in exercising its architectural control, may grant a variance to an Owner, upon the Owner's written request, to allow a variance so long as such variance will maintain or inflate property values in The Villas. Declarant and Owners acknowledge there may be a type of construction, siding, roofing or other materials proposed that may be otherwise prohibited herein but because of the overall high quality of construction, appearance and style of the proposed residence or building the Committee may desire, on behalf of the Owners, to allow such and grant a variance.

E. **Inspection and Approval.** Any Committee Member or authorized consultant of the Committee may at any reasonable time enter upon any Lot after reasonable notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with this Declaration and Plans approved by the Committee. The Committee shall cause an inspection of Plans or premises to be undertaken and the Committee shall respond in writing to requests for approval within 30 days of a request from any Owner as to his/her/its Lot.

iii. **Committee Actions: Voting.** Any action by or on behalf of the Committee shall be deemed approved when such action receives the affirmative vote of two (2) or more of the Committee's three (3) members.

iv. **Immunity From Liability.** Neither the Declarant, nor any member of the Committee, nor any agent thereof shall be personally liable for actions taken by the Committee in any matter. It is the specific intent of these covenants that no Committee Member will face financial liability for any action or omission they may take in carrying out their duties. Approval of Plans by the Committee shall not be deemed to be a representation or warranty that the Plans comply with applicable laws or regulations, including zoning ordinances and building codes.

14. **ASSESSMENTS.**

a. **Creation of Lien & Personal Obligation of Assessments.** Each owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all assessments or charges duly established and collected as hereinafter provided. All such 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 Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's 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 an owner's successors in title unless expressly assumed by them.

b. **Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to pay the obligations imposed upon the Association by these Covenants and to promote the health, safety, and welfare of the residents of the Lots.

c. **Monthly Assessments.** The Association shall establish monthly assessments to meet its obligations under these Covenants, including specifically the obligations to maintain common areas, rights of way, landscaping, satisfy the operating expenses of the Association. The Association shall have the power to include within the assessment amounts to meet the costs of any other service duly approved by the Association. The initial monthly assessments, when commenced, shall be \$90.00/month for all Class A lots. Provided further, the Association may offer to all Lots a discount if the monthly assessments are paid in one lump sum for the entire calendar year.

d. **Special Assessments.** In addition to the regular assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only.

e. **Approval of Assessments: Fiscal Year.** All assessments under this Section 14 shall be subject to the approval of the Association, as provided herein. For purposes of assessments, the Association's fiscal year shall be from July 1st through June 30th each year.

f. **Uniform Rate of Assessment.** Both annual and special assessments shall be fixed as a uniform rate for all Class A Lots. All Class B lots shall uniformly not be assessed.

g. **Commencement of Assessments.** The monthly assessments provided for herein shall commence as to all Class A Lots the month following the first sale and conveyance of a Class A Lot. The Association shall fix the amount of the monthly assessment against each Lot at the annual meeting of the Association. Written notice of the assessment shall be sent to every owner subject thereto. The due dates shall be established by the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

h. **Effect of Nonpayment of Assessments.** Any assessment not paid within 30 days after the due date shall thereafter bear interest from the due date at the rate of 12 percent per annum. Upon the failure of a Lot owner to pay the assessment when due, the

Association will provide written notice to the violating Lot owner by delivering the notice by certified mail -- such delivery shall be deemed effective on the date notice is mailed by the Association. The violating Lot owner shall have thirty (30) days from the date the notice is deposited in the mail to pay, in full, the unpaid assessment, interest thereon and costs. If payment is not received by the Association within said 30 day period, the Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the Lot which is created herein by such nonpayment. The lien created herein shall be foreclosed in the manner provided for the foreclosure of real estate mortgages in the State of Wyoming and may be, at the Association's discretion, accomplished by advertisement and sale as provided in the Wyoming Statutes. In the event of such collection and/or foreclosure, the nonpaying Lot owner shall be liable for all attorney's fees and costs incurred by the enforcing party in such collection. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of his Lot.

i. **Subordination of Lien to Mortgages.** The lien of the assessment 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 the foreclosure of a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

15. **VARIANCE.** In addition to the Committee's power to grant a variance to any provision herein, the Association shall also have the authority, upon an affirmative vote of *at least* ninety percent (90%) of Lot owners, to grant a variance from these Covenants for good cause shown in order to prevent undue hardship on an owner subject to the Covenants. The variance, if granted, shall not violate the overall theme and appearance of the property subject to these Covenants and shall be in writing.

16. **ENFORCEABILITY.** These Covenants may be enforced by the record owner of any Lot or parcel in The Villas or by the Committee or by the Association, but shall not run to the benefit of a third party, except as otherwise specifically provided below. The Association shall be entitled to recovery of its attorneys fees and costs incurred in a successful enforcement of these Covenants.

17. **SEVERABILITY.** Invalidation of any one of these Covenants or restrictions by judgment or court order shall in no way wise affect any other provisions which shall remain in full force and effect.

18. **NON-WAIVER.** Any failure to promptly enforce a violation of these Covenants shall not be deemed a waiver of the right to so enforce whatsoever.

19. **COVENANTS RUN WITH THE LAND: AMENDMENT.** This Declaration of Covenants shall run with the land and shall be binding upon all parties and shall be automatically extended for successive periods of ten (10) years unless an instrument signed by Declarant and *at least* ninety percent (90%) of Lots repeals this Declaration of Covenants.

Except as expressly otherwise provided hereafter, these Covenants may be amended only upon an affirmative vote of Declarant together with *at least* fifty one percent (51%) of votes eligible to vote, which said amendment shall be filed in the Office of the County Clerk of Campbell County, Wyoming.

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Page 00365

Executed by the Declarant this 14th day of January, 2010.

MC Hitt Development, LLC

Mark A. Christensen

Mark A. Christensen, Member of
The MC Family of Companies, LLC

Bruce L. Hitt

Bruce L. Hitt, Managing Member of
Hitt Land Development, LLC

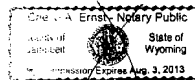
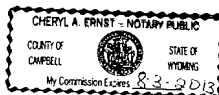
STATE OF WYOMING)
) ss.
COUNTY OF CAMPBELL)

On this 14th day of January, 2010, the foregoing Declaration was acknowledged before me by Mark A. Christensen as Manager/Member of The MC Family of Companies, LLC, who appeared before me and was personally known to me.
~~*member and manager of MC Hitt Development, LLC,~~

Cheryl A. Ernst
Notary Public

My Commission expires: 8-3-2013

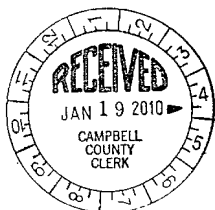
STATE OF WYOMING)
) ss.
COUNTY OF CAMPBELL)



On this 14th day of January, 2010, the foregoing Declaration was acknowledged before me by Bruce L. Hitt as Managing Member of Hitt Land Development, LLC, who appeared before me and was personally known to me.
~~*member and manager of MC Hitt Development, LLC,~~

Cheryl A. Ernst
Notary Public

My Commission expires: 8-3-2013



RECORDED ✓
ABSTRACTED ✓
INDEXED ✓
CHECKED ✓

937850 Recorded on 1/19/2010 at 4:18:00 Fee 36.00
Book 2510 of PHOTOS Pages 366 to 365
Susan F. Saunders, Campbell County Clerk by: P. SPARLING

939195

Book 2519 of Photos, Page 254

RESTATED AND AMENDED
DECLARATION OF COVENANTS
LEGACY RIDGE SUBDIVISION-PHASE I
THE VILLAS AT LEGACY RIDGE

MC Hitt Development, LLC (who is hereinafter referred to as the "Declarant"), hereby amends and restates the Declaration of Covenants, as amended and recorded in the Campbell County Clerk's office in Book 2506 of Photos at Page 253, as amended by that instrument recorded in Book 2510 of Photos at Page 356 (herein referred to collectively as the "Initial Covenants"). The undersigned owns one hundred percent (100%) of the land and lots (with the exception of Tract A/Tract A1) more particularly described and originally laid out in that certain Plat approved by the City of Gillette, Campbell County, Wyoming and recorded in the Office of the County Clerk of Campbell County in Book 9 of Plats, Page 252 on December 30, 2009, and as thereafter amended and approved by the City of Gillette and recorded in the Office of the County Clerk of Campbell County in Book 9 of Plats, Page 258 on February 19, 2010 (herein referred to sometimes as "The Villas"), and as the sole owner, hereby amends and restates in its entirety the Initial Covenants for The Villas, as follows.

The Declarant declares that all of the lands described and affected by the Initial Covenants has been re-platted as a Planned Unit Development and these Restated and Amended Covenants are refilled to conform to the lands now being defined by the above-described PUD plat and which are hereafter described as A RESUBDIVISION OF LEGACY RIDGE, PHASE I, CITY OF GILLETTE, WYOMING, LEGACY RIDGE, PHASE I PLANNED UNIT DEVELOPMENT TO BE KNOWN AS THE VILLAS AT LEGACY RIDGE, commonly referred to as "The Villas At Legacy Ridge", all of which shall be subject to the following covenants:

1. **LOTS DEFINED.** These Covenants shall apply to The Villas and each and every of the thirty-eight (38) Lots thereof, as designated and shown on the aforesaid plat (herein referred to as "Lot" or "Lots"). Each Lot, and all improvements thereon, shall be owned separately and in fee simple, and only the common areas of The Villas shall be owned/used in common with other Lot owners. Each covenant herein shall apply to each such Lot, shall be binding upon and run with the land.

2. **SUBDIVISION.** No Lot shall be further divided, subdivided, split or partitioned in any manner by any owner; provided however, Declarant reserves the right to divide and/or reconfigure Lots in its discretion while developing the Lots.

3. **RESIDENTIAL USE: MULTI-FAMILY CONSTRUCTION.** The Lots in The Villas shall be used for single family residential purposes only. No home constructed on a Lot shall be occupied by more than one family. For purposes of these Covenants, "family" is defined as: no more than two unrelated adults over the age of eighteen years of age and their immediate family members (i.e., children, parents, siblings and grandchildren).

The intended density and use occurring within the residences constructed on a Lot will be in the form of townhouses, duplexes and/or detached single family homes.

4. **GENERAL CONSTRUCTION AND IMPROVEMENT REQUIREMENTS.**

a. **Committee Approval; New Construction/Time For Completion.** Any improvements erected on a Lot shall be on-site new construction with new quality materials and must be approved by the Committee, defined below, prior to commencement.

No owner of a Lot shall erect or place any mobile homes, factory-constructed or other modular residential buildings on any Lot. Once construction of a structure is commenced on a Lot, construction of that structure shall be completed within twelve (12) months of

Book 2519 of Photos, Page 255

commencement.

b. *Setbacks.* No improvement shall be constructed closer to any property line than a distance of five (5) feet. Eaves, steps and open porches of buildings shall not be considered as part of such improvement.

c. *Compatibility of Improvements.* To maintain a uniformity of appearance in the exteriors of all dwellings or structures within The Villas, the exteriors shall be uniform in color and appearance. No Owner shall repaint the outside of a dwelling nor shall any change in color of any dwelling be allowed without approval of the Committee.

d. *Colors of Improvements.* All buildings and improvements will be painted, stained, sided and roofed in colors specifically approved by the Committee only.

e. *Minimum Square Footage for Homes.* Every home shall have a minimum of 1,200 square feet and a maximum of 3500 square feet of above-grade finished living area. No home shall exceed two stories above finished grade. No basement area will be considered a part of the finished floor area requirements. No basement shall extend higher than twenty four inches (24") from the highest point of the finished grade elevation of the home.

f. *Permitted Sidings.* Each home shall be sided with the following materials or a combination thereof, all as approved by the Committee: hardy board or similar siding and cultured stone.

g. *Soffit and Fascia.* All soffit and fascia shall be considered a part of the siding and shall be installed using new quality material and in accord with the siding materials allowed in preceding paragraph, above, and shall be of a high quality and thickness.

h. *Roofing Requirements.* All roof lines and the roof pitch of porches, dormers and other ancillary roofs shall be approved by the Committee, defined below.

i. *Fences.* No fence shall be built on any Lot except: (A) the separate lawn for the home so long as the fence is consistent with the The Villas PUD plan, is constructed with the same materials/style as the fencing on the other Lots, and approved by the Committee, and (b) that fencing which may be erected around the perimeter of The Villas by the Association, which shall be maintained by the Association.

j. *Antennae/Towers.* Except for the standard and customary sized satellite television dishes, no other antennae, tower, dish or other such fixture shall be mounted on a home, or anywhere on a Lot.

6. **EXTERIOR LIGHTING.** Only standard residential lighting shall be used to illuminate a Lot. All outside lighting shall be arranged, directed and/or shielded so as to prevent any such light shining onto or at the adjacent road and/or Lots and comply with all local lighting ordinances, if any.

7. **UTILITY AND ACCESS EASEMENTS.** All utilities and service lines installed on Lots shall be underground. Easements are granted to and for the benefit of each Lot along those routes shown on the above-described Plat and designated thereon. The purpose of the easements is to provide each Lot with the benefit of allowing access, utilities, drainage and irrigation along such routes as may be necessary for each Lot.

Provided Further, each Lot shall have the right of access along all roads labeled and shown on the Plat, specifically including but not limited to "Villa Way" for all owners of all Lots, and their guests and invitees to access each Lot.

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Provided Further, Declarant grants a non-exclusive access and utility easement to and for the benefit of Lots 9D, 9E, 9F and 9G over and across that route adjacent thereto and shown on the Plat as that "37' private access drive and general utility [easement]" - this easement is granted for the purpose of providing a shared driveway access to each said Lot and providing a utility corridor thereto.

8. WASTE DISPOSAL. The owner of each Lot shall adhere to local regulations for disposing of trash and garbage. No rubbish, debris, ashes or trash of any kind shall be burned on any Lot, nor shall it be placed or permitted to accumulate upon said Lot.

9. PARKING OF VEHICLES, MACHINERY AND EQUIPMENT. Vehicles which are not in running condition or are in a state of disrepair, and trailers, campers, snow machines, four wheelers, boats, recreational vehicles and other like vehicles, machinery and equipment shall not be placed, stored or parked anywhere on a Lot unless enclosed in a garage and out of the view of other Lot owners nor shall the same be parked on any street within The Villas. Private vehicles which are used on a daily basis and are used regularly do not need to be stored on a Lot in such an enclosed manner. Provided however, nothing herein shall prohibit an Owner from parking such a vehicle upon their Lot in preparation for a trip for no more than twenty four hours.

Lot owners shall not park, nor allow their guests and invitees to park, along the streets or rights-of-way for any consecutive period longer than twenty-four (24) hours.

10. PETS. No Lot owner shall keep more than three (3) household pets on a Lot, and all such dogs/cats/pets shall be kept restrained on an owner's Lot in a reasonable manner and shall at all times be kept from creating a nuisance or disturbance, particularly a noise disturbance to other Lot owners within The Villas.

11. FIREARMS, FIREWORKS AND HUNTING. No firearm shall be discharged, and no fireworks shall be displayed or used, within The Villas.

12. HAZARDOUS, NOXIOUS, OR OFFENSIVE ACTIVITIES. No hazardous, illegal, noxious, or unreasonably loud or offensive activities shall be permitted within The Villas nor shall anything be done or placed within The Villas which is or may become a nuisance.

12. LANDSCAPING: SNOW REMOVAL.
Landscaping, including the introduction and planting of grasses, shrubs, and trees, on each Lot is required and the Lot owner's landscaping plan for each Lot shall be approved by the Committee.

Should a Lot owner desire snow removal from their respective Lot to be provided at the same time as the snow is removed from the common areas by the Association, the Lot owner shall have the option to pay for that additional Lot snow removal at a rate established by the Association. Provided further, Lots 9D, 9E, 9F and 9G of The Villas shall have mandatory snow removal due to the configuration of the shared driveway and the need to ensure that driveway is plowed for the common benefit of those four lots, and each of those four lots shall be assessed accordingly.

13. THE VILLAS HOMEOWNERS' ASSOCIATION AND ARCHITECTURAL CONTROL COMMITTEE.

A. HOMEOWNERS' ASSOCIATION.

i. Creation. The Villas Homeowners' Association (herein referred to as the "Association") is hereby created as an unincorporated, nonprofit Association under the Wyoming Unincorporated Nonprofit Association Act, Wyoming Statutes, to exercise the powers granted, and to perform the functions imposed, by these Covenants with regard to

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the Lots.

- ii. **Purposes and Powers.** The general purposes of the Association are to:
- (A) enforce these Covenants, as set forth herein and as may be amended,
 - (B) To assess homeowner dues to each Lot, as contemplated herein;
 - (C) to govern, administer and pay for the private maintenance and repair of any privately maintained roads, rights of way, common areas, common landscaping and individual Lot lawns, and snow removal of common areas and rights of way (together with providing Lot owners the ability to opt into snow removal of their Lot for a fee fixed by the Association);
 - (D) to cooperate and take direction from the Committee (defined below) to protect the generally required characteristics of construction, design and use contemplated herein and to prohibit any construction or use in violation thereof.
 - (E) to generally promote the health, safety, and welfare of the residents of the Lots. The Association shall also have the power to provide such additional services for the Lots as the owners may from time to time approve.

For these purposes, the Association is hereby empowered to but are not limited to the following:

- (1) to maintain a neat, clean and uniform exterior appearance of the structures (but not including repairs to the foundations or repairs or replacement of broken window glass), mowing and maintenance of yards, including watering, maintenance of open spaces, common areas, signage and all elements of common landscaping (grass, trees, shrubs) and to keep driveways and sidewalks free of debris and snow.
- (2) to hold any and all monies deposited in the Association account, and to use those monies only for the purposes set out under this document and activities incident thereto.
- (3) to fix, levy, collect and enforce payment by any lawful means all charges or assessments incurred by the Association in fulfillment of its purposes. All charges shall be assessed against each Lot on an equal uniform basis, that is, each Lot regardless of size or abutting front footage will bear an equal expenses assessed; provided however, should an owner do something in their back yard which requires more time for maintenance by the Association, that additional time will be uniformly assessed to that Lot(s) requiring the additional services.
- (4) exercise all of the authority, powers, and privileges delegated to or vested in the Association by these Covenants, by Wyoming Statutes, or as may be reasonably implied as being necessary and proper hereunder, and to perform all of the duties and obligations established by these Covenants;
- (5) To vote on the adoption of Bylaws to be prepared by Declarant for the Association as the Villas is developed hereafter, and to elect officers to carry out the administrative duties authorized by the Association's members after the management role thereof is transferred from Declarant. Officers may include a President, Vice President and Secretary/Treasurer unless otherwise provided by the Association;
- (6) fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to these Covenants, and to pay all expenses in connection therewith and all expenses incident to the conduct of the business of the Association, specifically including the costs associated with repairing, maintaining and operating Legacy Ridge Subdivision Phase I roads; and
- (7) pay Declarant a reasonable management fee for its services managing the Association until transferred, and to employ such firms or persons to perform any or all of the duties and obligations of the Association.

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iii. **Membership.** Every person who is an owner of a Lot shall be a member of the Association, and such membership shall be appurtenant to and may not be separated from the ownership of the Lot. An owner shall become a member upon conveyance of record to him of his Lot and shall cease being a member upon his conveyance of record of such Lot. No certificate or document, save and except a recorded conveyance to a Lot, shall be required to evidence such membership.

iv. **Voting Rights.** The Lots shall be divided into two classes. Class A lots shall be lots owned by persons or entities other than MC Hitt Development, LLC or High Plains Builders, LLC, and each Class A lot shall be entitled to vote one vote for each lot. Class B lots shall be lots owned of record by MC Hitt Development, LLC or High Plains Builders, LLC and each Class B lot shall be entitled to 19 votes per lot (except that High Plains Builders, LLC cannot exercise voting power to establish salary fee structure). At the time a Lot is sold by High Plains Builders, LLC or MC Hitt Development, LLC it shall automatically switch from a Class B lot to a Class A lot.

Class A lot owners shall be entitled to one vote for each Lot owned, save and except that the voting rights of any owner who is more than 30 days past due on the payment of any assessment to the Association shall be automatically suspended until such assessment, together with interest, costs, and reasonable attorney's fees, is paid in full. The voting rights of any owner against an enforcement issue is being voted upon by the Association shall be suspended for the vote on that enforcement issue only. When more than one

person holds an interest in any Lot, the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast on behalf of one Lot.

v. **Action.** An action of the Association, or any approval required of the owners under these Covenants, shall require the affirmative vote of *at least* seventy percent (70%) of the votes eligible to vote, excluding the vote of any owner whose voting rights are suspended, cast in person or by proxy, at a duly constituted meeting of the Association, or, without a meeting by written approval of such action.

vi. **Meetings.** The Association shall have an annual meeting. The first annual meeting shall be held in the month of November 2009, as shall be called to order by Declarant. At such initial annual meeting, the members of the Association shall determine the preferred time, date and location for the annual meetings thereafter. Other special meetings of the Association may be called at any time by the written request of the owners of any three (3) Lots. Written notice of any and all meetings of the Association shall be given by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each owner, addressed to the owner's address last appearing on the books of the Association, or supplied by such owner to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and the purpose of the meeting. Each owner may vote in person or by proxy at all meetings of the Association. All proxies shall be in writing. Every proxy shall be revocable and shall automatically cease upon conveyance by the owner of his Lot.

vii. **Management – Initially by Declarant; Officers and Board of Directors.** The Association shall be managed by Declarant until such time as Declarant resigns in writing or until all of the Lots in The Villas and all of the lots in adjacent subdivisions or planned unit developments which are intended to be developed by Declarant are sold and conveyed of record, whichever occurs first. Declarant shall be entitled to receive reasonable compensation for its services managing the Association and Committee.

When the Association is no longer managed by Declarant, then the Association shall elect a Board of Directors, which shall consist of no less than three nor more than five Directors, the officers of which shall include a President who shall replace Declarant in presiding at meetings of the Association, receive and process complaints, represent the Association as

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necessary before any City, County or State Agencies and shall generally be the executive officer of the Board of Directors; a Vice-President who shall act in the absence of the President and a Secretary-Treasurer who shall keep all records of the Association and shall collect assessments of members and make necessary disbursements of the Association's funds. The President, Vice-President and Secretary-Treasurer shall each be elected for a two year term. The officers of the Association may be paid such salary or fees as the members of the Association may determine by majority membership vote.

The composition of the Board of Directors and the number of directors may be changed by Bylaws hereafter adopted by the Association. In the event a vacancy occurs during the term of a Director, the Board of Directors shall appoint a replacement to fill the office for the remainder of the term.

viii. Insurance. The owners of each Lot shall insure all improvements on their Lot, at the sole expense of the owner, and such insurance shall consider the party wall shared with the adjoining neighbor's improvements.

The Association shall carry a master policy to cover liability on the common grounds and coverage for directors and officers liability. In addition, the Association will carry insurance to cover the common areas and improvements thereon. Insurance covering the common grounds shall be paid from the Lot Owner's dues.

ix. Initial Assessment. The initial Association fees will be \$90.00 per month for each Class A Lot, subject to increase or decrease as provided herein. The Association may determine, from time to time, to offer a discount to any/all Lots wishing to pay their association fees for the entire year, rather than in monthly installments. Class B lots shall not pay any fees or assessments to the Association. The fees are expected to cover the costs of the maintenance, repairs and general upkeep of the exterior aesthetics of The Villas, including landscaping and maintenance to the exterior of all structures (excluding foundations and glass), Association common grounds, liability insurance, and any business fees incurred in the general operation of the Association. The Association may contract for services required by the Association. Fees may be higher than expenses to allow the Association to build up a reserve of funds.

x. Books and Records. Upon prior written request, the books, records, and papers of the Association shall be subject to inspection at a reasonable time and place by any owner and by a mortgagee holding a duly recorded mortgage against a Lot.

xi. Principal Office. The Association shall designate a principal office from time to time.

xii. Dissolution. The Association may be dissolved upon the written approval of all of the owners of all the Lots. Upon dissolution of the Association, the assets of the Association shall be distributed to the owners of the Lots within The Villas in equal shares, or, dedicated to an appropriate public agency or nonprofit organization to be used for purposes broadly similar to those for which this Association was created.

xiii. Limitations. No part of the net earnings of the Association shall inure to the benefit of, or be distributed to, the owners, except that the Association shall be authorized to pay reasonable compensation for services rendered.

B. Architectural, Design and Landscape Control Committee (Committee).

i. The Association designates, delegates and assigns all architectural, construction and design review and approval authority to the Architectural, Design and Landscape Control Committee (herein the "Committee"). The Committee shall initially consist of Mark A. Christensen, on behalf of Declarant, and no less than two other persons

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appointed by Declarant who may, but need not be, an Owner of a Tract, and the initial Committee shall so serve until such time as Declarant resigns in writing or until all of the Lots in The Villas are sold and conveyed of record, whichever occurs first. Thereafter, the Association shall elect at least three (3) members to comprise the Committee thereafter, each of whom shall be Lot Owners

ii. **Powers and Duties.** The Committee's primary duty and right is the exclusive right to review all improvements to be constructed on a Lot so that all new construction, remodeling, landscaping and all other items affecting the exterior of a Lot shall be subject to the Committee's prior written approval. The Committee shall also have the right to grant variances for such construction matters.

A. **Design Review.** The Committee shall have the exclusive right to review and approve the plans and specifications for all construction, landscaping or any improvement of a Lot, in any manner, and the repair and replacement thereof.

B. **Review Process.** Whenever an Owner of a Lot wishes to construct any improvement, whether construction or landscaping, or to re-construct, maintain or repair same, the Owner shall submit to the Committee a complete set of building plans for such proposed construction, one copy on 11"x17" paper and one full-size set. Such building plans shall show all exterior elevations of the proposed building and shall designate all the materials and colors to be used for all exterior materials so that the Committee has sufficient information to evaluate if the proposal meets the requirements set forth herein. Additionally, the Owner shall submit color samples of all such materials for the Committee's review process.

Upon receipt of such plans, the Committee shall call a special meeting of the Committee for the purpose of reviewing the plans and samples submitted as soon as possible, but in no event shall such meeting occur later than thirty (30) calendar days from the date of their receipt of the plans and samples or any proposed changes or amendments to previously approved said plans.

At the conclusion of the Committee's review of the Plans, it shall vote on its approval or disapproval of the proposed Plans and samples, or defer action on the matter as is necessary to obtain more information. Within ten (10) business days following any final vote on Plans, the Committee shall issue a written statement outlining the result of said vote and state whether it approved or denied the proposed Plans and samples. If denied, the Committee shall further provide a written summary of the reasons for such denial and shall provide the same to the Lot owner who proposed the Plans.

C. **Approval and Conformity of Plans.** No home, building, fence, wall or other structure, or landscaping or improvement shall be commenced, erected or maintained upon the Property, nor shall there be any addition to or substantial change to the exterior of any building or improvement upon a Lot or the landscaping, grading or drainage from a Lot, except in compliance with plans and specifications (collectively, "Plans") which have been submitted to and approved by the Committee in writing.

D. **Variances.** It is the intent of these Covenants to ensure that the improvements constructed within The Villas are higher than average in terms of quality, appearance and styling and compatible and cohesive in design, colors and construction. The Committee shall promote high quality construction and appearance for each building to be constructed in The Villas to protect each Owner's desired lifestyles and property values. The Committee, in exercising its architectural control, may grant a variance to an Owner, upon the Owner's written request, to allow a variance so long as such variance will maintain or inflate property values in The Villas. Declarant and Owners acknowledge there may be a type of construction, siding, roofing or other materials proposed that may be otherwise prohibited herein but because of the overall high quality of construction,

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appearance and style of the proposed residence or building the Committee may desire, on behalf of the Owners, to allow such and grant a variance.

E. **Inspection and Approval.** Any Committee Member or authorized consultant of the Committee may at any reasonable time enter upon any Lot after reasonable notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with this Declaration and Plans approved by the Committee. The Committee shall cause an inspection of Plans or premises to be undertaken and the Committee shall respond in writing to requests for approval within 30 days of a request from any Owner as to his/her/its Lot.

iii. **Committee Actions: Voting.** Any action by or on behalf of the Committee shall be deemed approved when such action receives the affirmative vote of two (2) or more of the Committee's three (3) members.

iv. **Immunity From Liability.** Neither the Declarant, nor any member of the Committee, nor any agent thereof shall be personally liable for actions taken by the Committee in any matter. It is the specific intent of these covenants that no Committee Member will face financial liability for any action or omission they may take in carrying out their duties. Approval of Plans by the Committee shall not be deemed to be a representation or warranty that the Plans comply with applicable laws or regulations, including zoning ordinances and building codes.

14. **ASSESSMENTS.**

a. **Creation of Lien & Personal Obligation of Assessments.** Each owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all assessments or charges duly established and collected as hereinafter provided. All such 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 Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's 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 an owner's successors in title unless expressly assumed by them.

b. **Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to pay the obligations imposed upon the Association by these Covenants and to promote the health, safety, and welfare of the residents of the Lots.

c. **Monthly Assessments.** The Association shall establish monthly assessments to meet its obligations under these Covenants, including specifically the obligations to maintain common areas, rights of way, landscaping, satisfy the operating expenses of the Association. The Association shall have the power to include within the assessment amounts to meet the costs of any other service duly approved by the Association. The initial monthly assessments, when commenced, shall be \$90.00/month for all Class A lots. Provided further, the Association may offer to all Lots a discount if the monthly assessments are paid in one lump sum for the entire calendar year.

d. **Special Assessments.** In addition to the regular assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only.

e. **Approval of Assessments: Fiscal Year.** All assessments under this Section 14 shall be subject to the approval of the Association, as provided herein. For purposes of assessments, the Association's fiscal year shall be from July 1st through June 30th each year.

f. **Uniform Rate of Assessment.** Both annual and special assessments shall be fixed as a uniform rate for all Class A Lots. All Class B lots shall uniformly not be assessed.

g. **Commencement of Assessments.** The monthly assessments provided for

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herein shall commence as to all Class A Lots the month following the first sale and conveyance of a Class A Lot. The Association shall fix the amount of the monthly assessment against each Lot at the annual meeting of the Association. Written notice of the assessment shall be sent to every owner subject thereto. The due dates shall be established by the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

h. Effect of Nonpayment of Assessments. Any assessment not paid within 30 days after the due date shall thereafter bear interest from the due date at the rate of 12 percent per annum. Upon the failure of a Lot owner to pay the assessment when due, the Association will provide written notice to the violating Lot owner by delivering the notice by certified mail -- such delivery shall be deemed effective on the date notice is mailed by the Association. The violating Lot owner shall have thirty (30) days from the date the notice is deposited in the mail to pay, in full, the unpaid assessment, interest thereon and costs. If payment is not received by the Association within said 30 day period, the Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the Lot which is created herein by such nonpayment. The lien created herein shall be foreclosed in the manner provided for the foreclosure of real estate mortgages in the State of Wyoming and may be, at the Association's discretion, accomplished by advertisement and sale as provided in the Wyoming Statutes. In the event of such collection and/or foreclosure, the nonpaying Lot owner shall be liable for all attorney's fees and costs incurred by the enforcing party in such collection. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of his Lot.

i. Subordination of Lien to Mortgages. The lien of the assessment 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 the foreclosure of a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

15. VARIANCE. In addition to the Committee's power to grant a variance to any provision herein, the Association shall also have the authority, upon an affirmative vote of *at least* ninety percent (90%) of Lot owners, to grant a variance from these Covenants for good cause shown in order to prevent undue hardship on an owner subject to the Covenants. The variance, if granted, shall not violate the overall theme and appearance of the property subject to these Covenants and shall be in writing.

16. ENFORCEABILITY. These Covenants may be enforced by the record owner of any Lot or parcel in The Villas or by the Committee or by the Association, but shall not run to the benefit of a third party, except as otherwise specifically provided below. The Association shall be entitled to recovery of its attorneys fees and costs incurred in a successful enforcement of these Covenants.

17. SEVERABILITY. Invalidation of any one of these Covenants or restrictions by judgment or court order shall in no way wise affect any other provisions which shall remain in full force and effect.

18. NON-WAIVER. Any failure to promptly enforce a violation of these Covenants shall not be deemed a waiver of the right to so enforce whatsoever.

19. COVENANTS RUN WITH THE LAND; AMENDMENT. This Declaration of Covenants shall run with the land and shall be binding upon all parties and shall be automatically extended for successive periods of ten (10) years unless an instrument signed by Declarant and *at least* ninety percent (90%) of Lots repeals this Declaration of Covenants.

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Except as expressly otherwise provided hereafter, these Covenants may be amended only upon an affirmative vote of Declarant together with at least fifty one percent (51%) of votes eligible to vote, which said amendment shall be filed in the Office of the County Clerk of Campbell County, Wyoming.

Executed by the Declarant this 3rd day of February, 2010.

MC Hitt Development, LLC

Mark A. Christensen
Mark A. Christensen, Member of
The MC Family of Companies, LLC

Bruce L. Hitt
Bruce L. Hitt, Managing Member of
Hitt Land Development, LLC

The Villas Homeowners' Association
(through MC Hitt Development, LLC
as initial manager of Association)

Mark A. Christensen
By: Mark A. Christensen, Member of
The MC Family of Companies, LLC

Bruce L. Hitt
By: Bruce L. Hitt, Managing Member of
Hitt Land Development, LLC

High Plains Builders, LLC

Anthony Wilke
Anthony Wilke, Member

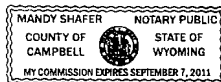
STATE OF WYOMING)
) ss.
COUNTY OF CAMPBELL)

On this 3rd day of February, 2010, the foregoing Declaration was acknowledged before me by Mark A. Christensen as Manager/Member of The MC Family of Companies, LLC, who appeared before me and was personally known to me.

Mandy Shafer
Notary Public

My Commission expires: 9-7-11

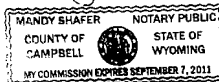
STATE OF WYOMING)
) ss.
COUNTY OF CAMPBELL)



On this 4th day of February, 2010, the foregoing Declaration was acknowledged before me by Bruce L. Hitt as Managing Member of Hitt Land Development, LLC, who appeared before me and was personally known to me.

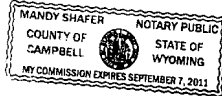
Mandy Shafer
Notary Public

My Commission expires: 9-7-11



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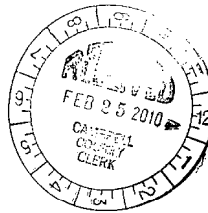
STATE OF WYOMING)
) SS.
COUNTY OF CAMPBELL)



On this 4th day of February, 2010, the foregoing Declaration was acknowledged before me by Anthony Wille as Member of High Plains Builders, LLC, who appeared before me and was personally known to me.

Mandy Shafer
Notary Public

My Commission expires: 9-7-11



STATE OF WYOMING)
Campbell County) ss.
Filed for record this 25th day of February A.D. 2010 at 12:16 o'clock P. M. and recorded in Book 2519
of Photos on page 254-264 Fees \$ 38.00
939195 Anthony Wille By Anita m Snider
County Clerk and Ex-Officio Register of Deeds DEPUTY

RESTATED DECLARATION OF COVENANTS - THE VILLAS AT LEGACY RIDGE - PUD

PAGE 11

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Page 00597

RESTATED AND AMENDED
DECLARATION OF COVENANTS
LEGACY RIDGE SUBDIVISION-PHASE I
THE VILLAS AT LEGACY RIDGE

MC Hitt Development, LLC (who is hereinafter referred to as the "Declarant"), hereby amends and restates the Declaration of Covenants, as amended and recorded in the Campbell County Clerk's office in Book 2506 of Photos at Page 253, as amended by that instrument recorded in Book 2510 of Photos at Page 356, as amended by that instrument recorded in Book 2519 of Photos at Page 254 (herein referred to collectively as the "Initial Covenants"). The undersigned is the original and successive Declarant and controls 418 of the eligible 524 votes (79.77%) within the "Association", exceeding the 51% requirement imposed by the Initial Covenants for the amendment of the Initial Covenants. This Declaration of Covenants applies to that land more particularly described and originally laid out in that certain Plat approved by the City of Gillette, Campbell County, Wyoming and recorded in the Office of the County Clerk of Campbell County in Book 9 of Plats, Page 252 on December 30, 2009, and as thereafter amended and approved by the City of Gillette and recorded in the Office of the County Clerk of Campbell County in Book 9 of Plats, Page 258 on February 19, 2010 (herein referred to sometimes as "The Villas"), and as the Declarant controls in excess of 51% of the eligible votes, hereby amends and restates in its entirety the Initial Covenants for The Villas, as follows.

The Declarant declares that all of the lands described and affected by the Initial Covenants has been re-platted as a Planned Unit Development and these Restated and Amended Covenants are refilled to conform to the lands now being defined by the above-described PUD plat and which are hereafter described as A RESUBDIVISION OF LEGACY RIDGE, PHASE I, CITY OF GILLETTE, WYOMING, LEGACY RIDGE, PHASE I PLANNED UNIT DEVELOPMENT TO BE KNOWN AS THE VILLAS AT LEGACY RIDGE, commonly referred to as "The Villas At Legacy Ridge", all of which shall be subject to the following covenants:

1. LOTS DEFINED. These Covenants shall apply to The Villas and each and every of the thirty-eight (38) Lots thereof, as designated and shown on the aforesaid plat (herein referred to as "Lot" or "Lots"). Lots 1B, 2B, 3C, 3D, 4C, 4D, 5C, 5D, 6C, 6D, 7C, 7D, 8C, 8D, 11C, 11D, 12C, 12D, 13C, 13D, 14C, and 14D, Block 2 of Legacy Ridge, Phase I Planned Unit Development to be known as The Villas at Legacy Ridge, a resubdivision of Legacy Ridge, Phase I of the City of Gillette, Campbell County, Wyoming, according to the official plat thereof filed for record 19 February 2010 in Book 9 of Plats, pages 258 and 259 of the records of Campbell County, Wyoming shall be referred to hereinafter collectively as the "HOA Lot(s)". Each Lot, and all improvements thereon, shall be owned separately and in fee simple, and only the common areas of The Villas shall be owned/used in common with other HOA Lot owners. Each covenant herein shall apply to each such Lot, shall be binding upon and run with the land.

2. SUBDIVISION. No Lot shall be further divided, subdivided, split or partitioned in any manner by any owner; provided however, Declarant reserves the right to divide and/or reconfigure Lots in its discretion while developing the Lots.

3. RESIDENTIAL USE; MULTI-FAMILY CONSTRUCTION. The Lots in The Villas shall be used for single family residential purposes only. No home constructed on a Lot shall be occupied by more than one family. For purposes of these Covenants, "family" is defined as: no more than two unrelated adults over the age of eighteen years of age and their immediate family members (i.e., children, parents, siblings and grandchildren).

The intended density and use occurring within the residences constructed on a Lot will be in the form of townhouses, duplexes and/or detached single family homes.

4. GENERAL CONSTRUCTION AND IMPROVEMENT REQUIREMENTS.

a. *Committee Approval; New Construction/Time For Completion.* Any improvements erected on a Lot shall be on-site new construction with new quality materials and must be approved by the Committee, defined below, prior to commencement.

No owner of a Lot shall erect or place any mobile homes, factory-constructed or other modular residential buildings on any Lot. Once construction of a structure is commenced on a Lot, construction of that structure shall be completed within twelve (12) months of commencement.

b. *Setbacks.* No improvement shall be constructed closer to any property line than a distance of five (5) feet. Eves, steps and open porches of buildings shall not be considered as part of such improvement.

c. *Compatibility of Improvements.* To maintain a uniformity of appearance in the exteriors of all dwellings or structures within The Villas, the exteriors shall be uniform in color and appearance. No Owner shall repaint the outside of a dwelling nor shall any change in color of any dwelling be allowed without approval of the Committee.

d. *Colors of Improvements.* All buildings and improvements will be painted, stained, sided and roofed in colors specifically approved by the Committee only.

e. *Minimum Square Footage for Homes.* Every home shall have a minimum of 1,200 square feet and a maximum of 3,500 square feet of above-grade finished living area. No home shall exceed two stories above finished grade. No basement area will be considered a part of the finished floor area requirements. No basement shall extend higher than twenty-four inches (24") from the highest point of the finished grade elevation of the home.

f. *Permitted Sidings.* Each home shall be sided with the following materials or a combination thereof, all as approved by the Committee: Hardie Board / HardiePlank or other fiber cement siding, Masonite Colorlok or equal, Masonite lap or equal, tumbled brick, stucco, and/or cultured stone. No steel or vinyl siding shall be allowed.

g. *Soffit and Fascia.* All soffit and fascia shall be considered a part of the siding and shall be installed using new quality material and in accord with the siding materials allowed in preceding paragraph, above, and shall be of a high quality and thickness.

h. *Roofing Requirements.* All roof lines and the roof pitch of porches, dormers and other ancillary roofs shall be approved by the Committee, defined below. Each home shall be roofed with a 30-year or greater asphalt composition shingle, or other material as may be approved by the Committee from time-to-time.

i. *Fences.* No fence shall be built on any Lot except: (A) the separate lawn for the home so long as the fence is consistent with the The Villas PUD plan, is constructed with the same materials/style as the fencing on the other Lots, and approved by the Committee, and (b) that fencing which may be erected around the perimeter of The Villas by the Association, which shall be maintained by the Association.

j. *Antennae/Towers.* Except for the standard and customary sized satellite television dishes, no other antennae, tower, dish or other such fixture shall be mounted on a home, or anywhere on a Lot.

6. **EXTERIOR LIGHTING.** Only standard residential lighting shall be used to illuminate a Lot. All outside lighting shall be arranged, directed and/or shielded so as to prevent any such light shining onto or at the adjacent road and/or Lots and comply with all local lighting ordinances, if any.

7. **UTILITY AND ACCESS EASEMENTS.** All utilities and service lines installed on Lots shall be underground. Easements are granted to and for the benefit of each Lot along those routes shown on the above-described Plat and designated thereon. The purpose of the easements is to provide each Lot with the benefit of allowing access, utilities, drainage and irrigation along such routes as may be necessary for each Lot.

Provided Further, each Lot shall have the right of access along all roads labeled and shown on the Plat, specifically including but not limited to "Villa Way" for all owners of all Lots, and their guests and invitees to access each Lot.

Provided Further, Declarant grants a non-exclusive access and utility easement to and for the benefit of Lots 9D, 9E, 9F and 9G over and across that route adjacent thereto and shown on the Plat as that "37' private access drive and general utility [easement]" - this easement is granted for the purpose of providing a shared driveway access to each said Lot and providing a utility corridor thereto.

8. **WASTE DISPOSAL.** The owner of each Lot shall adhere to local regulations for disposing of trash and garbage. No rubbish, debris, ashes or trash of any kind shall be burned on any Lot, nor shall it be placed or permitted to accumulate upon said Lot.

9. **PARKING OF VEHICLES, MACHINERY AND EQUIPMENT.** Vehicles which are not in running condition or are in a state of disrepair, and trailers, campers, snow machines, four wheelers, boats, recreational vehicles and other like vehicles, machinery and equipment shall not be placed, stored or parked anywhere on a Lot unless enclosed in a garage and out of the view of other Lot owners nor shall the same be parked on any street within The Villas. Private vehicles which are used on a daily basis and are used regularly do not need to be stored on a Lot in such an enclosed manner. Provided however, nothing herein shall prohibit an Owner from parking such a vehicle upon their Lot in preparation for a trip for no more than twenty-four hours.

Lot owners shall not park, nor allow their guests and invitees to park, along the streets or rights-of-way for any consecutive period longer than twenty-four (24) hours.

10. **PETS.** No Lot owner shall keep more than three (3) household pets on a Lot, and all such dogs/cats/pets shall be kept restrained on an owner's Lot in a reasonable manner and shall at all times be kept from creating a nuisance or disturbance, particularly a noise disturbance to other Lot owners within The Villas.

11. **FIREARMS, FIREWORKS AND HUNTING.** No firearm shall be discharged, and no fireworks shall be displayed or used, within The Villas.

12. **HAZARDOUS, NOXIOUS, OR OFFENSIVE ACTIVITIES.** No hazardous, illegal, noxious, or unreasonably loud or offensive activities shall be permitted within The Villas nor shall anything be done or placed within The Villas which is or may become a nuisance.

12. **LANDSCAPING; SNOW REMOVAL.**
Landscaping, including the introduction and planting of grasses, shrubs, and trees, on each Lot is required and the Lot owner's landscaping plan for each Lot shall be approved by the Committee. Landscaping shall be completed within one year of conversion from a Class B Lot to a Class A Lot.

Should a HOA Lot owner desire snow removal from their respective HOA Lot to be provided at the same time as the snow is removed from the common areas by the Association, the Lot owner shall have the option to pay for that additional HOA Lot snow removal at a rate established by the Association.

13. THE VILLAS HOMEOWNERS' ASSOCIATION AND ARCHITECTURAL CONTROL COMMITTEE.

A. HOMEOWNERS' ASSOCIATION.

i. Creation. The Villas Homeowners' Association (herein referred to as the "Association") is hereby created as an unincorporated, nonprofit Association under the Wyoming Unincorporated Nonprofit Association Act, Wyoming Statutes, to exercise the powers granted, and to perform the functions imposed, by these Covenants with regard to the Lots.

ii. Purposes and Powers. The general purposes of the Association are to:

- (A) enforce these Covenants, as set forth herein and as may be amended,
- (B) To assess homeowner dues to each HOA Lot, as contemplated herein;
- (C) to govern, administer and pay for the private maintenance and repair of any privately maintained roads, rights of way, common areas, common landscaping and individual HOA Lot lawns, and snow removal of common areas and rights of way (together with providing HOA Lot owners the ability to opt into snow removal of their HOA Lot for a fee fixed by the Association);
- (D) to cooperate and take direction from the Committee (defined below) to protect the generally required characteristics of construction, design and use contemplated herein and to prohibit any construction or use in violation thereof.
- (E) to generally promote the health, safety, and welfare of the residents of the Lots. The Association shall also have the power to provide such additional services for the Lots as the owners may from time to time approve.

For these purposes, the Association is hereby empowered to but are not limited to the following:

- (1) for the HOA Lots, to maintain a neat, clean and uniform exterior appearance of the structures (but not including repairs to the foundations or repairs or replacement of broken window glass), mowing and maintenance of yards, including watering, maintenance of open spaces, common areas, signage and all elements of common landscaping (grass, trees, shrubs) and to keep driveways and sidewalks free of debris and snow.
- (2) to hold any and all monies deposited in the Association account, and to use those monies only for the purposes set out under this document and activities incident thereto.
- (3) to fix, levy, collect and enforce payment by any lawful means all charges or assessments incurred by the Association in fulfillment of its purposes. All charges shall be assessed against each HOA Lot on an equal uniform basis, that is, each HOA Lot regardless of size or abutting front footage will bear an equal expenses assessed; provided however, should an owner do something in their back yard which requires more time for maintenance by the Association, that additional time will be uniformly assessed to that HOA Lot(s) requiring the additional services.
- (4) exercise all of the authority, powers, and privileges delegated to or vested in the Association by these Covenants, by Wyoming Statutes, or as may be reasonably implied as being necessary and proper hereunder, and to perform all of the duties and obligations established by these Covenants;
- (5) to vote on the adoption of Bylaws to be prepared by Declarant for the Association as the Villas is developed hereafter, and to elect officers to carry

- out the administrative duties authorized by the Association's members after the management role thereof is transferred from Declarant. Officers may include a President, Vice President and Secretary/Treasurer unless otherwise provided by the Association;
- (6) to fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to these Covenants, and to pay all expenses in connection therewith and all expenses incident to the conduct of the business of the Association, specifically including the costs associated with repairing, maintaining and operating Legacy Ridge Subdivision Phase I common area landscaping; and
 - (7) pay Declarant a reasonable management fee for its services managing the Association until transferred, and to employ such firms or persons to perform any or all of the duties and obligations of the Association.

iii. **Membership.** Every person who is an owner of a Lot shall be a member of the Association, and such membership shall be appurtenant to and may not be separated from the ownership of the Lot. An owner shall become a member upon conveyance of record to him of his Lot and shall cease being a member upon his conveyance of record of such Lot. No certificate or document, save and except a recorded conveyance to a Lot, shall be required to evidence such membership.

iv. **Voting Rights.** The Lots shall be divided into two classes. Class A Lots shall be lots owned by persons or entities other than MC Hitt Development, LLC, High Plains Builders, LLC, Lifestyle Homes, Inc., Infinity Builders, LLC, Tri Mountain Construction, Inc., Dynamic Homes, LLC, Heritage Homes, The MC Family of Companies, LLC, and On the Level Construction, collectively "the Builders", and each Class A Lot shall be entitled to vote one vote for each Lot. Class B Lots shall be lots owned of record by MC Hitt Development, LLC and the Builders and each Class B Lot shall be entitled to 38 votes per Lot (except that only MC Hitt Development, LLC can exercise voting power to establish salary fee structure). At the time a Lot is sold by the Builders or MC Hitt Development, LLC to an owner who will occupy the residence it shall automatically switch from a Class B Lot to a Class A Lot.

Class A Lot owners shall be entitled to one vote for each HOA Lot owned, save and except that the voting rights of any owner who is more than 30 days past due on the payment of any assessment to the Association shall be automatically suspended until such assessment, together with interest, costs, and reasonable attorney's fees, is paid in full. The voting rights of any owner against an enforcement issue is being voted upon by the Association shall be suspended for the vote on that enforcement issue only. When more than one person holds an interest in any HOA Lot, the vote for such HOA Lot shall be exercised as they determine, but in no event shall more than one vote be cast on behalf of one HOA Lot.

v. **Action.** An action of the Association, or any approval required of the owners under these Covenants, shall require the affirmative vote of *at least* seventy percent (70%) of the votes eligible to vote, excluding the vote of any owner whose voting rights are suspended, cast in person or by proxy, at a duly constituted meeting of the Association, or, without a meeting by written approval of such action.

vi. **Meetings.** The Association shall have an annual meeting. The first annual meeting shall be held in the month of November 2009, as shall be called to order by Declarant. At such initial annual meeting, the members of the Association shall determine the preferred time, date and location for the annual meetings thereafter. Other special meetings of the Association may be called at any time by the written request of the owners of any three (3) Lots. Written notice of any and all meetings of the Association shall be given by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each owner, addressed to the owner's address last appearing on the books of the Association, or supplied by such owner to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and the purpose of the

meeting. Each owner may vote in person or by proxy at all meetings of the Association. All proxies shall be in writing. Every proxy shall be revocable and shall automatically cease upon conveyance by the owner of his HOA Lot.

vii. Management – Initially by Declarant; Officers and Board of Directors.

The Association shall be managed by Declarant until such time as Declarant resigns in writing or until all of the Lots in The Villas and all of the lots in adjacent subdivisions or planned unit developments which are intended to be developed by Declarant or subsidiary entities of The MC Family of Companies, LLC are sold and conveyed of record, whichever occurs first. Declarant shall be entitled to receive reasonable compensation for its services managing the Association and Committee.

When the Association is no longer managed by Declarant, then the Association shall elect a Board of Directors, which shall consist of no less than three nor more than five Directors, the officers of which shall include a President who shall replace Declarant in presiding at meetings of the Association, receive and process complaints, represent the Association as necessary before any City, County or State Agencies and shall generally be the executive officer of the Board of Directors; a Vice-President who shall act in the absence of the President and a Secretary-Treasurer who shall keep all records of the Association and shall collect assessments of members and make necessary disbursements of the Association's funds. The President, Vice-President and Secretary-Treasurer shall each be elected for a two-year term. The officers of the Association may be paid such salary or fees as the members of the Association may determine by majority membership vote.

The composition of the Board of Directors and the number of directors may be changed by Bylaws hereafter adopted by the Association. In the event a vacancy occurs during the term of a Director, the Board of Directors shall appoint a replacement to fill the office for the remainder of the term.

viii. Insurance. The owners of each Lot shall insure all improvements on their Lot, at the sole expense of the owner, and such insurance shall consider the party wall shared with the adjoining neighbor's improvements, if applicable.

The Association shall carry a master policy to cover liability on the common grounds and coverage for directors and officers liability. In addition, the Association will carry insurance to cover the common areas and improvements thereon. Insurance covering the common grounds shall be paid from the HOA Lot Owner's dues.

ix. Initial Assessment. The initial Association fees will be \$90.00 per month for each Class A HOA Lot, subject to increase or decrease as provided herein. The Association may determine, from time to time, to offer a discount to any/all HOA Lots wishing to pay their association fees for the entire year, rather than in monthly installments. Class B lots and Lots 1D, 1E, 1F, 1G, 2D, 2E, 2F, 2G, Block 1 and Lots 9D, 9E, 9F, 9G, 10D, 10E, 10F, and 10G, Block 2 of Legacy Ridge, Phase I Planned Unit Development to be known as The Villas at Legacy Ridge, a resubdivision of Legacy Ridge, Phase I of the City of Gillette, Campbell County, Wyoming, according to the official plat thereof filed for record 19 February 2010 in Book 9 of Plats, pages 258 and 259 of the records of Campbell County, Wyoming (hereinafter referred to collectively as the "Detached Home Lot(s)") shall not pay any fees or assessments to the Association. The fees are expected to cover the costs of the maintenance, repairs and general upkeep of the exterior landscaping of The Villas, including individual HOA Lot lawns, Association common grounds, liability insurance, and any business fees incurred in the general operation of the Association. The Association may contract for services required by the Association. Fees may be higher than expenses to allow the Association to build up a reserve of funds.

x. **Books and Records.** Upon prior written request, the books, records, and papers of the Association shall be subject to inspection at a reasonable time and place by any owner and by a mortgagee holding a duly recorded mortgage against an HOA Lot.

xi. **Principal Office.** The Association shall designate a principal office from time to time.

xii. **Dissolution.** The Association may be dissolved upon the written approval of all of the owners of all the Lots. Upon dissolution of the Association, the assets of the Association shall be distributed to the owners of the HOA Lots within The Villas in equal shares, or, dedicated to an appropriate public agency or nonprofit organization to be used for purposes broadly similar to those for which this Association was created.

xiii. **Limitations.** No part of the net earnings of the Association shall inure to the benefit of, or be distributed to, the owners, except that the Association shall be authorized to pay reasonable compensation for services rendered.

B. Architectural, Design and Landscape Control Committee (Committee).

i. The Association designates, delegates and assigns all architectural, construction and design review and approval authority to the Architectural, Design and Landscape Control Committee (herein the "Committee"). The Committee shall initially consist of Mark A. Christensen, on behalf of Declarant, and no less than two other persons appointed by Declarant who may, but need not be, an Owner of a Tract or Lot, and the initial Committee shall so serve until such time as Declarant resigns in writing or until all of the Lots in The Villas are sold and conveyed of record, whichever occurs first. Thereafter, the Association shall elect at least three (3) members to comprise the Committee thereafter, each of whom shall be Lot Owners

ii. **Powers and Duties.** The Committee's primary duty and right is the exclusive right to review all improvements to be constructed on a Lot so that all new construction, remodeling, landscaping and all other items affecting the exterior of a Lot shall be subject to the Committee's prior written approval. The Committee shall also have the right to grant variances for such construction matters.

A. **Design Review.** The Committee shall have the exclusive right to review and approve the plans and specifications for all construction, landscaping or any improvement of a Lot, in any manner, and the repair and replacement thereof.

B. **Review Process.** Whenever an Owner of a Lot wishes to construct any improvement, whether construction or landscaping, or to re-construct, maintain or repair same, the Owner shall submit to the Committee a complete set of building plans for such proposed construction, one copy on 11"x17" paper and one full-size set. Such building plans shall show all exterior elevations of the proposed building and shall designate all the materials and colors to be used for all exterior materials so that the Committee has sufficient information to evaluate if the proposal meets the requirements set forth herein. Additionally, the Owner shall submit color samples of all such materials for the Committee's review process.

Upon receipt of such plans, the Committee shall call a special meeting of the Committee for the purpose of reviewing the plans and samples submitted as soon as possible, but in no event shall such meeting occur later than thirty (30) calendar days from the date of their receipt of the plans and samples or any proposed changes or amendments to previously approved said plans.

At the conclusion of the Committee's review of the Plans, it shall vote on its approval or disapproval of the proposed Plans and samples, or defer action on the matter as is

necessary to obtain more information. Within ten (10) business days following any final vote on Plans, the Committee shall issue a written statement outlining the result of said vote and state whether it approved or denied the proposed Plans and samples. If denied, the Committee shall further provide a written summary of the reasons for such denial and shall provide the same to the Lot owner who proposed the Plans.

C. **Approval and Conformity of Plans.** No home, building, fence, wall or other structure, or landscaping or improvement shall be commenced, erected or maintained upon the Property, nor shall there be any addition to or substantial change to the exterior of any building or improvement upon a Lot or the landscaping, grading or drainage from a Lot, except in compliance with plans and specifications (collectively, "Plans") which have been submitted to and approved by the Committee in writing.

D. **Variances.** It is the intent of these Covenants to ensure that the improvements constructed within The Villas are higher than average in terms of quality, appearance and styling and compatible and cohesive in design, colors and construction. The Committee shall promote high quality construction and appearance for each building to be constructed in The Villas to protect each Owner's desired lifestyles and property values. The Committee, in exercising its architectural control, may grant a variance to an Owner, upon the Owner's written request, to allow a variance so long as such variance will maintain or inflate property values in The Villas. Declarant and Owners acknowledge there may be a type of construction, siding, roofing or other materials proposed that may be otherwise prohibited herein but because of the overall high quality of construction, appearance and style of the proposed residence or building the Committee may desire, on behalf of the Owners, to allow such and grant a variance.

E. **Inspection and Approval.** Any Committee Member or authorized consultant of the Committee may at any reasonable time enter upon any Lot after reasonable notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with this Declaration and Plans approved by the Committee. The Committee shall cause an inspection of Plans or premises to be undertaken and the Committee shall respond in writing to requests for approval within 30 days of a request from any Owner as to his/her/its Lot.

iii. **Committee Actions; Voting.** Any action by or on behalf of the Committee shall be deemed approved when such action receives the affirmative vote of two (2) or more of the Committee's three (3) members.

iv. **Immunity From Liability.** Neither the Declarant, nor any member of the Committee, nor any agent thereof shall be personally liable for actions taken by the Committee in any matter. It is the specific intent of these covenants that no Committee Member will face financial liability for any action or omission they may take in carrying out their duties. Approval of Plans by the Committee shall not be deemed to be a representation or warranty that the Plans comply with applicable laws or regulations, including zoning ordinances and building codes.

14. **ASSESSMENTS.**

a. **Creation of Lien & Personal Obligation of Assessments.** Each owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all assessments or charges duly established and collected as hereinafter provided. All such assessments, together with interest, costs, collection costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the HOA Lot against which each such assessment is made. Each such assessment, together with interest, costs, collection costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of

such HOA Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an owner's successors in title unless expressly assumed by them.

b. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to pay the obligations imposed upon the Association by these Covenants and to promote the health, safety, and welfare of the residents of the Lots.

c. Monthly Assessments. The Association shall establish monthly assessments to meet its obligations under these Covenants, including specifically the obligations to maintain common areas, rights of way, landscaping, and to satisfy the operating expenses of the Association. The Association shall have the power to include within the assessment amounts to meet the costs of any other service duly approved by the Association. The initial monthly assessments, when commenced, shall be \$90.00/month for all Class A HOA Lots. Class B Lots and Detached Home Lots shall not pay any assessments to the Association. Provided further, the Association may offer to all HOA Lots a discount if the monthly assessments are paid in one lump sum for the entire calendar year.

d. Special Assessments. In addition to the regular assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only.

e. Approval of Assessments; Fiscal Year. All assessments under this Section 14 shall be subject to the approval of the Association, as provided herein. For purposes of assessments, the Association's fiscal year shall be from July 1st through June 30th each year.

f. Uniform Rate of Assessment. Both annual and special assessments shall be fixed as a uniform rate for all Class A HOA Lots. All Class B Lots and all Detached Home Lots shall uniformly not be assessed.

g. Commencement of Assessments. The monthly assessments provided for herein shall commence as to all Class A HOA Lots the month following the first sale and conveyance of a Class A HOA Lot. The Association shall fix the amount of the monthly assessment against each HOA Lot at the annual meeting of the Association. Written notice of the assessment shall be sent to every owner subject thereto. The due dates shall be established by the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by the Association setting forth whether the assessments on a specified HOA Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a HOA Lot is binding upon the Association as of the date of its issuance.

h. Effect of Nonpayment of Assessments. Any assessment not paid within 30 days after the due date shall thereafter bear interest from the due date at the rate of 12 percent per annum. Upon the failure of a HOA Lot owner to pay the assessment when due, the Association will provide written notice to the violating HOA Lot owner by delivering the notice by certified mail -- such delivery shall be deemed effective on the date notice is mailed by the Association. The violating HOA Lot owner shall have thirty (30) days from the date the notice is deposited in the mail to pay, in full, the unpaid assessment, interest thereon and costs. If payment is not received by the Association within said 30 day period, the Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the HOA Lot which is created herein by such nonpayment. The lien created herein shall be foreclosed in the manner provided for the foreclosure of real estate mortgages in the State of Wyoming and may be, at the Association's discretion, accomplished by advertisement and sale as provided in the Wyoming Statutes. In the event of such collection and/or foreclosure, the nonpaying HOA Lot owner shall be liable for all attorney's fees and costs incurred by the enforcing party in such collection. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of his HOA Lot.

i. Subordination of Lien to Mortgages. The lien of the assessment 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 the foreclosure of a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such

