

## **DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR SAWMILL HOMESTEAD SUBDIVISION**

**CG Properties, LLC, a Wyoming limited liability company, herein the "Declarant", hereby declares that all of the lands within the SAWMILL HOMESTEAD SUBDIVISION (herein referred to as the "Subdivision"), as more particularly described and laid out in that certain Plat prepared by Coffey Engineering and Surveying approved by the County Commissioners of Albany County on August 4, 2009, and recorded in the Office of the County Clerk of Albany County as Document No. 2009-5810 on September 10, 2009, shall be subject to the following covenants:**

**1. LOTS AND OUTLOTS/COMMON AREAS DEFINED -- EASEMENTS.**

These Covenants shall apply to each and every of the Nine (9) numbered Lots of SAWMILL HOMESTEAD SUBDIVISION, as designated and shown on the aforesaid Plat (herein referred to as "Lot" or "Lots"). Each covenant herein shall apply to each such Lot, shall be binding upon and run with the land.

Outlots A, B and C, as shown and described on the Plat, are three separate and distinct parcels on the Plat but are not considered or defined as "Lots" for purposes herein or for use hereafter. The Outlots shall generally be used as common areas, and no Outlot shall be used for any residential, commercial or industrial occupancy or use. No residence may be built on any Outlot nor used for housing purposes of any kind. No Outlot shall have any other ancillary improvement or construction thereon without the prior written approval of Declarant. Declarant shall initially retain ownership of the Outlots but may, in Declarant's discretion, convey any or all of the Outlots to the Association if and when Declarant no longer requires the ability to grant additional easement rights therein or use thereof.

Until such time as it elects to convey the Outlots to the Association, and until such conveyance is made, Declarant hereby grants and reserves the following rights in and to the Outlots:

Declarant hereby grants a utility easement over, across and under the Outlots for the purpose of installation, maintenance, repair and replacement of utilities, including, but not limited to the expansion of the waterline(s) intended to serve the Lots and future expansion of the Centennial Sewer and Water District. The specific location of the water lines is not yet defined but will be located at the direction of Declarant within the Outlots and will be more specifically defined of record after the installation thereof.

Declarant grants to and for the benefit of the Owners of each Lot a non-exclusive easement over and across the Outlots for non-motorized recreational use and for the the general use and enjoyment as common areas by the Lot Owners, their guests and invitees.

Provided however, Declarant hereby reserves the exclusive and specific right to grant additional easements over and across the Outlots, whether for access, utilities or other purposes and uses, for lands adjacent to the Subdivision for

future development thereof, in Declarant's sole discretion and the rights granted herein to Lot owners shall be subject and subordinate to those subsequent easements hereafter granted by Declarant.

2. **SUBDIVISION.** No Lot nor any Outlot shall be further divided, subdivided, split or partitioned in any manner.

3. **REAL PROPERTY TAXES.** Each Lot Owner shall be responsible for paying the property taxes each year on each and every Lot owned plus an equal 1/9th share of the property taxes on the Common Area/Outlots as determined, assessed and levied by the Albany County Assessor's office.

4. **SINGLE FAMILY RESIDENTIAL USE ONLY.** All Lots shall be used only for single family residential purposes, including any home business or home occupation use as permitted under the applicable zoning regulations of Albany County, Wyoming as now in effect or as hereafter from time to time amended or promulgated. Provided however, no sign denoting any such business shall be placed on the Lot greater in size than two square feet and no such sign shall be illuminated. Any such home business shall be operated exclusively within the interior of the home or within the interior of the garage/accessory building on the Lot and shall not result in any equipment, tools or product being placed outside or visible to other Lot owners. Provided further, such home business or home occupation occurring on a Lot may not result in an increase in vehicular traffic to that Lot which is above and beyond what would otherwise be reasonable if that Lot were used only for residential purposes. Nor shall any such home business increase noise, air, light or water pollution that would be above and beyond what would otherwise be reasonable if that Lot were used only for residential purposes. No parking lot area shall be allowed which is greater in size than would be reasonable for a typical residence. For purposes of illustration, permitted home business or home occupation may include, but shall not necessarily be limited to: the practice of a profession in an office located within the home, a quiet trade or operation which occurs exclusively within the home or garage/accessory building, or the operation of a sales office within the residence for the sale of a product which is not inventoried on the Lot or within the residence but is being sold offsite of the Lot.

5. **GENERAL IMPROVEMENTS SETBACK AND PLACEMENT.** No improvement (excluding perimeter fences, landscaping and similar improvements which would not defeat the purpose of the set back) shall be constructed closer to any property line than a distance of thirty (30) feet. Eaves, steps and open porches of buildings shall not be considered as part of such improvement. Consideration shall be given to locate new structures so as not to disrupt the view of homes then existing on neighboring Lots and to provide continuity with the natural surroundings. Construction of improvements is encouraged near the tree lines and is discouraged in the open areas of each Lot.

6. **CONSTRUCTION REQUIREMENTS.**

a. *New Construction/Time For Completion.* Any buildings erected on the Lot shall be on-site new construction with new quality materials. No owner of a Lot shall erect or place any mobile homes, factory constructed or other modular residential buildings on any lot

purchased from Declarant hereafter. Individual components may be constructed off site and transported to the property for erection, but modular homes shipped in on wheels shall not be permitted on any lot. Trailers shall not be used as a permanent residence during construction. Once construction of a structure is commenced on a Lot, construction of that structure shall be completed within twelve (12) months of commencement. If the construction progress is slowed or interrupted, the construction site shall be cleaned up into a neat, orderly and safe place.

*b. Temporary Residence.* No construction trailer, basement, garage, or other out-building erected on said real property for construction purposes shall be at any time used as a residence, temporarily or permanently, nor shall any structure of a temporary character be used as a residence. Temporary structures will be removed upon completion of construction. Mobile homes shall not be used as temporary or permanent residences at any time.

*c. Compatibility of Improvements.* All Buildings and any other improvements constructed on a Lot shall be appropriate in character, design, color and architecture in relation to the general area and to the other homes in the subdivision. No unusual design, styles or construction methods shall be allowed (for illustration purposes only—there shall be no geodesic domes, no straw bale structures of inferior construction quality or design than what is typical in the area, and no underground homes). Improvements are to be “Western” in nature which may include mountain style designs. Elevations facing any road shall have some form of architectural details including stone, timber or log accents.

*d. Colors of Improvements.* All buildings and improvements will be painted, stained, sided and roofed in primarily earth tone colors so that they shall blend with the land and the surrounding area and homes as much as possible. Roofing shall be dark in color.

*e. Number of Buildings Per Lot.* No buildings shall be erected, altered, placed or permitted to remain on a Lot other than one (1) single-family primary residential dwelling which may have a private attached garage, and a maximum of one (1) additional accessory building which may be used for a shop, additional garage, studio, guest house, workshop, recreation room, storage area, or any combination thereof.

*f. Minimum Square Footage for Homes.* Every primary residential dwelling shall have a minimum finished ground level floor area (ie., footprint) of no less than 1200 square feet. No primary residential dwelling shall exceed one and a half stories above finished grade. No basement area, including walk-out basements, 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 primary residential dwelling; provided however, if a Lot allows for a daylight basement, a daylight basement shall be permitted with the daylight portion being allowed to exceed said 24” maximum. No building shall exceed a maximum height of 30’ excluding the walk-out basement. There may be a maximum 3 car attached garage which shall not exceed 1000 square feet footprint and shall not be considered a part of the finished floor area requirements.

*g. Accessory Buildings.* Accessory buildings shall not exceed 1,200 square feet on the ground level, and shall be of properly framed or log construction. No accessory building

shall exceed a height of ten feet (10') at the highest point of the sidewall nor eighteen feet (18') feet from the top of the floor to the highest point of the main roof ridge line. Provided further, an accessory building constructed on a Lot shall be constructed in a style that matches the primary residential dwelling constructed thereon, and the siding and roof materials and colors of both buildings shall be the same on the dwelling and accessory building.

No accessory building shall be erected prior to the primary residential dwelling except a shop building that is to be used while constructing the primary residential dwelling.

In an effort to promote a higher quality look than an average pole-type barn, each accessory building shall have one or more architectural details that provide a higher-than-average appearance (examples of such intended details include but are not limited to: varying or multiple roof lines, architectural accents such as logs, timbers or stone, covered porch or landing, a roof cupola or other such architectural details). The architectural details required by this paragraph shall be subject to the approval of the ACC.

*h. Permitted Sidings.* Each primary residential dwelling and accessory building shall be sided with the following materials:

- i. properly painted, stained or treated cedar, pine or redwood siding which shall be properly maintained after installation;
- ii. properly stained, painted or treated logs with a minimum diameter or thickness of eight inches (8") which shall be properly maintained after installation;
- iii. traditional stucco, Drivit or other high quality stucco-like siding will be allowed as an accent, but not the primary exterior finish;
- iv. masonry which shall include natural or cultured stone;
- v. high quality manufactured/composite siding [examples of such permitted composite siding include: Certaineed's "WeatherBoards"; James Hardie's "Hardiplank Lap Siding" or "Hardishingle Siding", and other such higher-than-average manufactured siding approved by the ACC that is in the form of a traditional lap siding, shake panels or board and batten which meets all of the following minimum criteria: (A) the color warranty on the siding product is a minimum of fifteen (15) years; (B) the durability warranty on the siding product is a minimum of fifty (50) years; and (C) that the siding is properly installed according to manufacturer specifications.
- vi. Metal siding is discouraged but may be permitted only upon the prior express approval of the ACC.

*i. Prohibited Sidings.* No primary residential dwelling nor any accessory building erected on a Lot shall be sided with any other materials such as the following materials, which are prohibited as such and are typically inferior and less-than-average in quality and appearance, to-wit:

- i. plywood or any wood sheet panel siding;
- ii. vinyl siding;
- iii. pressed board, hard board siding or other such inferior grade composite siding;

- iv. exposed unfinished cement or concrete block (no more than 12 inches of unfinished concrete for any basement/foundation wall shall be left exposed in its unfinished condition),
- v. metal siding unless expressly permitted by the prior express approval of the ACC; or
- vi. any other inferior siding.

*j. 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 paragraph 4 g., above; provided however, metal soffit and fascia may be used so long as such metal soffit and fascia meets the following minimum quality specifications: all such metal shall be of a high quality and thickness and shall be properly installed; and fascia over seven inches (7") in height shall have a stepped appearance. Provided further, whenever metal soffit and fascia is used, that area where the rake fascia board meets the horizontal soffit from the side of the house, that connection shall be finished by boxing in the connection so that it has a finished appearance.

*k. Trim Boards/ Window & Door Casing.* All exterior windows, doors and corner boards shall be a minimum of 3½ inches wide.

*l. Roofing Requirements.* All major roof lines of any primary residential dwelling shall be pitched with at least a 6/12 pitch, provided however, the roof pitch of porches, dormers and other ancillary roof lines shall not be less than a 3/12 pitch. All buildings constructed on a Lot shall have a roof overhang of at least sixteen inches (16"). No major roof line of any accessory structure erected on a Lot shall be pitched less than a 4/12 pitch. Primary structures are to have at least 6 roof planes. Permitted roofing materials shall not be in any unusual color and are limited to: (i) tile or slate; (ii) asphalt or composite shingles; provided however, if asphalt or composite shingles are used, they shall be the architectural design with the "shake" look and shall be of a quality with at least a 40 year rating, (iii) high quality composite shakes, (iv) real cedar shakes, (v) metal roofing with a baked enamel or high quality coated finish and in an architectural grade with concealed screws/fasteners, or (vi) other such higher-than-average quality roofing material.

*m. Sheathing & Exterior Framing Requirements.* All construction shall use sheathing (except in types of construction where sheathing is not required, like logs) meeting at least the following minimum requirements: (i) all wall sheathing shall be at least 7/16" plywood, OSB or comparable sheathing product; (ii) all roof sheathing shall be at least 5/8" plywood, OSB or comparable sheathing product; and (iii) all subflooring shall be at least 3/4" plywood, OSB or comparable subflooring product. Additionally, all exterior stud walls shall be framed with studs on 16" centers or less. The purpose of these requirements is to ensure the quality of the exterior appearance of the buildings shall be long lasting and shall not sag or develop a lower quality appearance because of lesser construction products used for exterior sheathing/framing.

*n. Express Intent of Architectural Control and Possibility for Variance.* Before any construction is commenced on a Lot, the owner shall submit to the Architectural Control

Committee the site plan, construction plans, elevations and color selections for the project, and the Committee shall have 20 days to review the same and submit written comments to the Owner prior to commencement of construction. It is the intent of these Covenants to ensure that the homes and accessory buildings constructed are higher-than-average homes in terms of quality, appearance and styling. The Lot owners wish to promote a high quality of construction and appearance for each building to be constructed in the subdivision to protect each other's desired lifestyles and property values.

As further provided hereafter in the Covenants, the ACC, in exercising the architectural control of the subdivision, may grant a variance to an Owner, upon the Owner's written request, to allow the primary residential dwelling or accessory building to be constructed, sided or roofed in some material other than those expressly permitted above. The ACC acknowledges that 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 ACC may desire, as a group, to allow such and grant a variance.

7. **PRESERVATION OF LANDS AND SCENERY.** Revegetation of disturbed areas is required within 12 months of disturbance. No clear cutting of vegetation is allowed except house sites, access to sites, and utility easements. Unsightly weeds, underbrush, or other unsightly growths not maintaining the visual continuity of the surrounding area shall not be permitted to grow or remain on the premises, and no refuse pile or unsightly accumulations or objects shall be allowed to be placed or to remain anywhere on the Property. In the event that any Lot owner shall fail or refuse to keep such premises free from the above-mentioned, then the Association may enter upon such lands and remove the same at the expense of the Owner and such entry shall not be deemed a trespass and in the event of such a removal a lien shall arise and be created in favor of the Association and against such Lot for the full amount chargeable to such Lot and such amount shall be due and payable within 30 days after the owner is billed therefore.

8. **IRRIGATION OF YARDS/LANDSCAPING.** Centennial Sewer and Water District water supply may be used for drip irrigation only. Yard irrigation shall be by means of a private well provided for a Lot by the owner, if at all.

9. **EXTERIOR LIGHTING; ALTERNATIVE ENERGY FIXTURES.** 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 shall comply with the Albany County Lighting Ordinance.

Provided further, alternative energy fixtures, equipment and appurtenances such as solar panels mounted on a roof or at ground level may be permitted by the ACC only if they are shielded or screened so they are not clearly visible from the road or another Lot. No wind turbines or towers or similar equipment, fixtures or appurtenances shall be permitted by the ACC if they can be seen from the road or another Lot within the Subdivision.

10. **FENCES.** No fences may be erected on any property except on those Lots or

Outlots that include subdivision perimeter fences. Subdivision perimeter fences shall be barbed wire. No fences, hedges or walls shall be erected or maintained except to screen service areas or other elements directly related to the main structure. Provided however, temporary fences (ie., fencing to temporarily protect trees or vegetation) shall be allowed.

11. **PARKING OF VEHICLES, MACHINERY AND EQUIPMENT.** Vehicles which are not in running condition or are in a state of disrepair shall not be parked or stored on any Lot except within an enclosed garage. Private vehicles which are used on a daily basis and are used regularly do not need to be stored in such a manner.

No trailers, campers, snow machines, four wheelers, boats, recreational vehicles and other like vehicles, any form of machinery and equipment shall be placed, parked or stored anywhere on a Lot unless enclosed in a garage or accessory building and out of the view of other Lot owners. Provided however, a Lot owner may park their recreational vehicle on a Lot on an occasional temporary basis outside a garage. For purposes herein, the term "occasional temporary basis" shall mean a recreational vehicle may be parked on a Lot for up to three (3) separate periods each year, each period of which may not exceed seven (7) days each period and which shall have not less than twenty one (21) days in between each period.

12. **WASTE DISPOSAL.** The owner of each Lot shall dispose of their own household waste and other debris and refuse and 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 any Lot.

13. **LIVESTOCK AND PETS.** No livestock of any nature shall be kept, raised, or maintained on a Lot ("Livestock" shall include but not be limited to: horses, donkeys, cattle, sheep, pigs, goats, llamas, peacocks, turkeys, chickens and any other such animals not customarily kept as household pets in the area). Commercial animal husbandry shall not be practiced in any form, and all pets shall be maintained for personal and family use only. No lot owner shall keep more than three dogs nor more than three cats on a Lot, and all such dogs/cats 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 SAWMILL HOMESTEAD SUBDIVISION.

14. **WILDLIFE.** There shall be no intentional feeding of wildlife. Care shall be taken to store household trash indoors or in approved wildlife safe containers.

15. **UTILITIES AND ACCESS -- EASEMENTS.** All utilities and service lines installed in the Subdivision shall be underground. Propane tanks shall be buried, or in the alternative, shall be screened from public view and the view of neighboring Lots and said screen shall blend with the adjacent building and shall be subject to approval by the ACC.

In addition to the Declarant's grant of utility easements across the Outlots, above, Declarant hereby further grants easements to and for the benefit of each Lot along the following routes for utility installation, maintenance, repair and replacement and for drainage: (a) fifteen feet (15') along the side and back boundary lines of each Lot and (b) thirty feet (30') along and

adjacent to Old Sawmill Road and Markle Creek Road, as those roads are shown on the Plat, and (c) that fifty foot (50') wide strip shown and described on the Plat lying between Lots 6 and 8 and Lot 7/Outlot C. The purpose of this grant of easement is to provide each Lot with the benefit of allowing utilities, drainage and irrigation along such routes as may be necessary for each Lot. Vehicular travel is prohibited on easements except for the purpose of utility and drainage and irrigation maintenance and repair by those Lot Owners and public utility companies authorized to perform such services.

Access for each Lot shall be along Old Sawmill Road and Markle Creek Road, each as shown and described on the Plat, and Declarant hereby grants an access easement along each said Road for the benefit of each Lot to the extent reasonably necessary to access each Lot. Provided further, Declarant hereby grants an access easement and an easement to place a septic system drainfield to and for the benefit of Lot 8 along that one hundred ten foot (110') wide route adjacent and along the east boundary of Outlot C, as shown on said Plat.

16. **EXCAVATION AND MINING.** No excavation of any kind including that for stone, sand, gravel or earth shall be made on any portion of the above-described real property, except for such excavation as may be necessary in connection with the erection of an improvement thereon. No oil drilling, oil development operations, quarrying, or mining operations of any kind shall be permitted upon said premises.

17. **FIREARMS, FIREWORKS AND HUNTING.** No firearm shall be discharged, and no fireworks shall be ignited or used, within the SAWMILL HOMESTEAD SUBDIVISION. No hunting wildlife of any kind shall be allowed within SAWMILL HOMESTEAD SUBDIVISION.

18. **HAZARDOUS, NOXIOUS OR OFFENSIVE ACTIVITIES.** No hazardous, illegal, noxious, or unreasonably loud or offensive activities shall be permitted within the SAWMILL HOMESTEAD SUBDIVISION, nor shall anything be done or placed within SAWMILL HOMESTEAD SUBDIVISION which is or may become a nuisance.

19. **SAWMILL HOMESTEAD SUBDIVISION HOMEOWNERS' ASSOCIATION AND THE ARCHITECTURAL CONTROL COMMITTEE.**

a. **Creation OF Association.** The Sawmill Homestead Subdivision Home Owners' 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.

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

- (i) enforce these Covenants, as set forth herein and as may be amended;
- (ii) to elect an architectural control committee ("ACC") as set forth below;
- (ii) to govern, administer and pay for the private maintenance and repair of Sawmill Homestead Subdivision roads (Old Sawmill Road and Markle Creek Road) and Common Areas to the extent made available to the Association and the Lots;



- (iii) to pay for weed and pest control of the Common Areas;
- (iv) to address all issues relating to the assessment of the Outlots/common area, as the valuation and assessment of the same are affected by the restrictions placed by these Covenants;
- (v) to purchase and maintain insurance, including but not limited to:
  - (a) Comprehensive General Liability and Property Damage Insurance on the Outlots. Comprehensive general liability and property damage insurance shall be purchased by the Association and shall be maintained in force at all times, the premiums thereon to be paid by the Association, as a common expense. The insurance shall be carried with reputable companies authorized to do business in the State in such amounts as the Association may determine. The policy or policies shall name as insured all of the Owners, Declarant and the Association. The policy or policies shall insure against loss arising from perils in the Outlots/common areas and shall include contractual liability coverage to protect against such liabilities as may arise under the contractual exposures of the Association and/or the ACC.
  - (b) Fire and Hazard Insurance. Fire and other hazard insurance shall be purchased by the Association as required or appropriate for improvements on the Outlots/common areas.
- (vi) to ensure the proper delivery of water from the Centennial water supply to the boundaries of Sawmill Homestead Subdivision;
- (viii) 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:

- (1) 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;
- (2) elect officers to carry out the administrative duties authorized by the Association's members from time to time. Officers shall include a President, Vice President and Secretary/Treasurer unless otherwise provided by the Association;
- (3) 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 Sawmill Homestead Subdivision roads; and
- (4) employ such firms or persons to perform any or all of the duties and obligations of the Association.

c. **Membership in Association.** Every person who is an owner of a Lot (but not an Outlot) 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.

d. **Voting Rights For Association.** For all Association matters, each owner shall be entitled to one (1) vote for each Lot owned, *provided however*, Declarant shall have ten (10) votes for each Lot owned by it for the purpose of preserving in Declarant a higher voting right on Association matters for so long as it owns Lot(s) it developed. 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 Outlots shall not, for purposes herein, be considered a "Lot". 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.

e. **Action By Association.** 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 all Lots, excluding the vote of any owner whose voting rights are suspended under Subparagraph d., cast in person or by proxy, at a duly constituted meeting of the Association, or, without a meeting by written approval of such action.

f. **Meetings of Association.** The Association shall have an annual meeting. The first annual meeting shall be held in the month of October of 2010, 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.

g. **Books and Records of Association.** 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.

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

i. **Dissolution of Association.** 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 SAWMILL HOMESTEAD SUBDIVISION 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.

j. **Limitations of Association.** 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.

k. **Architectural Control Committee (ACC).** The review and approval of the Owners' plans for building and improvement on all Lots shall be vested in the Architectural Control Committee (sometimes referred to as the "ACC"). Initially, the Committee shall consist

of Declarant. After the sale and conveyance of the first 6 Lots, the ACC shall consist of three (3) Members, each of whom shall be an Owner. The 3-members on the ACC shall be Declarant and two other Owners appointed at the discretion of Declarant until all Lots in the Subdivision are sold and conveyed.

After all nine (9) Lots are sold and conveyed, the ACC shall thereafter consist of three (3) Lot owners shall be elected by the Association. Members of the ACC shall be elected for one-year terms by a majority vote of the Members of the Association at the next annual meeting of the Association. Following the sale of all Lots by the Declarant, a majority of the Association may, at any time, call a special meeting and, by majority vote, remove and replace any member or all members of the ACC. Provided however, Declarant shall have the right and option, in its sole discretion, to retain its position as one of the three Members on the ACC for a period not to exceed five (5) years from the date hereof so that Declarant may assist in the initial endeavors of the ACC as the Tracts are initially developed.

l. **Powers and Duties of ACC.** The ACC shall be vested with the following powers at a minimum:

- (a) To be the body responsible for the review, approval or disapproval of all plans and specifications submitted for architectural review in accordance with these Covenants and to grant/deny any Variance to any condition or requirement set forth herein;
- (b) To enter into contracts, maintain accounts, purchase materials, labor, equipment and supplies necessary to perform functions of the ACC, and conduct all reasonable business necessary or incidental to its part of the operation of the Association;
- (c) To direct the maintenance, repair and improvement of all common roads and areas, as it reasonable deems appropriate;
- (d) To have the right, in addition to the Association, to enforce the provisions of these Covenants, place liens on Lots, and enjoin and seek damages from any Owner for violation of these Covenants;
- (e) To perform other duties and responsibilities as otherwise contemplated in these Covenants.

m. **ACC Actions/Voting.** Any action by or on behalf of the ACC shall be deemed approved when such action receives the affirmative vote/approval of 2/3rds of the ACC members.

n. **Non-Liability for Approval of Plans.** Neither the ACC, its Members, the Association, nor the Declarant shall be liable to any Owner or other person for any damage or loss suffered or claimed on account of (a) the approval or disapproval of any Plans, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved Plans, or (c) the development or manner of development within the Subdivision. Approval of Plans by the ACC 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.

o. **Inspection and Approval.** Any member or authorized consultant of the ACC 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 these Covenants and Plans approved by the ACC.

**20. 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 Subdivision and the Lots.

c. **Annual Assessments.** The Association shall establish annual assessments to meet its obligations under these Covenants, including specifically the obligations to maintain Sawmill Homestead Subdivision roads and the Outlots used as common areas and to satisfy the operating expenses of the Association. The Association shall have the power to include within the annual assessment amounts to meet the costs of any other service duly approved by the Association.

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.** All assessments under this Paragraph shall be subject to the approval of the Association, as provided herein. It is Declarant's intention that the initial annual assessment for the year 2009 shall be set in accord with c. above at its first annual meeting in October of 2009.

f. **Uniform Rate of Assessment.** Both annual and special assessments must be fixed as a uniform rate for all Lots, except as noted specifically above. No Outlot shall be subject to assessment.

g. **Commencement of Annual Assessments.** The annual assessments provided for herein shall commence as to all Lots on such date as shall be established by the Association under Subparagraph e. The Association shall fix the amount of the annual assessment against each Lot at least 30 days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the 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.

21. **VARIANCE.** The Association shall have full power and authority, upon an affirmative vote of *at least* two-thirds (2/3rds) of the Lots, 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.

22. **ENFORCEABILITY.** These Covenants may be enforced by the record owner of any Lot or parcel in the SAWMILL HOMESTEAD SUBDIVISION, by the Association or by the Declarant whether or not Declarant owns a Lot, but these Covenants shall not run to the benefit of any unrelated third party. The enforcing party shall be entitled to recovery of its attorneys fees and costs incurred in a successful enforcement of these Covenants.

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

24. **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.

25. **COVENANTS RUN WITH THE LAND; AMENDMENT.** T h i s 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 *at least* seventy percent (70%) of Lot owners repeals or amends this Declaration covenants.

