

---

DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS  
TWELFTH STREET COURTYARD HOMEOWNER'S ASSOCIATION

---

THIS DECLARATION is made by and between DEAN HUSTED and KAREN HUSTED, referred to as DECLARANT.

WITNESSETH:

WHEREAS DECLARANT is the owner of certain property in Campbell County, Wyoming, which is more particularly described on the plat map as the same that is filed for record with the County Clerk and Recorder of Campbell County in connection with the Subdivision designated by Campbell County as THE TWELFTH STREET COURTYARD situate in Campbell County.

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

AND WHEREAS, DECLARANT will convey the said Properties, subject to certain protective covenants, conditions, restrictions, liens and charges as hereinafter set forth;

NOW THEREFORE, DECLARANT declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors, and assigns, shall inure to the benefit of each Owner thereof, and which are intended not to be merely personal.

ARTICLE I  
DEFINITIONS

Section 1: Association shall mean and refer to TWELFTH STREET COURTYARD HOMEOWNER'S ASSOCIATION, a nonprofit Wyoming corporation, its successors and assigns.

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

Section 3: Properties shall mean and refer to that certain real property with the subdivision and such conditions as may be brought within the jurisdiction of the Association.

Section 4: Common Area shall mean the private access road owned by the Association for the common use and enjoyment of the owners.

Section 5: Lot shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6: DECLARANT shall mean and refer to DEAN HUSTED and KAREN HUSTED, husband and wife, d/b/a Desert Homes Development, their successors and assigns.

Section 7: Member shall mean and refer to every person or entity who holds membership in the Association. See Article V.

Section 8: The term covenants as used herein, shall mean and refer collectively to the covenants, conditions, restrictions, reservations, easements, liens, and charges imposed by or expressed in this DECLARATION.

Section 9: The term Board of Directors or Board used herein, shall mean and refer to the duly elected Board of Directors of the Association. There shall be three (3) directors serving three (3) year terms. The initial Board shall consist

of one (1) director serving for one (1) year, one (1) director serving for a two (2) year term, and one director serving for a three (3) year term. Thereafter, each director shall serve a three (3) year term. Elections shall be held each year during January. The owner of each lot shall be entitled to one vote. The Directors are responsible to handle the financial matters of the Association and shall report annually to all Association members.

Section 10: The water delivery system is a private system and is owned and maintained by the Association.

## ARTICLE II NATURE AND PURPOSE OF COVENANTS

The covenants, conditions and restrictions set forth in the DECLARATION constitute a general scheme for the development, protection and maintenance of the Properties to enhance the value, desirability, and attractiveness of the lots and Common Area and to provide for the maintenance, operation and replacement of the private water delivery system for the benefit of all Owners and lots therein. These covenants, restrictions, and conditions are imposed upon DECLARANT and upon the Owners of all lots. Said covenants, conditions, and restrictions are for the benefit of all lots, and shall bind the Owners of all such lots. Such covenants, conditions, and restrictions shall be a burden upon and a benefit to not only the original Owner of each lot, but also his successors and assigns. All such covenants, conditions, and restrictions are intended as and are declared to be covenants running with the land or equitable servitudes upon the land, as the case may be. The Owners and the Association shall have the right to enforce these covenants.

## ARTICLE III PROPERTY RIGHTS

Section 1 - OWNER'S EASEMENTS OF ENJOYMENT: Every owner shall have a right and an easement of enjoyment and use in and to the Common Area and to the private water delivery system, which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

a. The right of the Association to assess and charge a reasonable maintenance , operation and usage fee for said water lines ad access roads and to impose such charge or assessment as a lien against any property for which such charge or lien has not been paid in accordance with these DECLARATIONS, Bylaws and Articles of Incorporation. The Association is responsible to maintain the water delivery line and private access road.

b. The right of the Association to suspend the voting rights for any period during, which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

c. The right of the Association to dedicate or transfer all of any part of the Common Area to any public agency, authority, or entity, but only with the permission of the agency, authority or entity for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless such dedication or transfer is approved by two-thirds (2/3) of the members;

d. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purposes of improving or operating said systems and facilities and in aid thereof to mortgage said properties and the rights of such mortgages in such properties shall be subordinate to the rights of the homeowners;

e. The right of the Association, through its Board of Directors, to adopt and publish rules and regulations and usage fees with respect to said private water line.

Section 2 - DELEGATION OF USE: Any owner may delegate, in accordance with the Bylaws, his right of enjoyment and use in and to the Common Area, and said private water line to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE IV  
USE OF RESIDENTIAL LOTS AND COMMON AREA

Section 1 - USE: Each lot within the properties, except for the Common Area, shall be constructed, improved, used and occupied only for private residential purposes consistent with the Zoning Regulations for the City of Gillette and Campbell County in effect on the date that said construction, improvement, use or occupation begins.

Section 2 - PETS AND OTHER ANIMALS: Dogs, cats, or usual and ordinary household pets may be kept in any dwelling subject to the conditions below. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot for any commercial purpose. Pets will be permitted, provided they are contained within the home. Pets must be kept within chain link fence or other secure fence provided for containment of said household pets in the yard.

Section 3 - PARKING: There shall be no parking on the private access road.

Section 4 - TRASH COLLECTION: Trash collection will be provided by the City of Gillette pursuant to current city ordinances and policies.

Section 5 - COVENANTS: These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of 30 years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by three-fourths (3/4) majority of the then owners of the lots has been recorded agreeing to the change of said covenants in whole or in part.

Section 6 - VEHICLES: Only those motor vehicles in normal operating condition, licensed for the current year, and in general daily use shall be kept on the property. No major repairs can be made to any vehicle unless performed inside the homeowner's garage.

Section 7 - NUISANCES: No nuisances or offensive activity shall be carried on within the subdivision, nor shall anything be done or permitted which shall constitute a public nuisance; nor shall anything be done or permitted which will endanger any person. No speeding or reckless driving will be permitted in the subdivision.

Section 8 - LAWNS: Lawns must be mowed as frequently as necessary in order to be kept in a neat-appearing condition. No uncut weeds will be allowed.

Section 9 - ENFORCEMENT: Enforcement shall be by proceedings at law or in equity against any person or persons in accordance with the provisions contained herein.

Section 10 - EASEMENTS: No owner shall place any permanent structure, foundation, accessory building, or object over an easement. The Homeowner's Association has the right to require owners to remove said permanent structure, foundation, accessory building, or object from an easement. Permanent includes, but is not limited to, a foundation, etc. attached to the land.

Section 20 - LOCAL IMPROVEMENT DISTRICT (LID): If the Association becomes insolvent and the City of Gillette agrees to take over the duties of the Association, then each lot owner agrees to abide by the City's ordinances, rules and regulations.

ARTICLE V  
MEMBERSHIP AND VOTING RIGHTS

Every owner of a lot shall be a member of the Association. Membership shall not be separated from ownership of any lot. All owners shall be entitled to one vote for each lot. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot. When two or more persons are stockholders in a corporation holding an interest in any lot, one, and only one, shall be a member for voting purposes.

ARTICLE VI  
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1 - CREATION OF THE LIEN AND PERSONAL OF ASSESSMENTS: The DECLARANT, for each lot owned within the properties, hereby covenants, and each owner of any lot by acceptance of a deed therefor,

whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual, or more frequent if necessary for operating reasons, assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2 - PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties and for the maintenance, preservation, replacement and operation of the water lines, the Common Area, and Association costs.

Section 3 - MAXIMUM ANNUAL ASSESSMENT: Until January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum equal assessment shall be *Three hundred Dollars (\$300.00)* per year per occupied lot at *Twenty-five Dollars (\$25.00)* per month. The DECLARANT shall be responsible for the remaining amount of the yearly costs. DECLARANT does not pay annual or special assessments on a per lot basis. *K.A.*  
*D.H.*

a. From and after January 1 of the year immediately following the conveyance on the first lot to an owner, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased above ten percent (10%) by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 4 - SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS: In addition to the annual assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the said utilities and Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5 - NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 3 AND 4: Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than fifteen (15) days nor more than forty-five (45) days in advance of the meeting. A quorum shall be 51% of all members with said percentage to be made up of people attending in person and those voting by proxy.

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

Section 7 - DATE OF COMMENCEMENT OF ANNUAL AND SPECIAL ASSESSMENTS DUE DATES: The annual and special assessments provided for herein shall commence as to each lot on the first day of the month following the conveyance of such lot by DECLARANT. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates and collection methods shall be established by the Board of Directors, and, unless otherwise provided, the Association or its assigns shall collect each month from the owner of each lot one-twelfth (1/12) of the annual assessment for such lot. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.



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

a. Delinquency: Any assessment provided for in this Declaration, which is not paid when due, shall be delinquent. With respect to each assessment not paid within fifteen (15) days after it's due date, the Association may, at its election, require the owner to pay a "late charge" in a sum to be determined by the Association, but not to exceed \$10.00 per each delinquent assessment, plus interest at the rate of ten percent (10%) per annum on such assessment.

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

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

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

shall be in addition to any other rights or remedies which the owners or the Association may have by law or otherwise. The Association shall also have the right to bid at any such foreclosure sale and to hold, lease, mortgage, and convey such lot upon its purchase. Upon repayment of the full amount secured by an assessment lien, including all authorized charges in accordance with the foregoing, or upon any other satisfaction duly made in connection therewith, the Association shall cause to be recorded a notice setting forth the fact of such payment and/or satisfaction and of the release of the assessment lien. Any assessment lien as to any lot shall at all times be subject and subordinate to any mortgage or deed of trust on the lots which is created in good faith and for value and which is recorded prior to the date of recordation of the assessment lien. In the event any assessment lien is destroyed by reason of the foreclosure of any prior mortgage or deed of trust on a lot, the interest in the lot of the purchaser at the foreclosure sale may be subjected to a lien to secure assessments levied on the lot in the same manner as provided in this Article.

c. Curing the Default: Upon the timely curing of the default for which a notice of claims or lien was filed by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment of the defaulting owner, of a fee to be determined by the Association, but not to exceed Fifty Dollars (\$50.00) to cover the costs of preparing and filing or recording such release, together with the payment of such other costs, interest or fees as shall have been incurred.

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

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

Section 9 - SUBORDINATION OF THE LIEN TO MORTGAGES: The lien of the assessments 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. The sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

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

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

equitable in the light of the damage sustained to make up any deficiency. In the event such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the owners in such proportions as the Board of Directors deem fair and equitable.

## ARTICLE VII

The Board of Directors may in its discretion appoint a Management Committee composed of three (3) or more representatives, one (1) Board member and two (2) owners to supervise the management of the maintenance, preservation and use of the utilities, Common Area, and related facilities described hereto.

## ARTICLE VIII GENERAL PROVISIONS

Section 1 - ENFORCEMENT: The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or hereinafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3 - AMENDMENT: The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

Section 4 - DISSOLUTION: The Association may not be dissolved without the prior permission of the Gillette City Council.

IN WITNESS WHEREOF, the undersigned, being the DECLARANT herein, has hereunto set its hand and seal this 29th day of August, 1994.

DECLARANT:

By: [Signature]  
Dean Husted

By: [Signature]  
Karen Husted

STATE OF ARIZONA )

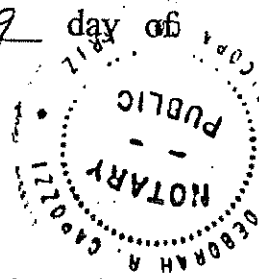
:SS

County of MARICOPA )

The foregoing DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS was acknowledged before me this 29 day of Aug., 1994 by Dean Husted.

Witness my hand and official seal

[Signature]  
NOTARY PUBLIC



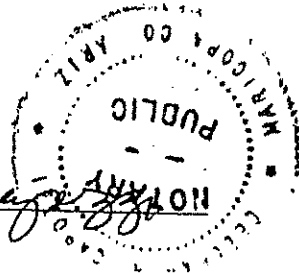
My commission expires: 4-23-98

STATE OF ARIZONA )  
 )  
:SS  
County of MARICOPA )

The foregoing DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS was acknowledged before me this 29 day of Aug., 1994 by Karen Husted.

Witness my hand and official seal

Deborah R. Cagle  
NOTARY PUBLIC



My commission expires: 4-23-98

STATE OF WYOMING }  
Campbell County } ss.

Recorded for record this 18th day of July A.D., 19 97 at 11:42 o'clock A. M. and recorded in Book 1437  
Photos on page 492-405 Fees \$ 32.00 **721820**

Jessie Saunders  
County Clerk and Ex-Officio Register of Deeds

RECORDED  
ABSTRACTED  
INDEXED  
CHECKED

By Shirley Haskett  
Deputy

