

STATE OF WYOMING     )  
  ) ss.  
COUNTY OF SHERIDAN   )



**2024-793258**     7/23/2024 10:52 AM PAGE: 1 OF 33  
FEES: \$108.00 PK DECLARATION OF COVENANTS  
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK

**DECLARATION OF PROTECTIVE COVENANTS,  
FOR PHASE ONE OF THE HEADQUARTERS**

**THIS DECLARATION CONTAINS NO RESTRICTION BASED  
ON RACE, COLOR, GENDER, RELIGION, OR NATIONAL ORIGIN**

**THIS DECLARATION OF PROTECTIVE COVENANTS FOR PHASE ONE OF THE HEADQUARTERS**, (this "Declaration") is made effective on the 3rd day of July, 2024, by **Sheridan Hills, LLC**, a Wyoming limited liability company, care of Carlton Construction, LLC, P.O. Box 708, Big Horn, WY 82833 and by **Gateway Partners, LLC**, a Wyoming limited liability company, whose address is 2 Saddle Crest Dr., Sheridan, WY 82801 and (hereinafter referred to collectively herein as "Declarant").

**RECITALS**

WHEREAS, the Declarant is the owner of certain real property described in Exhibits of this Declaration, which, constitutes a distinct part of an existing record subdivision known as the "Headquarters" and which, prior to the Phase One resubdivision that this Declaration is an integral part of, was of record on February 24, 2023 as the Plat recorded with the Clerk and Recorder for Sheridan County, Wyoming, as Plat H, No. 68 (H-68) (Inst. Rec. No. 784157) in the official land records of the Clerk and Recorder for Sheridan County, Wyoming ("Initial HQ Plat"). Declarants are the present record owner and developer of all lands described in the Initial HQ Plat and this Phase One Final Plat designated *infra* in this Declaration; and,

WHEREAS, at the time of this Declaration, the Declarant is the sole owner of all of the Property and development rights and interests in the Property described in the Final Plat. Declarant adopts this Declaration for the benefit of all future Unit Owners of Units described in the Final Plat, such that Units may be held, transferred and used only in a manner consistent with this Declaration, which shall run with the land and be binding with all parties having any right, title and interest in the Property, and their successors and assigns; and,

WHEREAS, Declarant intends to develop other areas of land within the City of Sheridan, Wyoming.



## ARTICLE I

### Section 1. Submission.

Declarant hereby declares that, in addition to all applicable governmental laws and ordinances, the following terms, covenants, conditions, easements, liens, reservations, restrictions, uses, locations, and obligations are adopted and shall be deemed to run with the Property, as hereafter defined, and shall be a burden and benefit to any person or persons acquiring or owning an interest in the Property and any improvements thereon, their grantees, successors, heirs, personal representatives, administrators, devisees, transferees, or assigns.

### Section 2. Statement of Intent.

It is the intent of these covenants to:

- a. Protect and enhance the value, desirability and aesthetics of the property; to protect Unit Owners in the Unit categories described herein from development and use of other Units within the Subdivision that may depreciate the value and/or restrict the use of their respective Unit(s);
- b. Prevent the erection or construction of unsightly, unsuitable or unsafe structures or other improvements;
- c. Insure adequate and reasonably consistent value of the Units and improvements of the property;
- d. Encourage the construction and maintenance of appropriate improvements;
- e. Insure and encourage the provision of adequate and suitable landscaping, grading and drainage;
- f. Provide for the maintenance and improvements of the interior roads of the Subdivision.

The restrictions imposed by these Covenants are intended to bind and follow the lands described in this Declaration in addition to the relevant applicable Ordinances and regulations of the City of Sheridan. These Covenants are intended to reasonably balance and preserve the rights of the various Unit and Property Owners to enjoy their respective properties in attractive surroundings as contemplated by the Developer and the City of Sheridan and free of nuisances, undue noise and danger. It is the further intent to provide by these Covenants that disturbance of the natural environment be kept to a practicable minimum.

### Section 3. Definitions.

- a. "Architectural Control Committee" shall mean and refer to the Architectural Review Committee, hereinafter further defined and organized.



b. "Association" shall mean and refer to the Headquarters Phase One Homeowners' Association, a Wyoming nonprofit entity, its successors and assigns. The Association may also be referred to herein sometimes as the "HOA."

c. "Board of Directors" shall be the Declarant or the controlling body of the Association, hereinafter further defined and organized.

d. "Common Area" and "Common Elements" shall be synonymous and shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the Unit Owners, including all of those areas so designated on the Final Plat. Common Area(s) and Common Element(s) shall also include the HOA owned and maintained Roads and Easements as set out on the Final Plat or, as defined herein, except to the extent such roads and easements are dedicated of record to, and accepted for, maintenance by the City of Sheridan, Wyoming, or other public maintenance entity. Common Areas(s) and Common Element(s) shall include all areas designated as such in the Final Plat or otherwise pursuant to this Declaration by the Association including, but not limited to, Association private playgrounds, parks and open space or open areas. Common Area(s) and Common Element(s) shall be owned by the Association.

e. "Common Expense(s)" shall mean and refer to maintenance, insurance, taxes, repair, operations, management and administration expenses, administrative expenses to set up and operate Internet or electronic account management, legal and accounting expenses, management fees and other expenses declared by the provision of the Covenant Declaration or by the Bylaws of the Association to be common expenses or assessable against Owners of the Units, and all sums lawfully assessed to maintain, administer, and operate the common areas by the Association.

f. "Declarant" shall mean Sheridan Hills, LLC, a Wyoming limited liability company, care of Carlton Construction, LLC, P.O. Box 708, Big Horn, WY 82833, and Gateway Partners, LLC, a Wyoming limited liability company, whose address is 2 Saddle Crest Dr., Sheridan, WY 82801, and their respective successors, and assigns.

g. "Dwelling" shall mean any authorized dwelling, Single Family Unit, Patio or Paired Patio Home Unit(s), Bunkhouse Unit, Townhome, building, or other improvement located on one Unit intended for shelter and housing and as further defined and/or described in this Declaration by and through these Covenants.

h. "Dwelling Accessory Building" or "Accessory Building" shall mean a subordinate building or a portion of a dwelling, the use of which is incidental to the dwelling and customary in connection to that use.

i. "Exhibit" shall mean an attachment to either the Covenants or design standards and incorporated therein.



j. "Final Plat" or "Plat" herein shall mean the Final Plat for Phase One of the Headquarters recorded on July 3, 2024, Final Plat recorded at Plat Book 5, Page 176 (Doc. Ref No. 2024-792943) in the official land records of the Clerk and Recorder for Sheridan County, Wyoming, and shall encompass and include all of the lands and interests described in the Sheridan Hills Subdivision, a resubdivision of Tract 1, Wrench Ranch Hills, Phase I, City of Sheridan, Wyoming.

k. "Wrench Ranch Master Plan" shall mean that certain recorded master plan instrument entitled "Wrench Ranch Properties Master Plan – Phase I" described under the Letter Agreement dated March 5, 2010, recorded at Book 514, Page 262, in the official records of the Sheridan County, Wyoming, Clerk and Recorder, and as amended or modified in the Final Plat.

l. "Maintenance" shall mean exercise of reasonable care of buildings, roads, landscaping, irrigation, lighting, snow plowing and other related improvements and fixtures in a condition comparable to their original developed condition, normal wear and tear accepted.

m. "Maintenance of Landscaping" shall mean the exercise of generally accepted lawn, garden, irrigation and snow plowing management practices necessary to promote a healthy weed-free environment for optimum plant growth and plowed sidewalks in the winter.

n. "Manufactured Home" shall mean a residential structure built in a factory setting, constructed under the guidelines of the HUD Code. The HUD Code is a performance code, that is, the HUD code requires the structure to perform to a specific specification. **Manufactured homes shall not be allowed in the subdivision.**

o. "Modular Home" shall mean a dwelling not constructed on a Unit site but built, or purportedly built, to the building code of the state in which the home is to be sited. Modular homes are sometimes referred to by their code, example "Boca" OR "UBC." **Modular homes shall not be allowed in the subdivision.**

p. "Mobile Home" shall mean any home that is constructed such that it can be transported on temporary or permanent axles and wheels and for which a vehicle title can be issued. **Mobile homes shall not be allowed in the subdivision.**

q. "Owner(s)" shall mean and refer to the record Owner(s) of any Unit which is a part of the Properties set out in the Final Plat. An Owner shall not include a person or entity having an ownership interest merely as security for the performance of an obligation.

r. "Patio (paired) Home(s)" shall mean a single-Story Single-Family Dwelling on a Unit that shares a common vertical wall with the common vertical wall located on another platted Patio Home Unit. "Paired Patio Home Unit" shall mean the single-Story Single-Family Dwelling on a Patio Home Unit that shares a common vertical wall with the common vertical wall located on another platted Patio Home Unit. The Association be responsible for maintenance and repairs for the Patio Home structures as set forth in this Declaration expressly excepting maintenance, repairs and/or replacement of exterior surface glass.



- s. "Pet" shall mean a domesticated dog or cat and shall not include chickens, ducks, reptiles, rodents, cattle, sheep, horses or other animals or birds that are not a domesticated dog or cat.
- t. "Property" shall mean and refer to all of the land described in the Final Plat designated thereon for use as a "Unit" or "Units."
- u. "Road(s)" and/or "Easement(s)" shall mean and refer to all roads, streets, set-backs, and easements set out and shown on the recorded Final Plat and Unit instruments of record. Roads shown on the Final Plat are HOA owned or are dedicated to the public pursuant to this Declaration and the Final Plat except for Real Bird Way (f/k/a Industrial Way), which is and shall be publicly maintained by the City of Sheridan.
- v. "Shared Maintenance" or "Shared Amenities" shall mean Common Expense maintenance or amenities enjoyed by two or more Unit owners in a Patio Home or a Town home that are cost shared amongst those Unit Owners.
- w. "Short-Term Rental" shall mean rental or other allowance of use of a Dwelling or Unit, or a part of a Unit, by any person or persons who are not related to the Owner within the first degree of family or that would allow any such tenant to occupy a Dwelling or other part of a Unit for in return for rental and/or fees for a period of thirty (30) days or less. Short -Term Rental shall include, but shall not be limited to such rental or allowance in return for compensation and/or by virtue of Internet or social media marketing (i.e. VRBO, AirBNB or similar).
- x. "Single Family" shall mean one or more persons each related to the other by blood, marriage or adoption, or a group maintaining one common household in a Dwelling on a Unit. In any event, applicable HUD standards shall determine the definition of family and the subdivision shall comply with applicable HUD regulations.
- y. "Single Family Home" or "Single Family Dwelling" shall mean a distinct Single-family Home Dwelling located on a Unit in which a Single-family resides.
- z. "Story" shall mean that portion of building included (or including the area) between the surfaces of any floor and the surface of the floor next to above, or if there is no floor above the space between the floor and the ceiling next above.
- aa. "Structure" shall mean any building or other improvement erected or constructed, the use of which requires more or less permanent location on or in the ground, or attached.
- bb. "Town Home" or "Town House" shall mean a single building or structure in which two, three, four, five or six distinct Single-Family Dwellings may exist on adjacent Units sharing a common vertical wall and with the common vertical wall located on another platted Unit with each such Dwelling on each Unit including more than one Story. The Association be responsible for maintenance and repairs for the Town Home structures as set forth in this Declaration expressly excepting maintenance, repairs and/or replacement of exterior surface glass.



cc. "Unit" shall mean and shall be synonymous with the terms: "Lot" or "Parcel" on the Final Plat and shall mean and refer to each specific numbered plot or parcel of land designated for sale as individual building sites as specifically shown upon the Final Plat and with the express exception of the various designated: Common Area(s), Common Element(s), setbacks, easement, utility rights of way, drainage rights of way, streets, sidewalks and paths.

The aforesaid definitions shall be applicable to this Declaration and also to any binding supplemental Declaration.

## ARTICLE II

### Section 1. Acceptance.

Each Unit Owner, as a grantee in any deed or conveyance of an ownership interest, is and shall be subject to this Declaration by acceptance of a deed or other instrument conveying title or the execution of a contract for purchase. Every Unit Owner shall be, and is, deemed to have accepted this Declaration and each and all of the Covenants and the agreements set out herein, and, also all necessary jurisdiction, rights and powers of the Association. By such express acceptance, each Unit Owner has and shall continue to, for his/her/its heirs, personal representatives, successors and assigns covenant, consent and agree to and with the Association and to and with the grantees and subsequent Unit Owners of each of the Units subject to this Declaration to keep, observe, comply with and perform the covenants and agreements of this Declaration at all times in good faith. Every person who becomes the legal or equitable Owner of any Unit by any means, is, by the act of acquiring such title, or by the act of contracting to acquire such title, fully obligated to timely pay the Association all the assessments and charges that the Association shall make in accordance with this Declaration. The funds received by the Association shall be used exclusively for the purposes of the Association.

**Section 2. Enjoyment.** Every Unit Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Area(s) and/or Common Element(s), which shall be appurtenant to and shall reciprocally run with, benefit, burden and thereby pass with the title to every Unit, subject to the following provisions:

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

b. The rights of the Association to impose fines and to discretionarily suspend Common Area and/or Common Element use privileges and voting rights for nonpayment of assessments during any period which any assessment against an Owner's Unit remains unpaid, or to impose the same sanctions for other breaches of these Covenants or the Association's published rules and regulations after due notice and hearing.

c. The rights of the Association to dedicate or transfer all or any part of any Common Area(s) and/or Common Element(s), easement(s) or the like to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members pursuant to this Declaration. No such dedication or transfer shall be effective unless an instrument signed by the Declarant while the Declarant serves as the Association pursuant to Article IV, Section 1, of this Declaration and, after the Declarant ceases to serve as the Association, by Eighty Five Percent (85.00%) of all of the Unit Owners agreeing to such dedication or transfer after proper notice and such vote has been recorded.

d. The rights of the Association to limit the number of guests and/or invitees of members and to prohibit and/or restrict the use of any Unit as a formal or informal quasi-commercial short-term rental (i.e. VRBO or Internet rental).

e. The rights of the Association to establish uniform rules and regulations pertaining to the use of the Common Area and the recreational facilities thereon.

f. The rights of the Declarant (and its respective authorized sales agents and representatives) to the non-exclusive use of the Common Area for display, sales and exhibit purposes, which right Declarant hereby reserves.

g. The rights of Unit Owners to the uses and benefits of the various easements set out in the Final Plat and created hereby and by any and all other such pertinent recorded instruments.

**Section 3. Delegation of Use(s).** Any Owner of a Unit may delegate, in accordance with the Final Plat, these Covenants and the pertinent authorized Association Bylaws, if any, his/hers/its right of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Owner's Unit.

**Section 4. Waiver of Use(s).** No member may exempt himself from personal liabilities for assessments duly levied by the Association, nor release the Unit owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area, Limited Common Areas and the facilities thereon or by abandonment of his Unit.

**Section 5. Additions to Property.** Additional land(s) may become subject to these Covenants, in the sole discretion of the Declarant or by future authorized and properly documented and recorded amendment to these Covenants and/or the Final Plat, as required herein and as required by law and/or ordinance.



**Section 6. Further Subdivision Restricted.** No Unit or other parcel shown on the Final Plat, and all Road, Easements and dedicated and rights-of-way set out in said Final Plat shall ever be further divided, redivided, subdivided, split or partitioned, in whole or in part, without formal signed, written, approved and recorded amendment of this Declaration according to its terms.

### ARTICLE III

#### Section 1. Membership.

a. Every Owner of a Unit subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Parcel which is subject to assessment. The Association shall have two (2) classes of voting Unit Owner Members only as follows:

i. A Class A Unit Owner Member shall be the Owner(s) of one (1) Unit and shall each have one (1) vote per Unit in the Association pursuant to this Declaration. When more than one (1) person owns the Unit, the Owners of that Unit shall designate in writing to the Association the person who is authorized to represent and vote for that Unit.

ii. A Class B Unit Owner Member shall be the Declarant as an Owner of each Unit initially owned by the Declarant and until the Declarant makes the first completed sale and conveyance of each such Unit. Each Class B Unit Owner Member shall have ten (10) votes per Unit.

b. Common Areas and/or Common Elements are not, and shall not be, allocated any vote(s) in the Association on any basis for any purpose.

c. Membership in the Association, except for membership of the Declarant on the Board of Directors, shall be limited to record owners of title of one or more Units. An owner of a Unit shall automatically become a member of the Association and shall remain a member of the Association until such time as his Unit ownership ceases for any reason, at which time his membership in said Association shall automatically cease. Ownership of a Unit shall be the sole qualification and criteria for membership. Persons or entities who hold an interest in a Unit merely as security for the performance of an obligation (i.e. Unit mortgage holder) are not members of the Association and are not intended to be members.

d. A Unit Owner Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale for such Unit and then only to such purchaser, or by interstate succession, testamentary disposition, foreclosure mortgage of record or other legal process. Any attempt to make a prohibited transfer is void in all respects and shall not be reflected upon the books and records of the Association. The Association shall record the transfer upon the books of the Association and issue a new membership to a purchaser and thereupon the old membership outstanding in the name of the seller shall be null and void.





**Section 2. Quorum.** A quorum of the Association Unit Owners for the transaction of Association business that does not otherwise require a specific percentage vote of all of the Unit Members shall be Fifty Percent (50.00%) or more of all of the record Unit Owners. Except as otherwise specifically stated in this Declaration for the transaction of Association business that requires a specific percentage vote of all of the Unit Members (i.e. amendment of this Declaration), material action by or on behalf of the Association requiring approval of the Unit Owner Members shall be deemed approved when it receives the affirmative vote of Unit Owner Member who collectively hold more than Fifty One Percent (51.00%) of the vote with a verified quorum present.

**Section 3. Voting.**

a. **Proxy voting.** Unit Owner Members may vote using a written proxy designating a competent person to exercise that vote. Each such proxy shall be signed and dated and provided to the Association prior to the start of any Association meeting at which such proxy is to be exercised. Proxy voting shall only be conducted using a simple written form approved and provided by the Association. The Association may administer a process through which a signed written proxy can be verified by scanning or other electronic means for use in a digital or virtual Association meeting or proceeding. No Unit Owner Member shall hold or exercise more than four (4) Unit Owner proxies in any single Association meeting or proceeding. Where pertinent and applicable, Unit Owner Member voting and proxy voting may be conducted consistent with the requirements of the Wyoming Uniform Electronic Transactions Act (W. S. §§ 40-21-101 through -119 (LexisNexis 2023) as amended).

b. **Digital or Virtual Association meetings or proceedings.** The Association may, in its discretion, choose to administer and/or conduct Association meetings and/or proceedings using a verifiable digital or virtual format and process with such meeting format(s) being provided using one or more digital portals or log-in systems (i.e. Microsoft Teams, Zoom, etc.). Where pertinent and applicable, Unit Owner Member meetings and proceedings may be conducted consistent with the requirements of the Wyoming Uniform Electronic Transactions Act (W. S. §§ 40-21-101 through -119 (2024) as amended).

**Section 4. Suspensions.** In the event any Unit Owner is in arrears in the payment of any amount due, pursuant to any provision of this Declaration, for a period of fifteen (15) days, said Owner's right to vote as a member of the Association shall be suspended and shall remain suspended unless and until all payments are brought fully current and all defaults remedied and fully cured.

**Section 5. Association (HOA) Bylaws.** The Association's Board of Directors shall be as set forth in the Association's Bylaws, which Bylaws are intended to be and shall be incorporated into this Declaration. The Association By Laws, if adopted, must conform to this Declaration and may not materially expend or restrict the definitions, requirements, terms, conditions or rights set forth in this Declaration. Any material inconsistency between said Bylaws and this Declaration shall be resolved fully in favor of this Declaration as the controlling authority.



**Section 6. Only Limited Authorized Transfers.** The appurtenant rights of each Unit Owner in the Association pursuant to this Declaration shall not be transferred, pledged or alienated in any way, except upon the final sale for such Unit and then only to such purchaser, or by interstate succession, testamentary disposition, foreclosure mortgage of record or other legal process. Any attempt to make a prohibited transfer of such interests, in whole or in part, is void and will not be reflected upon the books and records of the Association. The Association shall record each valid transfer of Unit ownership and rights upon the books of the Association and issue a new membership to a Unit purchaser and, thereupon, all Unit ownership rights for that seller for the Unit shall be null and void.

#### ARTICLE IV

**Section 1. Board of Directors.** The affairs of the Association shall be conducted by an Association Board of Directors ("Board"). The Board shall initially consist of only the Declarant. The Declarant can be removed from the Board, can discretionarily choose resign from the Board, or can choose to serve with other Unit Owners as a Board member, only when and after One Hundred Percent (100.00%) of the distinct Units described in the Final Plat (exclusive of all Common Areas, Common Elements, Easements and Roads and setbacks) have each been initially sold and/or transferred to other ownership by the Declarant. After that time, said Board shall consist of two (2) Unit Owners from each category of Unit Ownership defined herein so as to provide relatively equal representation on the Association Board by the different categories of Units. Association Board members shall be elected for three (3) consecutive year staggered calendar year terms by a majority vote of the Unit Owners of the Association at each annual meeting of the Association. At or after the time that the Association is no longer the Declarant, the Association may exist and operate as an unincorporated association or may incorporate as a Wyoming non-profit corporation according to relevant Wyoming law.

**Section 2. Powers and Duties.** The Association Board shall have all of the following powers:

- a. To enter into contracts, maintain bank accounts, purchase materials, labor, equipment, supplies and insurance necessary to perform functions of the Board, and conduct all reasonable business necessary or incidental to the operation of the Association.
- b. To conduct Association administration and business authorized in this Declaration, including but not limited to the provision of required notice(s), using one or more verifiable digital and/or virtual portal and/or log-in systems consistent with the requirements of the Wyoming Uniform Electronic Transactions Act (W. S. §§ 40-21-101 through -119 (2024) as amended). The Association may require all Unit Owner Members to participate in and use such Association designated and approved virtual portal and/or log-in systems.
- c. To maintain and repair all Common Areas and Common Elements not dedicated to the public as applicable and to establish and maintain reserves for maintenance, repairs and payment of assessments and/or taxes for those areas.



- d. Grant and modify easements where necessary for utilities and sewer facilities over Common Area(s) and/or Common Element(s) to serve said area and pertinent Units.
- e. Have the authority to obtain and contract, for the benefit of all of the Units and Common Area(s) and Common Element(s), all water, gas, sewer and electric service and refuse collection and to pay for such services to the extent that said services are not individually metered or otherwise directly billed to the individual Units.
- f. To enter into agreement with respect to assessment, collection and disbursement of Association funds.
- g. To assess Unit Owners for funds necessary for the operation of the Association Board pursuant to this Declaration.
- h. To enforce the provisions of this Declaration, place liens on Units, and, as necessary, to enjoin and seek damages from any Unit Owner for violation(s) of this Declaration.
- i. To execute all Declarations of ownership for tax assessment purposes with regard to any of the common areas owned by the Association.
- j. To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent owners, if the Board sees fit or secured by such assets of the Association as deemed appropriate by the lender and the Association.
- k. To protect and defend the Common Areas and Common Elements from loss and damages by suit or otherwise, to sue or to defend in any court of law on behalf of the Association.
- l. To administer reasonable rules and regulations for the operation of the Common Areas and/or Common Elements as required by this Declaration and the Final Plat, and to amend such rules them from time to time on that basis. Amendments will be available to each owner within ninety (90) calendar days after the end of each year in an annual report; and,
- m. The right of the Association to limit the number of guests of members authorized by each Unit owner;
- n. The right of the Declarant's designated realty marketing personnel (sales agents and representatives to the non-exclusive use of the Common Area(s) for display, sales and exhibit purposes, which right Declarant hereby reserves.
- o. Contract for and pay fire, casualty, liability and other insurance insuring the Association, its property and its Board.

p. Contract for and pay for reasonably necessary legal and accounting services provided, however, that any such service contract shall be limited to a duration of one (1) year unless a longer term is approved by a majority of the members of the Association.

p. Delegate its powers to its committees, officers and employees.

**Section 3. Liability Limitations.** Neither the Declarant, any Unit Owner, any Member, any the Board member, nor any Agent thereof shall ever be personally or individually liable or responsible to perform or pay for:

a. Any Debts incurred by the Association;

b. The tort or contract of another Member, whether such Member was acting on behalf of the Homeowners' Association or otherwise;

c. Any actual or alleged incidental or consequential damages for failure to inspect any premises, improvements or portion thereof; or,

d. Any personal injury or other alleged or actual incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises of the Association.

**Section 4. Contracts with Owners.** The Board, on behalf of the Association, shall have full power and authority to contract with any Unit Owner (including, without limitation, the Declarant) on behalf of the Association for services that the Board is otherwise required to perform. Such contracts shall be upon such terms and conditions and for such consideration as the Board may reasonably deem proper, advisable and in the best interest of the Association.

**Section 5. Reserves.** The Board may, in its sole and absolute discretion, establish and maintain one or more reserve funds, which may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable accounts in order to better demonstrate the amounts deposited are capital contributions and not net income to the Association.

## ARTICLE V

**Section 1. Unit Owner Easements of Enjoyment.** Subject to Section 3 *infra* in this Article V., every Unit Owner, authorized tenant, authorized guest and/or authorized invitee of every Unit Owner who resides on a Unit, and each individual who resides with either of them and their authorized guests and invitees, shall have a right and easement of use, for recreation and enjoyment in and to the various Common Areas and/or Common Elements as specifically described on the Final Plat and by this Declaration. However, such easement shall not give or imply in any such person any right to make any alterations, additions, improvements or deletions of or to any easements of Common Areas or Common Elements owned or controlled by the Association. No person or entity may alter, change or in any way impede any: setbacks, drainage or drainage easements, improvements, fixtures, features or landscaping on any Common Areas or Common

elements, Easements, Roads or any other or on any public streets, curbs, drains or sidewalks, etc. anywhere within the Property.

**Section 2. Title to Common Areas and Common Elements.** Declarant holds, and shall hold, record title to the Common Areas and Common Elements described on the Final Plat that are not dedicated to the public for an indefinite period of time, subject to any and all relevant setbacks and/or easements. Declarant shall have the right and option (without the joinder and consent of any person or entity, save and except any consent, joinder or approval required by City of Sheridan) to encumber, mortgage, design, redesign, reconfigure, alter, improve, landscape and maintain all said Common Areas and/or Common Elements, expressly provided that Declarant fully and timely complies with any and all requirements of the City of Sheridan and the Wrench Ranch Master Plan. When and after One Hundred Percent (100.00%) of the distinct Units described in the Final Plat (exclusive of all Common Areas, Common Elements, Easements and Roads and setbacks) have each been initially sold and/or transferred to other ownership by the Declarant, the Declarant shall, subject to this Declaration and the Final Plat, convey free and clear title to the Common Areas and Common Elements to the Association. Declarant reserves the right to execute any open space declarations applicable to any Common Areas or Common Elements that may be permitted by law in order to reduce property taxes, or which otherwise benefits the Declarant or the Unit Owners or any combination of both.

**Section 3. Common Uses.** The Common Area(s) and Common Element(s) owned by the Association and/or those dedicated a public entity or public entity owned rights of way through the Property shown on the Final Plat may be used and enjoyed and may be restricted in use and enjoyment as follows:

- a. Common Area(s) and Common Element(s) shall remain undivided, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the Common Area. No owner shall have the right to bring an action for partition;
- b. All Unit Owner Members and their authorized respective family members, guests, invitees, contractors and/or consultants shall abide by any rules and regulations adopted by the Association Board pursuant to these Covenants and this Declaration. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and a Unit Owner determined to have violated said rules and regulations shall be directly liable to the Association for all damages and costs, including reasonable attorney's fees and related costs whether or not any suit is filed.
- c. Use of the Common Area(s) and/or Common Element(s) shall be limited to Unit Owners, their families and authorized guests. No person or entity shall use any portion of the Common Area(s) or Common Element(s) to: i) solicit, promote or conduct business, commercial, religious, political or propaganda matters; or, ii) distribute or post or place signs, handbills, newsletters, flyers, circulars, or other printed materials without the prior written consent of the Association (which consent may be withheld in its sole and absolute discretion).



- d. Pet owners or any guest using Common Area(s) or Common Element(s) shall promptly clean up their pets' debris while using any Common Area(s) or Common Element(s).
- e. The Association Board may further restrict vehicular parking on the Common Area(s). Vehicles parked in restricted areas may be towed away at the Board's direction and at the vehicle owner's expense, including reasonably necessary storage charges incurred.
- f. No Unit Owner or their designee shall permit or purport to permit any action on or in the Common Area(s) or Common Element(s) that would: i) violate any applicable public law or zoning ordinance or any relevant controlling aspect of the Wrench Ranch Master Plan; ii) be in violation of any law or any rule or regulation promulgated by the Board; or, iii) that will result in the cancellation of, or increase in the cost of any insurance carried by the Association.
- g. Each Unit Owner shall be directly liable to the Association Board for any damage to any portion of the Common Area(s) or Common Element(s) caused by the negligence or willful misconduct by a Unit Owner or his family and/or their respective authorized guests and invitees.
- h. Each Unit owner, their family members and authorized guests always use and enjoy any Common Area(s) or Common Element(s) strictly at their own risk, expressly and fully releasing the Association, the HOA Board, the ARC and its Board and the Declarant from any and all claims for damages or other relief.
- i. Reconstruction by the Association or the Declarant after destruction by casualty or otherwise of any Common Area(s), Common Element(s), or similar must be in substantial compliance with "as built" plans for such Common Area(s) or Common Element(s) and the Final Plat, and shall not otherwise require compliance with the provisions set out in this Declaration as development standards administered by the Association Board through the Architectural Control Committee.

**Section 4. Association Maintenance and Administration.** The Association shall maintain the Common Area(s) and/or Common Element(s), certain Roads and Easements and other areas as follows:

**a. General Association Maintenance – all Units.**

- i. The Association will maintain, repair and provide for timely regular snow plowing on the common road known as Pine Hills Drive/Russell Loop and the adjacent shared parking areas as set forth in the Final Plat. These roads and associated areas are privately maintained and are not maintained by the City of Sheridan.
- ii. The Association shall not be responsible to maintain or repair the dedicated public road described on the Final Plat as Real Bird Way or its associated pull-outs. Real Bird Way shall be maintained by the City of Sheridan.



iii. The Association will maintain and repair the sidewalk along Pine Hills Drive/Russell Loop and the adjacent shared parking areas as set forth in the Final Plat. These areas are privately maintained by the HOA and are not maintained by the City of Sheridan.

iv. The Association will maintain all landscaping on Common Area(s) and/or Common Element(s) except as specifically set forth below in this Article as designated specific shared Common Area or Common Element expenses for: Patio Homes, Townhomes and for Single Family Dwellings.

v. All costs of the maintenance and repairs for which the Association is responsible above shall be assessed uniformly to all relevant Unit Owners in accordance with this Declaration.

**b. Patio (paired) Home Units.**

i. In addition to General Association Maintenance shared expenses described *supra* in Article V, Section 4.a., the Association will maintain and repair the: front yards, back yards and sidewalks (basic mowing and trimming) for each Patio (paired) Home Unit. Association Maintenance for these Units shall include snow removal on all sidewalks and streets. Owners of these Units shall be responsible for all other exterior maintenance of and for these Units.

ii. The Association shall proportionately assess and administer the relevant shared expenses for each Patio (paired) Home Unit as amongst each of the two Patio (paired) Home Unit Owners.

**c. Townhome Units.**

i. In addition to General Maintenance shared expenses described *supra* in Article V, Section 4.a., the Association will maintain and repair the yard (basic mowing and trimming all around each Unit), sidewalks, driveways, and roof for each Townhome. Association Maintenance for these Units shall include snow removal on all sidewalks and street. Owners of these Units shall be responsible for all other exterior maintenance of and for these Units.

ii. The Association shall proportionately assess and administer the relevant shared expenses for each Townhome as amongst each set of Townhome Unit Owners.

**d. Single-Family Dwelling Units – (Units 1-13 (inclusive) and 15-24 (inclusive)).**

i. In addition to General Maintenance shared expenses described *supra* in Article V, Section 4.a., each Single-Family Dwelling Unit Owner shall repair and maintain the Dwelling and all other improvements located on each such Unit pursuant to this Declaration at the Unit Owner's sole expense. Association Maintenance for these Units shall include snow removal on the sidewalks and streets. Owners of these Units shall otherwise be solely responsible for all yard and driveway maintenance.



ii. Landscaping responsibilities. The Owners of Units 1-13 and 15-24 in the Final Plat shall be solely responsible to install and fully pay for completion of their own backyard landscaping (grading, seeding, planting) consistent with this Declaration within twelve (12) consecutive months immediately following initial occupancy.

iii. All private yards on each Single-Family Dwelling Unit shall be maintained by the Owner of each Unit pursuant to this Declaration solely at each individual Unit Owner's expense. Owners of these Units shall be responsible for all other exterior maintenance of and for these Single-Family Units.

e. **Bunkhouse Units – (Lots 37 – 53 (inclusive)).**

i. In addition to General Maintenance shared expenses described *supra* in Article V, Section 4.a., the Association will maintain and repair the yard (basic mowing and trimming all around each Unit). Each Bunkhouse Unit Owner shall repair and maintain the Dwelling, driveway, and all other improvements located on each such Unit pursuant to this Declaration at the Unit Owner's sole expense. Association Maintenance for these Units shall include snow removal on the sidewalks and streets.

ii. All private yards on each Single-Family Dwelling Unit shall be maintained by the Owner of each Unit pursuant to this Declaration solely at each individual Unit Owner's expense.

f. When and after One Hundred Percent (100.00%) of the distinct Units described in the Final Plat (exclusive of all Common Areas, Common Elements, Easements and Roads and setbacks) have each been initially sold and/or transferred to other ownership by the Declarant, a majority of all of the Unit Owners may vote to take-over and fully assume Association administration and maintenance described in this Article V, Section 4 of this Declaration. Upon receiving verifiable notice of such a vote by a majority of all of the Unit Owners, the Declarant and the Association Board shall communicate and cooperate in good faith and in a practical manner to transition all such maintenance responsibility and administration to the Association Board or a qualified private contractor hired by the Board.

## ARTICLE VI

**Section 1. Unit Owners Bound.** Each Owner of a Unit by acceptance of delivery of a deed or instrument therefor, whether or not it shall be so expressed in such deed or instrument, is and shall be deemed, as a part of the purchase money consideration for such deed and conveyance, to covenant and agree to pay to the Association the assessments authorized by this Declaration.

**Section 2. Members.** Every Owner of a Unit that is subject to assessment shall be a Member of the Association. Unit Owner Membership shall at all times be appurtenant to, and may not be separated from, ownership of any Unit that is subject to assessment. All annual and special assessments must be fixed at a uniform rate for all Parcels and may be collected on an annual, quarterly or monthly basis as determined each year by the Association Board.





**Section 3. Lien.** All annual and special assessments, together with interest, costs of collection and reasonable attorney's fees, shall be a charge on each Unit and shall be a continuing lien upon the Unit property against which each such assessment is made. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the person(s) or entity(ies) who was the Owner of such Unit at the time when the assessment first became due. The personal obligation for the delinquent assessments shall not pass to an Owner's successors in title unless expressly assumed by them, or unless prior to the transfer of title as evidenced by the records of the County Recorder or other appropriate governmental agency, a lien for such assessments shall have been filed or recorded with the County Recorder.

**Section 4. Assessment Uses.** The assessments levied by the Association shall be available to be used by the Association or by any private contractor contracted for services by the Association to pay the costs incurred by the Association to: manage, administer, operate, maintain, repair, improve and/or promote the Common Area(s) and Common Element(s) described in the Final Plat and to pay any taxes and insurance, as may, from time to time, be authorized by the Association's Board of Directors.

**Section 5. Annual Amounts.** The Declarant, or when applicable, the Association Board, shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of each such annual assessment shall be sent to every Unit Owner subject thereto. The due dates shall be established by the Board. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by a representative of the Association setting forth whether the assessments on a specified parcel have been paid.

**Section 6. Initial Assessments.** The initial assessment for each Unit shall begin on the first day of the month immediately following the City of Sheridan affirming a Unit is allowed to be occupied. The Association Board or its designated representative shall notify the Owner(s) of each Unit. The Board may, in its discretion, levy a partial assessment after a parcel is sold to an Owner but before the Unit is approved for occupation by the City of Sheridan to cover common expenses. The initial assessments for Units first occupied shall be as follows:

- a. Each Single-Family Dwelling Unit shall pay \$300.00 US per year per Unit;
  - b. Each Bunkhouse Unit shall pay \$75.00 US per month per Unit;
  - c. Each Patio (paired) Home Unit shall pay \$125.00 US per month per Unit; and,
  - d. Each Town Home Unit or Town House Unit shall pay - \$50.00 US per month per Unit.
- c. From and after January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment shall be increased proportionately to cover the Association's annual budget as determined by the Association Board. Thereafter, the annual dues may not be increased by the Association Board more than Eight Percent (8.00%) per year unless such higher annual dues assessment(s) are authorized by a vote of a majority of Unit Owner



Members who are voting in person or by proxy, at a meeting duly called for this purpose, or at an annual meeting, where a quorum of Unit Owners is present.

f. **Fee payment.** HOA fees shall be paid by each Unit owner to the HOA using the HOA Internet Fee payment Portal System that will be established by the Declarant and administered by the HOA. Each Unit Owner shall be responsible to establish an account and be able to use this Portal system within a reasonable time after taking title and possession of their Unit.

**Section 7. Special Assessment.** In addition to authorized annual assessments in any assessment year, the Association Board may levy one or more special assessments, applicable to that year only, 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 Common Area(s) and/or Common Element(s), including fixtures and personal property related thereto, provided that no such special assessment shall take effect unless it is authorized by a vote of a majority of Unit Owner Members who are voting in person or by proxy, at a meeting duly called for this purpose, or at an annual meeting, where a quorum of Unit Owners is present.

**Section 9. Unpaid Assessments.** Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of Ten Percent (10.00%) per annum. In addition to said interest, the Unit Owner shall, at the election of the Association Board, be responsible to pay a "late charge" in a sum to be determined by the Association Board, but not to exceed Ten Dollars (\$10.00) per each month delinquent assessment. The Association Board may bring, without electing a remedy, any and all actions and seek any and all relief against the owner personally obligated to pay the same, and/or to foreclose the lien against the property in a like manner as a mortgage of real property, and such Unit Owner hereby expressly grants to the Association Board the power of sale in connection with said lien. No Unit Owner may waive, purport to waive, or otherwise escape liability for the assessments provided for hereby by non-use of the Common Area(s) or Common Element(s) or abandonment of his/her/its Unit. In any action taken against a Unit Owner(s) to collect any unpaid and/or delinquent assessments, whether through lien foreclosure or otherwise, the Unit Owner(s) shall be obligated to pay, in addition to any and all other amounts required herein, all costs and all attorney's fees incurred by the Association Board in such action.

**Section 10. Lien Status.** The lien of assessments provided for herein shall be subordinate to the lien of any record legitimate first mortgage or deed of trust. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to mortgage foreclosure, deed of trust sale, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereon.



## ARTICLE VII

**Section 1. Architectural Control Committee.** The Architectural Control Committee (the "ARC" or the "Committee") shall initially consist of the Declarant. When and after One Hundred Percent (100.00%) of the distinct Units described in the Final Plat (exclusive of all Common Areas, Common Elements, Easements and Roads and setbacks) have each been initially sold and/or transferred to other ownership by the Declarant, the Association Board shall serve as the ARC pursuant to this Article VII and related provisions in this Declaration. The Association Board shall have and retain the right to appoint, augment or replace all members of the ARC. The address of the Committee shall be the address established for giving notice to the Homeowner's Association, unless otherwise specified in the Development Standards. Such address shall be the place for the submittal of plans and specifications and the place where current Development Standards shall be kept.

a. **ARC Responsibilities.** The ARC shall be responsible to ascertain that the plans and subsequent construction meet the minimum building requirements set forth in these Restated Covenants. The ARC shall, within the guidelines and restrictions set out in these Restated Covenants, allow the greatest possible latitude and flexibility in the design of homes to be built on the Lots within the Eagle Ridge subdivision and shall not discourage new or innovative design concepts or ideas provided that all of such construction shall be in accordance with the provisions of these Restated Covenants.

b. **Submission.** Any Unit Owner seeking to construct any new home or any other improvement or to add, materially change or modify any portion of the interior or exterior of an existing Unit shall submit the plans to the ARC for review prior to commencing any such work. No construction, change, modification, or alteration for which plans are to be submitted to the ARC pursuant to this Article shall commence unless and until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the ARC. Said plans shall be reviewed for approval by the ARC in its discretion, to insure they properly improved on alterations and they are in harmony with external design and location in relation to surrounding structures, natural features and topography, size, estimates of cost, and such other factors as the ARC considers necessary, appropriate, and generally relevant to maintain property values of nearby properties.

c. **Fees for ARC submissions.** Each ARC submission shall be accompanied by a one-time in the amount of Fifty Dollars (\$50.00 US) to defray administrative expense for processing the request.

d. **ARC Review Duties.**

i. **Plans.** The exterior appearance of all the initial improvements on a Unit and all subsequent material alterations or additions thereto shall require the prior written approval from the ARC. All requests for approval shall include such plans, specifications and samples of colors and materials as are appropriate to adequately depict the style, size, location, shape, kind, color and materials of the improvements in question. In exercise of its authority, the ARC may: (1) condition its approval of proposals, plans and specifications on such changes or conditions thereto as it deems appropriate; (2) require submission of additional plans and specifications or other information prior to approval or disapproval of the proposed construction, alterations, or additions; and, (3) require a nominal fee payable to the ARC to accompany each application for approval. No Unit Owner shall apply for a building permit, if applicable, or commence any construction unless and until all the plans and specifications for the proposed improvements have been reviewed and approved in writing by the ARC.

ii. **Application.** Any Unit Owner proposing to construct any structure or other improvement on a parcel requiring the prior approval of the ARC may apply to the ARC for prior approval by submission of the following, as applicable:

\* Site plans (including a basic grading and drainage plan) showing topographical contours, locations and elevations of buildings, roads, fences, pumps, septic systems, utilities, location of propane tank(s), etc.;

\*\* Construction plans for all buildings including floor elevations and total square footage for each floor and exterior elevations for all sides including material specifications and proposed colors; and,

\*\*\* Exterior elevations for all sides including material specifications, surface textures and proposed colors with color samples;

iii. **Review.** Within twenty (20) calendar days after the receipt by the ARC of proper application for approval, including all additional information the ARC may request in assessing said preliminary application; the ARC shall consider and act upon such request.

iv. **Approval.** The ARC shall grant the approval only if the proposed structure or improvement, to the extent its nature and characteristic are shown on the application, would be entitled to final approval consistent with the requirements of this Declaration and on the basis of a full and complete application. In granting or denying approval, the ARC may give the applicant(s) such directions concerning the form and substance of the final application for approval, as the ARC may, in its reasonable discretion, deem proper or desirable for the guidance of the applicant.



v. **Result of Inaction.** If the ARC fails either to finally approve or disapprove any of the plans described in this Article within forty-five (45) calendar days after such plans have been properly submitted, it shall conclusively be presumed that the ARC has approved such plans; provided, however, that if within said forty-five (45) calendar day period, the ARC gives written notice to the applicant that additional time is required for the review of such plans, there shall be no presumption until the expiration of an additional period of time, not to exceed ten (10) calendar days, as set forth in said notice. The date of submission for purposes of this section shall be the date of submission of the plans in question or the date the ARC receives such additional information as it may request, whichever is the later date.

vi. **Approval.** Upon approval by the ARC of any plans and specifications submitted hereunder, one (1) copy of such plans and specifications as approved shall be retained for permanent record by the ARC, and one (1) copy of such plans and specifications bearing such approval in writing shall be returned to the applicant.

vii. **Proceeding to Work.** Upon receipt of a written notice of approval of any plan by the ARC, the applicant shall as soon as practicable satisfy all conditions of approval and diligently proceed with the commencement and completion of all approved work. In all cases, work shall be commenced and completed in accordance with such plans as have been approved by the ARC no later than twelve (12) calendar months from the start date of build, unless completion is prevented within said twelve (12) calendar month period due to strike, fire, national emergency, natural disaster, or other supervening force beyond the control of applicant. If work is not completed within said twelve (12) calendar month period, all plans for work that has not been completed must be resubmitted to the ARC for approval in accordance with the provisions of this Article. The ARC, may upon written request prior to the expiration of said twelve (12) calendar month period, extend the period of time within which work must be completed.

viii. **Variances.** The ARC may authorize variances from compliance with any of the stated design restrictions or architectural provisions of this Declaration when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations require. Such variance recommendations must be evidenced in writing and signed by the Unit Owner and at least simple majority of the ARC. Any such final variance granted by the ARC shall be set forth in a signed and dated writing or record. If a variance is granted by the ARC, then no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive any of the terms and provisions of this Declaration in any way or for any purpose except as to the particular work or improvement and particular provision hereof described in the variance, nor shall it affect in any way the relevant Unit Owner's obligations to comply with all governmental laws and regulations affecting the use of all or any portion of the Unit. Any approved variance shall not constitute a waiver of any such Covenant(s) as to any other Units.



e. **ARC Not Liable.** In spite of the foregoing provisions, the ARC shall have no affirmative obligation to be certain that all elements of the design strictly or perfectly comply with the restrictions contained in this declaration, and no member of the ARC shall have any personal or professional duties, liability, responsibility, or obligation, whatsoever, for any decision or lack thereof, in carrying out the duties as a member of such ARC. Each Unit Owner expressly and fully agrees to save, defend, indemnify and hold harmless the ARC and each of its members on account of any activities of the ARC relating to such lot owner's property or buildings to be constructed on his or her property.

f. **Enforcement.** The ARC, if it observes deviations from or lack of compliance with the provisions and requirements of this declaration of covenants, shall report such deviations or lack of compliance to the relevant Unit Owner and the Association Board for appropriate review and action. Without limitation, the Declarant or, as appropriate, the Association Board of Directors may fix a fine of up to Twenty Thousand Dollars (\$20,000.00 US) for any failure to obtain required approval from the ARC. Any such fine shall constitute a lien upon the Unit for which it is imposed. Any material deviations or lack of compliance with the provisions or requirements of this Declaration on any particular Unit shall not, expressly or implicitly, establish or allow any change, membership or relaxation of the provisions and requirements of this Declaration on or for any other Unit or for the Owner(s) of any other Unit(s).

**Section 2. General Development Standards.** All development, design and construction within the Final Platted area(s) shall at all times fully conform to all applicable restrictions or requirements set out in the Final Plat, this Declaration, and all applicable ordinances and regulations of the City of Sheridan and the Wrench Ranch Master Plan. The Architectural Control Committee shall have express ongoing authority from the Association Board of Directors to establish any additional reasonable procedural rules, regulations, restrictions, architectural standards, design guidelines and development standards (collectively the "Development Standards"), which the Committee may, from time to time in its sole discretion, amend, repeal or augment. A current copy of any Development Standards adopted by the Committee pursuant to this Declaration shall at all times be a part of the Declarant's and the Association's records and shall include, at a minimum, all of those specific restrictions and limitations set forth below in this Article, the attached **Appendix (1) Fence and Fencing Specifications**, and as follows:

a. **Permanent.** Every Dwelling or other building authorized to be erected on a Unit shall be permanent on-site new construction with new quality materials that meets the various specific criteria described in this Declaration and conforms to the Unit type plans and designs of the Declarant and/or the Declarant's Developer. Once construction of a Unit Dwelling structure is commenced on a Unit, construction of that structure shall be completed within twelve (12) consecutive calendar months of commencement, except that such period may be extended for acts of God or other significant delays beyond the Owner's control. No Dwelling may be occupied until the exterior of the dwelling is completed and it is safe for occupation with occupancy approval by the City of Sheridan according to City Ordinance(s) governing occupancy of new residential structures and Dwellings.



**b. Unit Minimum Square Footage Requirements.** All Unit Dwellings shall be constructed to meet the minimum square footage requirements set out in the appropriate zone or neighborhood type described in the Wrench Ranch Master Plan and consistent with the Declarant's neighborhood Unit design(s).

**c. No Mobile Homes/Modular Homes or Temporary Structures.**

**i. No Manufactured Home(s) shall be placed or used upon any Unit;**

**ii. No Modular Home(s) shall be placed or used on any Unit;**

**iii. No Mobile Home(s) shall be placed or used on any Unit;**

**iv. No trailer, recreational vehicle, tent, shack, garage, barn, accessory building, outbuilding or other structure, and no temporary building of any kind shall be used as a residence, either temporarily or permanently, on any Unit or on the street in front of any Unit.**

**d. Appearance of Unit during Construction.** During any construction on any Unit, each record lot Unit Owner shall be jointly and severally responsible for the conformance with these Covenants by the Owner's builder(s) and/or contractor(s), including but not limited to:

**i.** During all construction period(s), a trash dumpster sufficient to hold trash generated during all phases of construction shall be on site and all construction debris placed in the dumpster daily.

**ii.** All building materials shall be stored securely and neatly on the Unit during construction.

**iii.** Any damage to streets, sidewalks, curbs, gutters, drainage fixtures or subdivision drainage shall be promptly repaired solely at the Lot Owner's expense.

**iv.** Any damage caused to any adjoining Unit, Common Area(s) or Common Element(s) shall be repaired by the Unit Owner responsible for such damage immediately.

**v.** All roads shall be kept clean at all times. Any dirt debris which is left on any road or other Unit by a vehicle entering or leaving a Unit Owner's site shall be cleaned and removed immediately.

**vii.** All open excavation and other construction hazards shall be properly screened and secured so as to not create a hazard or liability for others.

**vi.** No signs of any kind shall be placed on a Unit except one (1) sign of reasonable size but which shall not exceed four (4) square feet to advertise the property as being for sale or to advertise the contractor's services.



vii. All new, repair, maintenance and remodel construction shall occur between the hours of 8:00 am and 5:00 pm during weekdays only, except when such work is required at other hours or on weekend days to address an actual emergency circumstance.

viii. All vehicles and equipment required to carry out all new, repair, maintenance and remodel construction shall be staged and parked in specific parking and staging areas determined and designated by the Home Owner's Association Board or the Architectural Control Committee.

ix. Each designated Single Family Dwelling Unit shall be completed in all respects no later than one (1) year immediately following commencement of construction.

e. **Compatibility of Improvements.** All Dwellings, structures, buildings, fencing and any other improvements constructed on any Unit shall be appropriate in character, design, color and architecture in relation to the general area and to the other homes within the area set out in the Final Plat and only as pre-approved in writing by the Declarant and/or Architectural Control Committee according to this Declaration. The Committee shall have the full ongoing authority to regulate and prohibit unusual and/or incompatible designs, styles and/or construction methods.

f. **Colors.** The color combination of all exterior materials for all Dwellings, structures, buildings, fencing and any other improvements constructed on any Unit should generally be subtle and tasteful to blend with the landscape and any subdivision neighborhood. Traditional white, muted pastels, beiges, earth tones and grays are acceptable colors. Colors approaching the primary range (red, blue and yellow) and bright greens or variations thereof are discouraged, as are drastic contrasts in value (light to dark). The Committee shall have the authority to regulate and prohibit unusual and/or incompatible colors.

g. **Accessory Buildings.** Only Single-Family Dwelling Units may have one (1) one accessory building or shed for storage purposes. Any such authorized accessory building or shed shall not exceed twelve (12') feet in height and a maximum footprint of one-hundred (100) square feet and shall otherwise be designed, built and painted in a color that meets standards set by the ARC. Each such Single-Family Dwelling Unit accessory building or shed must be located so as to be completely screened from view in a fenced back yard.

h. **Fences.** Fences shall be allowed only with prior written approval by the Declarant and/or the Architectural Control committee. It is the express intent of the Declarant and the Association that all fences shall be designed, constructed and maintained in each Unit area and category to be generally consistent in appearance (height/design/materials and color(s)). Basic design specifications for the categories of fences that may be constructed within the Lands described in the Final Plat are set out in the specification diagrams attached to this Declaration as **Appendix (1) – Fence and Fencing Specifications**. Said Appendix is expressly adopted and incorporated into this Declaration as a material term of this Declaration by this reference. No fence shall exceed five (5) feet in height and shall not be placed forward of the rear corners of the building. Special consideration may be given for corner lots, where one of the fence lines may be extended to the front building line. Reasonable temporary fences (i.e., fencing to temporarily protect trees or vegetation) that are not unsightly and that are maintained do not require such approval.





- i. Garages.** If a Unit shall have a garage attached thereto, all such garages shall hold a minimum of one (1) and a maximum of three (3) Vehicles consistent with the Unit design for the type of Unit. Each garage shall be attached to the residence or dwelling on each Unit.
- j. Antennae/Fixtures to Roof.** Satellite, television, radio and other communication antennas or systems shall have a maximum dish size diameter of no more than twenty-four (24) inches and shall be placed only upon the rear of any Unit Dwelling roof. All lines or wires shall be buried or covered in an appropriate conduit.
- k. Pools/Spas.** Only Single-Family Dwelling Units may have one (1) pool or spa per Unit. All authorized pools and spas for Single Family Dwelling Units must be constructed clear of all required setbacks and in accordance with all applicable City of Sheridan ordinances and regulations. All authorized pools, spas and associated equipment must be fully skirted and must be located so as to be completely screened from view in a fenced back yard.
- l. Driveways.** Access driveways and other areas for vehicular use on a Unit shall have a concrete driveway and shall drain according to the Final Plat and the Declarant's approved design(s).
- m. Animals.** No animals, livestock or poultry of any kind, shall be raised, bred or kept on any Unit, except that each Unit may keep a reasonable number of household pets on a Unit in a manner that does not constitute any nuisance and otherwise subject to such other and further rules and regulations as may be adopted by the Association and/or the Committee. No pet(s) may be kept on a Unit that is bred or maintained for any commercial purpose. Notwithstanding the foregoing, no pet(s) may be kept on any Unit in a manner that results in an annoyance or nuisance to other Unit owners, their family members or guests. All pets shall be kept in a confined yard on a Unit that otherwise comports with all other requirements of this Declaration. Pets may be taken into Common Areas with the specific exception that no pets shall be allowed to be taken into any Common Area private playground(s) at any time. All pets shall be controlled on a leash when they are allowed onto any Common Areas and all pet waste shall be collected and disposed of by the pet owner promptly and appropriately.
- n. Signs.** No advertising signs (except one of not more than Five (5) square feet "for rent" or "for sale" sign per Unit). This restriction shall not apply to the Declarant's marketing signs for the advertising of any Unit for sale.
- o. Business/Commercial.** No business, commercial or industrial activities of any kind in shall be conducted in any Unit Dwelling or structure. Provided, however, the foregoing restriction shall not apply to in-home Internet or satellite communication based "remote" private work by a Unit Owner or family member.



p. **Garbage Container.** All garbage/recycle containers shall be stored outside of view. All rubbish, trash or garbage shall be regularly removed from each Unit and shall not be allowed to accumulate thereon. Trash shall not be deposited or allowed to accumulate on any Unit or on any Common Areas.

q. **Vehicles, Trailers, Boats, ATVs, etc.**

i. Only licensed automobiles, pick-up trucks, vans, SUV's and similar passenger vehicles ("Vehicles" herein) may be parked on public or private streets within the Lands described in the Final Plat. Each Unit shall be allowed to park up to a maximum of two (2) such Vehicles in each Unit driveway.

ii. No trailer, boat, ATV, side-by-side, four-wheeler, recreational vehicle, recreational van, camper, recreational vehicle trailer, fifth-wheel trailer or other wheeled or towed unit of any type that is inoperable, abandoned or unused shall be stored or kept on any Unit, parking area, private street or drive within the area described in the Final Plat in such a manner, as to be seen from any other Unit or from any streets, drives or alleyways. A Vehicle shall be deemed to be inoperable, abandoned or unused if it is left in place on for more than Thirty (30) days total in any given calendar year.

iii. No trailer, boat, ATV, side-by-side, four-wheeler, recreational vehicle, recreational van, camper, recreational vehicle trailer, fifth-wheel trailer or other wheeled or towed unit of any type may be parked on public or private Common Area or Common Element streets or areas. Unit Owners may park such items in a fully enclosed Unit garage in a manner that will allow the door on the garage to be fully closed normally.

iv. The Declarant and/or the Association may designate one or more Units to be specifically used by Units owners as a designated area to be developed and used by Unit owners for storage parking trailers, boats, ATVs, side-by-sides, four-wheelers, recreational vehicles, recreational vans, campers, recreational vehicle trailers, fifth-wheel trailers or other wheeled or towed units for a fee and according to rules of availability and use established therefore by the Declarant and/or the Association.

r. **Utilities.** The rights and duties of each Unit Owner with respect to sanitary sewer and water, electricity, gas, telephone, fiber optic, Internet, cable and similar utility lines, pipes and all directly related facilities ("Utility(ies)" as applicable) shall be governed by the following:

i. Whenever any Utility, or any portion thereof, are or have been installed in the area described in the Final Plat, the Owner of any Unit or the Association in the case of the Common Area(s) or Common Element(s), served by said installation, shall have the ongoing right, and are hereby granted use of all common utility easement set forth on the Final Plat to the extent necessary therefor, to enter upon or have the relevant utility company(ies) enter upon any portion of the such utility easement(s) in which said installations lie, to operate, repair, replace and generally maintain all said utility installations.



ii. The right granted in subparagraph Article VII, Section 2.r.i. *supra* is granted and shall exist only to the extent reasonably necessary to entitle each Unit Owner and/or the Association to access, inspect, repair and/or maintain the lands or improvements serviced by said installation to its full and reasonable use and enjoyment. Anyone exercising said right shall be responsible for fully and reasonably restoring the surface of the easement area so used to its condition prior to such use within a reasonable time at that user's sole expense.

iii. In the event of a dispute between Unit Owners with respect to the repair or rebuilding of any utility connections, or with respect to the sharing of the cost thereof, upon written request of one of such Unit Owners addressed to the Association, the matter shall be submitted to the Association Board of Directors, who shall decide the dispute as a private board of arbitration. The decision of the Association Board with regard to any such dispute shall be final, conclusive and binding on all relevant parties and shall not be appealable.

s. **Leasing.** No Dwelling or other structure shall be leased by an Owner, nor any landlord-tenant relationship established on or for any Unit, unless such lease or landlord or tenant has agreed in writing that the lease is expressly subject in all respects to the provisions of this Declaration, the Bylaws of the Association, and all rules and regulations duly adopted by the Association and/or the Committee. Said writing shall provide that any failure of the lessee or tenant to comply with the terms of such documents or rules and regulations shall be a default under the lease.

t. **Short-Term Rentals Prohibited.** No Dwelling or structure on any Unit may be rented for Short-Term Rentals. This prohibition on short-term rentals is an effort to ensure the community feels like a primary residence community and not like transient lodging with many frequently-revolving guests.

u. **General.** For all repairs or maintenance that are not provided and administered by the Association pursuant to this Declaration, each Unit shall keep and maintain the exterior of their respective Dwelling and any authorized structure(s) in good maintenance and repair, at each such Unit Owner's sole cost. No Unit shall be used in any way or for any purpose that endangers the health or unreasonable disturbs the Owner(s) of any Unit or any resident or authorized visitor thereof. No noxious or offensive activity shall be carried on upon any Unit, nor shall anything be done thereupon which may be, or which shall in any way interfere with the reasonable quiet enjoyment of each of the owners of his respective Dwelling Unit, or which shall in any way increase the rate of insurance. Except as expressly provided otherwise with respect to Common Areas and in this Declaration with respect to certain specific Unit categories, the Association shall not be responsible for the installation, maintenance, repair or replacement of roofs, exterior walls or landscaping within the exterior boundaries of the fenced-in patios on each Unit nor for the installation, maintenance, repair or replacement of glass surfaces.



v. **Declarant/Builder Development.** Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for the builder of a major portion of said development to maintain during the period of construction and sale of said homes, upon such portion of the premises as such builder may choose, such facilities as in the sole opinion of said builder may be reasonable required, convenient or incidental to the construction and sale of said homes, including, but without limitation, a business office, storage area, construction yards, signs, model units and sales office.

**Section 3. Maintenance.** If any Unit Owner does not perform their respective exterior maintenance and repair of their Dwelling or other authorized structures when required pursuant to this Declaration, then the Association shall have the right to perform the same and assess the Unit Owner the costs thereof, which costs may be the subject of a lien against the Unit pursuant to this Declaration. For the purpose of performing the exterior maintenance and repairs authorized or required by this Declaration, the Association, through its duly authorized agents or employees shall have the right, after reasonable notice to the Owner, to enter upon any Unit at reasonable hours.

## ARTICLE VIII

**Section 1. Right to Purchase Insurance.** The Declarant or, as appropriate, the Association, shall have the ongoing right and option to purchase, carry and maintain in force insurance covering: Declarant and/or Board, any or all portions of the Common Area(s) and/or Common Element(s) and any other improvements thereon or appurtenant thereto, for the interest of the Association and of all Unit Owner Members in such amounts and with such endorsements and coverage as shall be available and that are reasonably considered to be good and sound affordable insurance coverage. Such insurance may include, but need not be limited to:

- a. Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier;
- b. Public liability and property damage insurance on a broad form basis;
- c. Fidelity bond for all officers and employees of the Association having control over the receipt or disbursement of funds; and,
- d. Officer's and Director's liability insurance.

**Section 2. Insurance Proceeds.** The Association Board of Directors shall use any net insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of insurance paid to the remaining after satisfactory completion of repair and replacement, shall be retained by the Association as part of a general reserve fund for repair and replacement of Common Area(s) and/or Common Element(s) or improvements thereon.



**Section 3. Insufficient Proceeds.** If available insurance proceeds are insufficient to repair or replace any loss or damage, the Association Board of Directors may levy a special assessment to cover the deficiency pursuant to the requirements of this Declaration.

**Section 4. Unit Owner Insurance Requirements.** Each Unit Owner shall contract for, bind and maintain individual private homeowner's casualty and liability insurance coverage for their respective Unit. Each such policy of insurance shall be issued by a reputable licensed insurance carrier and shall include limits of liability of at least Five Hundred Thousand Dollars (\$500,000.00) per claim and One Million Dollars (\$1,000,000.00) aggregate. Unit Owners who maintain one or more common walls with another Unit Owner (i.e. Patio (paired) Home Units) shall contract for, bind and maintain insurance coverage that includes such coverage for casualty and liability associated with, or arising out of, any fire or other damage, casualty, or liability caused in one Unit by such casualty or liability in an adjacent common wall Unit.

## ARTICLE IX

**Section 1. Registration with the Homeowners' Association.** In order that Declarant and the Association can properly acquaint every lot purchaser and every Unit Owner with this Declaration and the day-to-day matters within the Association's ongoing jurisdiction, no acquisition of any Unit within the Final Plat shall become effective until and unless all directives by the Association Board of Directors, the Architectural Control Committee and/or the Declarant have been properly and timely followed and performed.

**Section 2. Duration/Termination.** This Declaration shall run with and bind all of the Units, Common Area(s), Common Element(s) and all related interests subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Unit Owners subject to this Declaration, their respective legal representatives, heirs, successors, and assigns. The Covenants set out in this Declaration shall run perpetually, subject to the rights of the Unit Owners to terminate them. Such termination will take the consent of not less than One Hundred Percent (100.00%) of all of the Unit Owners all of the Units described within the Final Plat agreeing to abolish these Covenants and this Declaration in whole or in part; provided; however, that no such agreements to abolish shall be effective unless made and recorded thirty (30) calendar days in advance of the effective date of such change; and unless signed and dated written notice of the proposed agreement to abolish is sent to every Unit Owner at least ninety (90) calendar days immediately prior to any action taken by pre-paid Certified First Class U.S. Mail return receipt requested or verifiable hand delivery.

**Section 3. Enforcement.** Enforcement of these Covenants and this Declaration shall be by a proceeding initiated by the Declarant, the Association Board of Directors, any Unit Owner or by the City of Sheridan against any person or persons violating or attempting to violate any term, restriction, condition or requirement contained herein, either to restrain or enjoin violation or to recover damages for the violation, or both, or to enforce any lien created by this instrument. They shall have an election and right, but not an obligation or duty, to enforce these Covenants and this Declaration by a proceeding or proceedings at law or in equity. Notwithstanding any provision to the contrary in this Declaration, Declarant shall not have any duty, obligation, or responsibility to



enforce any of these Covenants and this Declaration in any given circumstance. Failure by any party to enforce any of these Covenants and this Declaration shall never be deemed to be any implied waiver by anyone with standing of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees and associated costs from the non-prevailing party, whether or not any suit is filed. Further, and with respect to any litigation brought against the Association Board of Directors or the Architectural Control Committee or any of their members, employees, authorized agents or representatives arising out of any action, failure to act, or performance or non-performance of duties imposed hereby, the Association Board of Directors or any others so sued shall be entitled to recover their reasonable attorneys' fees from the person or entity bringing such action against it or them.

**Section 4. Imposition of Violation Fines.** In the event that any person or entity fails in whole or in part to cure (or fails to commence and proceed with diligence to completion) the work necessary to cure any violation of these Covenants and this Declaration within ten (10) calendar days after receipt of written notice from the Declarant or, as applicable, the Association Board of Directors designating the particular violation, the Board shall have the power and authority to impose upon that person a fine for such violation (the "Violation Fine") not to exceed Five Hundred Dollars (\$500.00 US). If, after the imposition of the Violation Fine, the violation has not been cured or the person has still not commenced the work necessary to cure such violation, the Board shall have the power and authority, upon ten (10) calendar day's written notice, to impose another Violation Fine which shall also not exceed Five Hundred Dollars (\$500.00 US). There shall be no limit to the number or the aggregate amount of Violation Fines which may be levied against a person for the same violation. The Violation Fines, together with interest at the highest lawful rate per annum and any costs of collection, including attorneys' fees, shall be continuing lien upon the lot against which such Violation Fine is made.

**Section 5. Severability.** If any one of these Covenants and this Declaration is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining Covenants and this Declaration shall not be affected thereby and shall continue in full force and effect.

**Section 6. Headings.** The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

**Section 7. Notices to Owners.** Any notice required to be given to any Unit Owner pursuant to the provisions of this Declaration shall be deemed to have been properly delivered when provided pursuant to a system that employs a verifiable digital or virtual electronic portal or log-in system or, alternatively, when deposited in the United States mails, postage prepaid, or by verifiable hand delivery, addressed for such delivery to the last known address of the person who appears as a Unit Owner on the records of the Association at the time of such mailing



**Section 8. Amendments or Modification.** This Declaration may not be revised, amended or supplemented, in whole or in part, except pursuant to a written, recorded amendment as follows:

a. The Declarant may modify any of the provisions of this Declaration of any Supplemental Declaration for the purpose of clarification, by recorded Supplemental Declaration; provided that no such modification shall change the substantive provision of this Declaration or any Supplemental Declaration or materially alter the rights of any Unit Owner established by any such document, prior to transferring the authority to appoint members of the Committee to the Owners pursuant to Article IV, Section 1, *supra*.

b. The Declarant or the Unit Owners may, at any time after the recording of this Declaration, modify any of the provisions of this Declaration or any supplemental Declaration by recorded Supplemental Declaration, to further the purposes set forth in Section 1.1, upon the vote of all classes of Member Unit Owners Eighty-Five Percent (85.00%) of all of the Units described within the Final Plat.

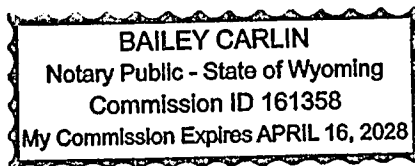
IN WITNESS WHEREOF, Sheridan Hills, LLC, a Wyoming limited liability company, and Gateway Partners, LLC, a Wyoming limited liability company, collectively being the "Declarant" herein, have caused this instrument to be executed as follows:

Sheridan Hills, LLC, a Wyoming limited liability company

By: DOUG CARLTON  
Title: Old member  
Date: 7/22/2024

Gateway Partners, LLC, a Wyoming limited liability company

By: James M. Spill  
Title: member  
Date: 7/23/2024



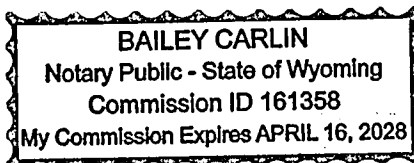
STATE OF WYOMING )  
 ) ss.  
County of Sheridan )

The foregoing instrument was executed and acknowledged before me this 22 day of JULY, 2024, by DOUG CARLTON as Managing Member of Sheridan Hills, LLC, a Wyoming limited liability company.

WITNESS my hand and official seal.

Notary Public:

My Commission Expires: APRIL 16, 2028



STATE OF WYOMING )  
 ) ss.  
County of Sheridan )

The foregoing instrument was executed and acknowledged before me this 23 day of July, 2024, by JAMES SPELL as Managing Member of Gateway Partners LLC, a Wyoming limited liability company.

WITNESS my hand and official seal.

Notary Public:

My Commission Expires: APRIL 16, 2028





### Appendix 1 – Fence and Fencing Specifications

Fence design standard options for all Units:

1. Rail fence to match existing fence along Real Bird Way (mesh woven pet wire other than chicken-wire attached to fence (buried and/or unburied) is allowed; or,
2. Five foot (5') tall privacy fence of stained or painted cedar wood (stain or paint color must be approved) or tan vinyl (all posts must be set eight feet (8') on center in poured concrete footings twenty-four inches (24") deep minimum into native soil.