

SECOND REVISION
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR
SPLIT DIAMOND MEADOWS SUBDIVISION

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SECOND REVISION
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR
SPLIT DIAMOND MEADOWS SUBDIVISION

This Second Revised Declaration of Covenants, Conditions and Restrictions (“the Declaration” or “these Covenants”) regulating and controlling the use and development of certain real property described herein is made to be effective this ____ day of June, 2011, by Split Diamond Development, Inc. (“Declarant”), the Owner of Lots 1 through 83 of Split Diamond Meadows Subdivision (“the Subdivision”), excluding Lot 52 (an existing residence which will also be subject to these Covenants but is not owned by Declarant), in accordance with the Plat filed for record in the office of the Clerk of Sublette County, Wyoming, in Book 82 Misc. Page 102 (referred to as the “Plat”) and which, subject to the limitations in Section 1.13, below, shall be referred to as “the Subdivision.” The Declarant is adopting these Covenants to preserve and to maintain the natural character and value of the land for the benefit of all Owners owning Lots within the Subdivision. The provisions of this Declaration shall be subject to all conditions, restrictions, easements and encumbrances of record and such other limitations as may be recited in the Certificate of the Owner on the Plat.

NOW, THEREFORE, Declarant hereby declares that all of the real property and improvements within the Subdivision shall be owned, held, sold, conveyed, encumbered, leased, used, occupied and developed subject to the following easements, restrictions, covenants and conditions, which are established for the purpose of protecting the value and desirability of and which shall run with the lands within the Subdivision and be binding on all parties having or acquiring any legal or equitable interest in or title to any Lot or part thereof within the Subdivision, their heirs, successors and assigns, whether they be natural persons or legal entities including corporations, limited liability companies, general or limited partnership interests and other legal entities and shall be for the benefit of and be enforceable by every Owner within the Subdivision.

RIGHT TO INCLUDE ADDITIONAL PROPERTIES: Declarant reserves the right to subject additional real property to the terms, conditions and restrictions of these Covenants, thereby making the owners of such property members of the Split Diamond Meadows Homeowners Association, Inc. as hereinafter provided. Inclusion of additional properties may be accomplished, in the sole discretion of Declarant, or Declarant’s successors or assigns, by recording a Declaration of Covenants describing the additional lands upon which these Covenants are to be imposed and adopting these Covenants by specific reference to the date, instrument number, date of recording and recording information for these Covenants as reflected in the records of the Clerk of Sublette County, Wyoming. Upon such recordation, the additional property shall be subject to these Covenants as if the same were set forth in full in this Declaration.

ARTICLE 1
DEFINITIONS

Section 1.1. “Architectural Committee”

Shall mean the committee authorized and appointed in accordance with Article 6 of this Declaration.

Section 1.2. “Board”

Shall mean the Board of Directors of the Homeowners Association.

Section 1.3. “Common Areas”

Shall mean the Storage and Parking Area defined in Section 1.14, the two Mail Box Areas located on the corner of McCoy Drive and Klein Loop, and on Kathryn Hill Drive and include the specialized subdivision street signs. These are dedicated for the common use and enjoyment of the Lot and Unit Owners and shall be perpetually maintained by the Homeowners Association.

Section 1.4. “Open Space”

Shall mean Lots 40 and 83 which are dedicated to, owned by, and maintained by the Town of Pinedale for the use of the public.

Section 1.5. “Common Services”

Shall mean the services undertaken by the Board for maintenance and operation of the common areas.

Section 1.6. “Construction”

Shall mean any alterations to the natural land surface and includes all buildings, structures, or other site improvements on a Lot or Unit within the Subdivision.

Section 1.7. “Declarant”

Shall mean and refer to Split Diamond Development, Inc., its successors and assigns.

Section 1.8. “Declaration” “or Covenants”

Shall mean this Declaration of Covenants, Conditions and Restrictions.

Section 1.9. “Homeowners Association”

Shall mean the Split Diamond Meadows Homeowners Association, Inc., a Wyoming non-profit corporation, its successors and assigns established to administer and enforce the terms and conditions of these Covenants. The Homeowners Association shall own Lot 82, designated as the Storage and Parking Area for the Subdivision and be responsible for the maintenance of the mail box areas, specialized subdivision street signs and the subdivision entry way included on the south end of lot 83.

Section 1.10. “Lot”

Shall mean and refer to the single family lots described and shown on the Plat as Lots 1 through 39, 41 through 50, 52, 54, 56 through 60, 64 through 69, 72 through 75, 78, 79, and 81.

Section 1.11. “Owner”

Shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Unit, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.12. “Plat”

Shall mean and refer to the plat map of the Subdivision filed for record in the Office of the Clerk of Sublette County, Wyoming.

Section 1.13. “Storage and Parking Area”

Shall mean Lot 82, which is provided exclusively for use by the Lot and Unit Owners to store their RVs, boats and trailers, snowmobiles and trailers, and other such vehicles and accessories. The Storage and Parking Area will be managed and maintained by the Homeowners Association, who will develop and administer a billing and collection system for the Lot and Unit Owners utilizing this Area.

Section 1.14. “Structure”

Shall mean anything built or placed on the ground, excluding ground level features such as pathways or low profile patios contiguous to homes.

Section 1.15. “Split Diamond Meadows”

Shall mean and refer to the Subdivision known as Split Diamond Meadows.

Section 1.16. “Multiple Family”

Shall mean and refer to the Lots designated as Multiple Family Lots on the Plat, consisting of Lots 51, 53, 55, 63, 70, 71, 76, 77, 80 and 92, upon which may be built duplex type residential structures. All of the lots referenced in this section are subject to the rules applicable to Multiple Family Lots set forth in Article 14 below.

Section 1.17. “Unit”

Shall mean and refer to the individual dwelling units in each Multiple Family structure.

Section 1.18 “Water Treatment Building”

Shall mean Lot 93 which shall be utilized by the Town of Pinedale for a Water Treatment Building.

ARTICLE 2
PROPERTY RIGHTS

Section 2.1. Owners' Right to Use.

Every Owner shall have a right to use and enjoy the Common Areas, which shall belong to and shall pass with the title to every Lot, subject to the right of the Board to charge reasonable assessments for maintenance of the Common Areas, and to establish rules and regulations from time to time, including times of use, and types of use, for the Common Areas and to impose reasonable sanctions for violations of the rules and regulations pursuant to Article 10.

Section 2.2. Storage and Parking Area – Lot 82.

The site plan for the Storage and Parking Area shall incorporate a wooden plank fence on poles with an entry gate on the east side. The Colorado Ditch is adjacent to the south side of this lot and will provide a visual screen on that side. The other three sides will incorporate an area large enough for landscaping to visually screen and break up the mass of the fence. The Homeowners Association will own and manage the Storage and Parking Area, and assess rental fees for its use.

Section 2.3. Water Treatment Building – Lot 93.

Lot 93 will be utilized by the Town of Pinedale for the erection of a Water Treatment Building. The owner of Lot 93 shall be bound by all terms of these CC&R's excepting only Section 8.1.

ARTICLE 3
ASSOCIATION MEMBERSHIP AND VOTING

Section 3.1. Association Membership.

Each record owner of a Lot or Unit shall be a member of the Homeowners Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot or Unit.

Section 3.2. Voting.

Each Lot or Unit shall receive one vote when members of the Homeowners Association vote upon any matter. If a Lot or Unit is owned by more than one person or entity, the vote for that Lot or Unit shall be cast in such manner as the those persons or entities shall determine, but in no event shall more than one (1) vote be cast with respect to any Lot or Unit. Declarant shall have the right to one vote for each Lot or Unit that has not been sold or transferred to a third party.

ARTICLE 4
STATUS OF OWNERS; BOARD OF DIRECTORS

Section 4.1. Legal Status.

The individual Lot and Unit Owners do not constitute an association or entity of any kind. The sole legal entity created by these Covenants is the Homeowners Association, in whose name contracts shall be entered into, title to property shall be acquired, held in and disposed of, bank accounts shall be opened and lawsuits shall be brought and defended.

Section 4.2. Management of Association.

The business and affairs of the Homeowners Association shall be managed by its Board of Directors.

Section 4.3. Board of Directors of the Association.

The Board of Directors shall consist of five (5) Owners, or such additional number as may be approved by the Owners in accordance with the Articles and/or Bylaws of the Homeowners Association. The terms of the initial Directors shall be staggered. One Director shall serve a term of one year, two shall serve a term of two years, and two shall serve a term of three years. At the conclusion of the initial term of each Director, his or her replacement shall serve a three year term, as will each Director thereafter. Directors shall be appointed by, and serve at the will of, the Declarant until December 31, 2010, and thereafter shall be elected by a vote of the Homeowners at an annual or special meeting called for that purpose. Declarant reserves the right to relinquish its rights with respect to the Board at any time prior to December 31, 2010.

Section 4.4. Authority and Duties.

The duties and obligations of the Board, and the rules governing the conduct of the Homeowners Association, shall be set forth in the Articles of Incorporation and Bylaws of the Homeowners Association, as may be amended from time to time. The Board may adopt written rules and regulations from time to time to administer and enforce these Covenants and such other matters that may arise with respect to the Subdivision.

Section 4.5. Limited Liability of Board of Directors,

Members of the Board, and the officers, assistant officers, agents and employees of the Homeowners Association acting in good faith on behalf of the Association:

- (a) shall not be liable to the Owners as a result of their activities for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith;
- (b) shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their official capacity;
- (c) shall have no personal liability in tort to any Owner or any person or entity, except for their own willful misconduct or bad faith; and shall have no personal liability arising out of the use, misuse or condition of the Subdivision which might in any way be assessed against or imputed to them as a result of or by virtue of their official capacity, except for their own willful misconduct or bad faith.

Section 4.6. Insurance.

The Board shall be authorized to purchase errors and omissions insurance for each Director.

ARTICLE 5
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 5.1. Creation of a Lien and Personal Obligation of Assessments.

Each Owner of a Lot or Unit is deemed to have consented to all of the terms and provisions of this Declaration, and agrees to pay to the Homeowners Association:

- (a) Annual assessments or charges; and
- (b) Special assessments for capital improvements, established and collected as provided below.
- (c) Separate monthly fees charged to Owners who utilize space in the Storage and Parking Area.

The annual and special assessments, together with interest, costs and reasonable Attorney's fees shall be a charge against the Owner's Lot or Unit and shall be a continuing lien upon the Lot or Unit until paid. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the entity or person who was the Owner of such Lot or Unit at the time when the assessment became due and payable.

Section 5.2. Purpose of Assessments.

The assessments levied by the Homeowners Association shall be used to promote the recreation, health, safety and welfare of the residents of the Subdivision, and for the improvement and maintenance of the Common Areas.

Section 5.3. Budget.

The Board shall prepare annual budgets and estimates for Common Services and administration of the Homeowners Association and fix the amount of the respective Annual Assessments based upon such budget estimates. The annual budgets shall be prepared and approved by the respective Boards at least thirty (30) days prior to each Annual Assessment period.

Section 5.4. Special Assessments for Equipment and Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any equipment purchase, repair or maintenance, construction, reconstruction, repair or replacement of a capital improvement in the Common Areas including fixtures and personal property related thereto, provided that any such assessment shall have the assent of one-half (1/2) of the Owners voting in person or by proxy at a meeting duly called for this purpose.

Section 5.5. Notice and Quorum for Action Authorized Under Section 5.4.

Written notice of any meeting called for the purpose of taking action authorized under Section 5.4 shall be sent to all Owners not less than thirty (30) days or more than sixty (60) days in advance of the meeting. At the meeting, the presence of Owners or of proxies entitled to cast sixty percent (60%) of all the votes of the membership shall constitute a quorum. A proxy shall be executed in writing by the Owner, or by his or her authorized attorney in fact, and the proxy shall be filed with the Secretary of the Homeowners Association before or at the commencement of the meeting. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.6. Uniform Rate of Assessment.

Both annual and special assessments must be fixed at a uniform rate for all Owners, as defined in Section 3.1, and may be collected on a monthly, quarterly or other regular basis determined by the Board. Lots combined for use by an Owner shall be subject to a total assessment rate based on the total number of Lots combined. Any lot owned by Declarant shall not be subject to assessment until it is transferred to a third party by deed, or construction of a house is commenced on the Lot.

Section 5.7. Date of Commencement of Annual Assessments: Due Dates.

The annual assessments provided for herein shall commence as to each Lot or Unit subject to assessment on the first day of the month following the conveyance of the Lot or Unit. The first annual assessment for a Lot or Unit purchased thereafter shall be adjusted according to the number of months remaining in the calendar year. The Boards shall fix the amount of the annual assessment against each Lot or Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner. The payment dates shall be established by the Board. When requested, and upon payment of a reasonable charge, the Homeowners Association shall furnish a certificate signed by an officer stating whether the assessments for a specified Lot have been paid.

Section 5.8. Effect of Nonpayment Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of fifteen percent (15%) per annum until paid. The Homeowners Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Lot or Unit. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of the Lot.

Section 5.9. Priority of the Lien to Mortgages.

The lien of the assessments provided for herein shall be superior and prior to the lien of any first mortgage or purchase contract. Sale or transfer of any Lot shall not affect the assessment lien.

ARTICLE 6
ARCHITECTURAL COMMITTEE

Section 6.1. Organization.

There shall be an Architectural Committee organized as follows:

The Architectural Committee shall be appointed by the Board and shall consist of five (5) members. A member of the Architectural Committee may also serve as a member of the Board, but shall not be required to be an Owner of a Lot or Unit in the Subdivision. The term of the members of the Architectural Committee shall be staggered, so that the terms of no more than two members expire in any given year. The Architectural Committee shall have the authority to hire an architect to consult with the Committee from time to time regarding submittals or proposals for construction, or any other matters within the jurisdiction of the Committee.

Section 6.2. Initial Architectural Committee.

The initial Architectural Committee members shall be Mary Ann Menster (four year term), John Miller (three year term), Lindsey Gooch (three year term), Mary Lynn Mickelson (two year term), and Mark Eatinger (two year term). After December 31, 2010 the Members shall be appointed by the Board.

Section 6.3. Duties.

It shall be the duty of the Architectural Committee to consider and act upon such proposals for Development submitted to it from time to time, to adopt Architectural Committee rules pursuant to Section 6.5 of this Article, and to perform such other duties from time to time as may be delegated to it by the Board.

Section 6.4. Meetings and Actions.

The Architectural Committee shall meet from time to time (in person, by telecommunications or other convenient method) as necessary to perform properly its duties hereunder. The vote or written consent of any three (3) members shall constitute an act by the Architectural Committee. The Architectural Committee shall keep and maintain a record of all actions taken by it.

Section 6.5. Approval Required by Architectural Committee.

Prior to the commencement of any construction, an Owner must receive written approval from the Architectural Committee. Once written approval is obtained, a building permit is required from the Town of Pinedale. Sewer and water hookup fees are to be paid to the Town to connect to those systems and water meters must be obtained from the Town.

Section 6.6. Non-Waiver.

The approval by the Architectural Committee of any plans, drawings or specifications for construction, or in connection with any other matter requiring the approval of the Architectural Committee pursuant to the Declaration, shall not be deemed to constitute a waiver of any right to withhold approval as to any similar plan, drawing, specification or matter whenever subsequently or additionally submitted for approval.

Section 6.7. Prosecution of Work after Approval.

After approval by the Architectural Committee any construction shall be accomplished as promptly and diligently as possible and in substantial conformity with the description of the construction approved. Failure to accomplish construction within eighteen (18) months after the date of approval (unless such period is extended in writing for good cause shown), or to complete construction substantially in conformity with the description, plans and specifications, shall be subject to a fine of \$200.00 per day until completion or until the structure is brought into substantial compliance with the approved plans. Moreover, such failure shall operate to automatically revoke the approval of construction and, upon demand by the Architectural Committee, the Lot shall be restored as nearly as possible to its state existing prior to any work in connection with the construction. The Architectural Committee and its duly appointed agents may enter upon any Lot or Unit at any reasonable time or times to inspect the progress or status of any construction.

Section 6.8. Failure to Comply.

If the Architectural Committee shall find that any construction shall have been undertaken without its approval in violation of the provisions of this Article, it shall have the right to remove any such construction at the sole cost and expense of the Owner of the Lot. If the Architectural Committee shall find that construction was not completed in substantial conformity with the description and the plans and specifications as approved, it shall notify the Owner of such noncompliance. If within thirty (30) days from the date of such notification, the Owner shall have failed to remedy the noncompliance, the Architectural Committee shall notify the Association, which shall have the right, at its option, to remove the construction or to abate or remedy the noncompliance, in either case at the sole cost and expense of the Owner. In either of the foregoing cases, the offending Owner shall promptly indemnify the Architectural Committee and/or Association for all costs incurred in removing, correcting or abating such noncompliance. The cost of the remedial action shall be a lien against the Lot or Unit until paid.

Section 6.9. Liability.

Neither the Architectural Committee, nor any member thereof, shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of:

- (a) the approval of any plans, drawings and specifications, whether or not defective, or
- (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, or
- (c) the construction, or manner of construction of any Lot within the Subdivision.

Section 6.10. Specific Guidelines: Construction.

Prior to beginning any construction upon a Lot, the Owner shall provide the Architectural Committee with plans and shall comply with the following requirements:

- (a) Submit three (3) complete sets of plans and specifications for any Lot improvement, construction, modification or alteration, including tree removal. The plans shall include a plot plan indicating the location of the proposed construction on the Lot. Sufficient documentation shall be included to demonstrate compliance with all the requirements of these Covenants, including Article 7, Design and Architectural Standards.

- (b) "Limits of Construction." Each contractor shall establish and maintain a boundary for every aspect of construction, beyond which no construction shall take place. During construction on the Lot, the premises shall be maintained in a neat and orderly manner.
- (c) The contractor's field office shall be located within the "Limits of Construction."
- (d) Only one (1) construction site project sign may be used and it must be located within the "Limits of Construction."
- (e) Proper, temporary sanitary facilities for all construction personnel shall be provided by the contractor.
- (f) Parking for construction workers shall be provided within the "Limits of Construction"; or, with the approval of the Architectural Committee, on the street adjacent to the Lot.
- (g) The Owner, through the contractor, shall be responsible for ensuring that a reasonable level of construction noise is not exceeded. No "non-construction" noises (radios, etc.) shall be allowed.
- (h) The Owner, through the contractor, shall ensure that construction worker's pets are not brought to the construction site.
- (i) Construction shall not begin before 7:30 a.m. nor continue past 8:30 p.m. Monday through Friday. Any construction on a weekend shall take place with as much consideration for the other residents as possible and shall be within the operating hours for weekday construction.

Approval by the Architectural Committee of all information noted herein shall be mandatory prior to commencing construction on any Lot.

The Architectural Committee shall review the plans and specifications and shall determine within thirty (30) days of receipt of the plans from the Owner whether the proposed use, modification, or construction conforms to the requirements of this Declaration.

ARTICLE 7 **DESIGN AND ARCHITECTURAL STANDARDS**

Section 7.1. General Standards Applicable to Lots.

The provisions of this Article shall apply to all construction in any manner or form.

Section 7.2. Design Character.

- (a) All structures and improvements shall be of new construction. Pre-built, pre-fabricated, component, or modular construction shall be permitted only upon specific written approval of the Architectural Committee.
- (b) Exterior materials shall be new material except for architectural detailing, which may utilize used materials such as recycled barn wood.
- (c) Exterior finishes shall be semi-transparent of heavy bodied stains, or pigmented or clear non-glossy preservatives. Glossy painted finishes shall not be permitted. All exposed metal shall have a dull colored finish, or shall be flat color anodized or painted.
- (d) Exterior colors shall be subdued. Color samples, on pieces of all exterior materials and roofing materials to be used, shall be submitted to the Architectural Committee for approval.

Section 7.3. Building Design.

- (a) **Style and Quality.** The architectural style will be appropriate to the western mountain environment, and will use the design elements that have been found successful in the construction of comfortable, durable dwellings in high alpine environments. Typical materials of choice for the exteriors will include stone, architectural concrete, log and natural-finish wood siding.
- (b) **Building Location.** Building setbacks shall be the same as imposed by the Town of Pinedale, which are:
 - Front - twenty feet; corner lots shall have a twenty foot building set back from both streets.
 - Side – seven feet.
 - Rear – twenty feet or twenty percent of the depth of the lot, whichever is smaller.
- (c) **Building Code.** Every structure shall conform to all applicable building codes and ordinances. Approval by the Architectural Committee does not constitute or imply compliance with such codes and ordinances, which shall be the sole responsibility of the Owner.
- (d) **Building Height; Floor Elevation.** No building shall exceed a height of twenty-eight (28) from the finished grade of the lot, and the contour must allow drainage to the valley pan in the roadway in front of the house (and on the side of the house if the lot is a corner lot). The finished floor elevation of each house shall be higher than the elevation of the valley pan, or the natural grade of the lot, whichever is higher.
- (e) **Floor Space.** The total square footage of the Structure placed on each single family lot, including attached garage, shall not exceed twenty five percent (25%) of the total square footage of the Lot provided, however, that no structure on any lot shall exceed a total of 5,200 square feet. For Multiple-Family Lots, the total combined square footage of the two Units, including attached garages, shall not exceed thirty percent (30%) of the total square footage of the Lot provided, however, that no structure on any lot shall exceed a total of 5,500 square feet.
- (f) **Materials.** Exterior Surfaces. Exterior surfaces will be generally of natural materials. Wood siding, fieldstone or river rock are approved choices.
- (g) **Color.** The color of exterior materials will be generally subdued to blend with the colors of the natural landscape. Earth tones, generally muted, are recommended, although occasionally accent colors used judiciously and with restraint may be permitted.
- (h) **Roofs.** Roofs will be of cedar shake, metal, architectural shingles, or other material approved by the Architectural Committee. Roofs are encouraged to incorporate varying heights and articulation to create a sense of interest, with a minimum of reflectivity. On all main roofs the pitch shall not be less than 4/12, nor shall any overhang be less than 20”.
- (i) **Site Grading and Drainage.** Site grading may be required to varying degrees on the Lots. Site drainage and grading will be done with minimum disruption to the Lots and shall not drain to adjoining Lots, nor cause a condition that could lead to soil erosion on street embankments, easements, or any Property outside Split Diamond Meadows Subdivision. Driveway culverts, if required, must be approved by the Architectural Committee prior to installation by the Owner.

- (j) Paved Areas. Hard-surfaced driveways shall be required, with a concrete, “chip seal” or asphalt surface preferred. Materials used to create special paving patterns are subject to Architectural Committee approval.
- (k) Foundation Walls. Foundation walls, where exposed, shall be finished in a color or materials to blend with the upper walls of the dwelling.
- (l) Exterior Mechanical Equipment. All exterior mechanical equipment shall be either incorporated into the overall form of the dwelling or be permanently enclosed by a material approved by the Architectural Committee.
- (m) Garage Doors. Visual impact of garage doors should be minimized by such measures as, but not limited to, siting of the dwelling, protective overhangs and/or projections, covering of garage doors to match the house siding in materials, color, direction in which the siding is applied, and landscaping.
- (n) Fireplaces. Proximity of trees to fireplace flues should be carefully considered so that trees and branches are not subjected to excessive heat and so that fire hazards are not created. Spark arrestors shall be installed over all flues.
- (o) Accessory Structures. Accessory structures shall be permitted and must be approved by the Architectural Committee with regards to size and location on the lot. These structures to include a dog run and approved enclosure for storage of firewood or yard implements. The storage structures shall be small and unobtrusive in comparison to the size of the home and designed and constructed of materials so as to match the style and color of the home.
- (p) Tanks. No storage tanks of any kind shall be permitted on any Lot, regardless of whether above or below ground.
- (q) Crawl Spaces / Basements. Due to the high water table within the Subdivision crawl spaces must be designed and built to accommodate the seasonally high ground water table. Basements of any kind shall not be permitted.

7.4. Site Design.

- (a) Building Location. Construction shall be subject to the set back requirements referenced above, except for driveways, landscaping and underground utilities. Whenever possible the location of the building should be staggered in relation to the buildings on neighboring lots.
- (b) Driveways. Each individual Lot Owner shall provide a hard surface driveway in compliance with Section 7.3(j). The minimum width of each driveway shall be ten (10) feet and the maximum width shall be twenty-four (24) feet or as otherwise approved by the Architectural Committee.
- (c) Garages, Vehicle Parking, Storage, Operation and Repair. Every residence shall have an attached, enclosed garage with space for a minimum of two (2) vehicles and a maximum of three (3) vehicles. Installation of ancillary parking is recommended to allow additional parking for guests and invitees and accommodate snow removal during the winter months.

With regards to parking, Town of Pinedale Ordinances will prevail in all cases. Please reference specifically Town Ord. 440-17 which reads “The operator of a vehicle shall not park such vehicle for longer than 48 hours at any time, on any street or alley within the Town, and it is a violation of this section for the registered owner of a vehicle to allow the vehicle to be parked in violation of this section.”

The Owner shall be responsible to ensure that no more than two (2) vehicles are parked on the Lot for any extended period of time (for example – in excess of two weeks) in addition to vehicles parked inside the garage. No buses, campers, recreational vehicles, industrial or commercial vehicles, abandoned or inoperable vehicles, or unlicensed vehicles, shall be parked or stored on a Lot or within the Subdivision except as permitted in the Storage and Parking Area on Lot 82; except that no more than one RV, or one boat, or two snowmobiles, may be parked in the driveway or garage during the particular season such vehicle is being used. No vehicle shall be maintained, repaired, serviced or rebuilt on any Lot except inside of an enclosed garage that fully screens the sight and sound of the activity from surrounding lots. Washing and polishing of vehicles and boats in driveways is permitted. Non-permitted vehicles may be temporarily parked in a driveway for loading or delivery purposes, but only for a reasonable time required to accomplish such purpose.

- (d) Fences. In order to preserve the natural and open appearance of Split Diamond Meadows Subdivision, fencing is not encouraged. However it is permitted by the Architectural Committee so long as it is designed to appear as a single element connected or visually related with the house and such fence does not exceed six feet (6) in height surrounding what is considered the “back yard” and/or side yard. All fences shall be constructed of natural wood similar to the fencing on Lots 82 and 83 and coordinated with the neighboring lots. The Lots bordering the “common walkway/bike path” on Lot 83 are required to use landscaping **inside** the Subdivision border fence to screen their respective Lots, and may not fence that side of the Lots. For animal control the three rail fences may employ the use of wire of a quality and installation so as to be attractive. A building permit is required by the Town of Pinedale for the construction of any fences.
- (e) Lighting. Exterior lighting shall be downcast by design, subdued and incorporate a light source which is not visible from adjoining dwellings, roads, or off-premises locations. In all cases, exterior lights shall be detailed in the final plan submitted for review to the Architectural Committee and shall be subject to the prior approval of the Architectural Committee at its sole discretion.
- (f) House Numbers. The house on each Lot shall have a street number which is visible from the roadway in front of the house, but does not exceed a total of two (2) square feet in overall size.
- (g) Radio or Television Antennae and Satellite Dishes. No external antennae will be permitted. An 18 inch or smaller diameter satellite dish shall be permitted on a Lot so long as it is visually unobtrusive to the adjacent lots.
- (h) Exterior Clothes Lines. Outside clothes lines, and the drying of clothes outside are not prohibited if they are in the back yard not an eyesore or nuisance to the neighbors.
- (i) Air Conditioning Units. All air conditioning units must be adequately screened in accordance with a plan approved in advance by the Architectural Committee.

Section 7.5. Landscaping.

- (a) General Character. Landscaping is considered an important element in every site plan. Plans for landscaping shall be incorporated into the site and construction plans submitted to the Architectural Committee for review and approval. In every case, landscaping

shall be considered part of the construction of the Lot subject to the time constraints included in Section 6.7.

- (b) Required Landscaping. Basic Landscaping is required as a part of the development of each Lot, and may then be augmented in the future as approved by the Architectural Committee. Basic landscaping requires that the lot will have all surfaces finished as approved (i.e. no raw dirt), and shall be maintained in an attractive manner. Under no circumstances will undesirable or noxious plants be permitted.
- (c) Property Maintenance. Landscaping on each Lot shall be maintained in a healthy and attractive manner by each Owner. Required maintenance shall include, but not be limited to, appropriate irrigation to control fire danger, weeds and other steps recommended by the Board to maintain the natural landscape of the Lot. If the Lot is not appropriately maintained by the Owner then the Association will notify the Owner of such noncompliance and require appropriate remedy. If within thirty (30) days from the date of such notification, the Owner shall have failed to remedy the noncompliance, the Association shall have the right, at its option, to remedy the noncompliance at the sole cost and expense of the Owner. The offending Owner shall promptly indemnify the Association for all costs incurred in abating noncompliance.

ARTICLE 8 **RESIDENTIAL AREA USE RESTRICTIONS**

Section 8.1.

Each Lot shall be used exclusively for residential purposes, and no more than one (1) family shall occupy each residence; provided, however, that nothing in this paragraph shall be deemed to prevent:

- (a) Any artist, artisan, businessman, or craftsman from pursuing his or her artistic calling or business upon the Lot or Unit, provided that such individual also uses such Lot or Unit for residential purposes, has no employees working on such Lot or Unit, and such activity does not involve frequent high volume traffic. Town of Pinedale Ordinances will prevail in all cases. Please reference specifically Town Ord. 475-53.
- (b) An Owner may lease his/her house so long as the lease is for a minimum of six months and the lease is to a family or to no more than three unrelated individuals. The Board may adopt rules and regulations from time to time regarding the lease of a house or Unit within the Subdivision.

Section 8.2.

Each Lot, and any and all improvements from time to time located thereon, shall be maintained by the Owner in good condition and repair, and in such a manner as not to create a fire hazard.

Section 8.3.

No noxious or offensive activity shall be carried out upon any Lot, nor shall anything be done or placed thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other Owners in the enjoyment of their Lot or Unit, or in their enjoyment of Common Areas. Without limiting any of the foregoing, no

exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of the Lot or Unit, shall be placed or used upon any Lot or Unit.

Section 8.4.

Any signs of a permanent nature must be approved by the Architectural Committee. Any signs that may be deemed offensive to the residents of Split Diamond Meadows will be evaluated by the Architectural Committee on a case by case basis. Town of Pinedale Ordinances will prevail in all cases. Please reference specifically Town Ord. 475-159 & 475-165.

Section 8.5.

No house trailer, mobile home or similar facility or Structure shall be kept, placed or maintained upon any Lot or Unit at any time; provided, however, that the provisions of this subparagraph shall not apply to temporary construction shelters maintained during, and used exclusively in connection with, the construction of any structure, work or improvement, subject to the prior consent of the Architectural Committee. A temporary small tent or teepee is allowed for the occupants' recreation during the appropriate months. No person shall reside in or live in such temporary construction shelters or facilities.

Section 8.6.

No trailer of any kind, truck camper, boat or any other recreational vehicle, horse trailer, snowmobile, 4 wheeler, or any trailer used to haul the same shall be kept, placed or maintained on the Lot or Unit outside of the garage of any Lot or Unit except as permitted in paragraph 7.4(c).

Section 8.7.

No accessory structures, buildings, garages or sheds shall be constructed placed or maintained upon any Lot or Unit prior to the construction of the residence; provided, however, that the provisions of this subparagraph shall not apply to temporary construction shelters.

Section 8.8.

All garbage and trash shall be placed and kept in covered containers that shall be maintained so as not to be visible from neighboring property. The collection and disposal of garbage and trash shall be in strict compliance with such rules as may be adopted by the Board. The maintenance of accumulated waste plant materials is prohibited except in an appropriate composting container approved by the Architectural Committee.

Section 8.9.

Exterior Fires, please reference Town of Pinedale Ordinance 322-5 which reads:

“A. It is unlawful to start or maintain a fire on any Town property except in previously constructed fireplaces or existing fire rings. B. All lawfully located fires shall become unlawful unless they comply with the following:

- 1) Fires shall be built, used and maintained so as to minimize fire hazard and smoke nuisance.

- 2) No open fire shall be permitted except in facilities provided, as mentioned in Subsection A of this section.
- 3) No open fire shall be left unattended.
- 4) No fuel shall be used or material burned which emits dense smoke or objectionable odors.”

The burning of trash, organic matter, or miscellaneous debris shall be prohibited in Split Diamond Meadows.

Section 8.10.

An Owner shall not permit designated parking spaces to be used for purposes other than to park vehicles. The Board shall have full power and authority to regulate the parking and storage of vehicles and any and all motor homes, recreational vehicles, boats, bicycles, motorbikes, trailers and other similar vehicles and equipment as noted in Section 8.6, above, and to regulate the use of roadways by imposing and enforcing speed limits and other restrictions, all with full power and authority to impose and enforce (by special assessments hereunder or otherwise) fines and other penalties for violations of such regulations.

Section 8.11.

No outdoor toilets shall be permitted, except that during construction an appropriate rental toilet facility shall be on site for use by workers.

Section 8.12.

No mining or other mineral extraction or similar activities shall be permitted on any Lot, including the removal of gravel.

Section 8.13.

Lot Owners shall take all actions necessary to control noxious weeds as defined by the Sublette County Weed and Pest Control Board, the Town of Pinedale and/or the Board. Because the timing for effective control of noxious weeds is very critical, if a Lot Owner fails to respond immediately to a written request for weed control from the Architectural Committee, the Board shall have the right to contract for such control services and the company so contracted shall have the right to enter upon any such Lot to treat noxious weeds without any liability for trespass. In the event that the Board provides for noxious weed treatment as described herein, the Owner of a Lot treated for noxious weed control shall pay all costs incurred by the Board.

Section 8.14.

Owners shall not obstruct Common Area Lots, nor place or store anything within the Common Areas (except for storage of vehicles, etc. in the Storage and Parking Area on Lot 82).

Section 8.15.

The discharge of firearms, firecrackers or fireworks is forbidden. No hunting or shooting of guns shall be allowed within the Subdivision.

Section 8.16.

No snowmobile or other similar vehicle shall be operated on any Lot. Snowmobiles or similar vehicles may not be used for access to and from the Lots.

Section 8.17.

Dogs and other domestic animals shall be controlled or restrained at all times, and shall not be allowed to run at large. If a yard is not fenced, then any dog left outside in the yard must be in an enclosed structure approved by the Architectural Committee. An invisible fence may be approved so long as the animal is under control at all times. No more than two dogs or two cats are allowed on any Lot, with a maximum of three pets per Lot. No farm animals or wild animals are allowed. Any dogs, cats or other pets that are deemed to be a nuisance by the Board shall be removed by the owner of the pet. With respect to animals in the Subdivision, noise or waste pollution, destruction of landscaping, or vagrancy, will not be tolerated. If an Owner does not comply with the requirements of this subsection, the Homeowners Association shall address the situation in an appropriate manner to preserve the quiet enjoyment of the Subdivision. Complaints regarding pets shall be addressed to the Homeowners Association.

Section 8.18.

There shall be no agricultural activities carried on any Lot including but not limited to the raising of livestock. An outdoor garden is a permitted use on any Lot.

Section 8.19.

Any shade, blind or other window covering visible from the road or a neighboring Lot shall be either white or of subdued colors, and naturally blend with the house, and no reflective materials, including aluminum or other foil, reflective screens or glass, mirrors or similar items, may be used.

ARTICLE 9
GENERAL PROVISIONS

Section 9.1. Consolidating Lots.

Two or more contiguous Lots may be combined, provided notice of intention to consolidate such Lots is filed with the Architectural Committee and the Board approves the consolidation of the Lots. Upon the approval by the Board, such consolidated Lots shall thereafter be treated as one (1) building site. If a structure is placed across the lot line, then the lot line must be vacated and the plat amended accordingly.

No single family Lot within the Subdivision shall otherwise be split, divided or subdivided. The two Units on the Lots designated as Multiple Family Lots may be subdivided in order that each Unit may be separately deeded to the individual Unit Owners pursuant to Article 14 below.

Section 9.2. Conveyance of Common Area: Reservation of Easements and Rights-of-Way: Reclassification of Land Area.

Declarant shall transfer and convey to the Homeowners Association and the Homeowners Association shall accept, all of Declarant's right, title and interest to all of the real property designated as "Common Areas" as identified on the Plat and defined in Section 1.3.

Conveyance to the Homeowners Association will occur after completion of the development of these areas. The Common Area shall be conveyed subject to:

- (a) The lien of real property taxes and assessments not delinquent;
- (b) Such easements and rights-of-way on, over or under all or any part thereof as may be reserved to Declarant or granted to any Owner or participating facility for the use thereof in accordance with the provisions hereof;
- (c) Such easements and rights-of-way on, over, across or under all or any part thereof as are hereby reserved to Declarant or which may be granted by Declarant to or for the benefit of the United States of America, the State of Wyoming, or the Town of Pinedale, any other political subdivision or public organization, or any utility corporation, for the purpose of constructing, erecting, operating and maintaining utilities thereon, therein and thereunder, at that time or at any time in the future;
- (d) The obligations imposed, directly or indirectly by virtue of any statute, law, ordinance, resolution or regulation of the United States of America, the State of Wyoming, Sublette County, the Town of Pinedale or any other political subdivision or public organization having jurisdiction over such Property, or by virtue of any organization or body politic created pursuant to any such statute, law, ordinance or regulation.

Section 9.3. Assignment of Powers.

Any and all of the rights and powers vested in Declarant may be delegated, transferred, assigned, conveyed or released by Declarant to the Homeowners Association and the Homeowners Association shall accept the same, effective upon the recording by the Declarant of a notice of such delegation, transfer, assignment, conveyance or release.

Section 9.4. Notices: Documents: Delivery.

Any notice or other document permitted or required by the Declaration shall be delivered either personally or sent by certified mail, return receipt requested. If delivery is made by certified mail, it shall be deemed to have been delivered two days after a copy of the same has been deposited in the United States Mail, postage prepaid, addressed as follows:

If to the Association, the Board, or Architectural Committee:
Split Diamond Meadows Homeowners Association, Inc.
PO Box 537
Pinedale, WY 82941

If to Declarant:
Split Diamond Development, Inc.
PO Box 188
Pinedale, WY 82941

Provided, however, that any such address may be changed from time to time by the Association, Board, Architectural Committee, or by Declarant by a notice in writing to the Owners.

Section 9.5. General Maintenance: Association versus Owner Responsibility.

The maintenance, alteration, replacement and/or repair of the Common Area Lots shall be the responsibility of the Homeowners Association. The maintenance, repair and replacement of all improvements on each Lot, including without limitation private driveways, and private water lines, shall be the responsibility of the Owner of such Lot and not the Association except as otherwise expressly set forth herein.

ARTICLE 10
ENFORCEMENT,
DURATION AND AMENDMENT

Section 10.1. Enforcement; Alternative Method for Resolving Disputes.

The Association and each Owner, shall have the right to enforce all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any of the Covenants now or hereafter imposed by the provisions of this Declaration shall in no event be deemed a waiver of the right to do so thereafter. Any party not in compliance with the provisions of the Declaration will bear the sole cost of any action or proceeding necessary to accomplish compliance, including reasonable attorney's fees.

If the Homeowners Association finds it necessary to take enforcement action, it shall notify the Owner of such noncompliance and the appropriate remedy. If within thirty (30) days from the date of such notification the Owner shall have failed to remedy the noncompliance, the Association shall have the right, at its option, to remedy the noncompliance at the sole cost and expense of the Owner. In either of the foregoing cases, the offending Owner shall promptly indemnify the Homeowners Association for all costs incurred in removing, correcting or abating such noncompliance, including reasonable Attorney's fees. Such costs if not promptly paid, together with interest, shall be a charge against the Owner's Lot or Unit and shall be a continuing lien upon the Lot or Unit until paid and shall also be the personal obligation of the entity or person who was the Owner of such Lot or Unit at the time when the assessment became due and payable.

Enforcement of any of the terms of the Declaration now or hereafter in effect shall be undertaken solely pursuant to the procedures set forth in this section of the Declaration, which adopts a policy of alternative dispute resolution.

Each of the following claims, disputes, disagreements, causes of action, etc., shall be submitted to and resolved pursuant to the procedures set forth in Section 10.1 (A) below:

- (a) Claims arising out of or relating to the interpretation, application or enforcement of the Declaration, or the rights, obligations and duties of the Homeowners Association, or an Owner under the Declaration; and

- (b) Claims relating to the design or construction of improvements within the Subdivision.

The following claims, disputes, disagreements, causes of action, etc. shall be exempted from alternative dispute resolution:

- (a) Any suit by the Homeowners Association or Declarant to obtain a temporary restraining order or injunction (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to, maintain the status quo and preserve the Homeowners Association's ability to act under and enforce the provisions hereof;
- (b) Any suit between or among Owners, which does not include the Declarant or the Homeowners Association as a party, if such suit asserts a claim which would constitute a cause of action independent of these Covenants.

10.1(A) Mandatory Procedures.

- (a) Notice. Any party bound by the provisions of Section 10 having a claim ("Claimant") against any other party bound by the provisions of Section 10 ("Respondent") (individually "the party", and collectively "the parties") shall notify each Respondent in writing and within thirty (30) days of the claim(s) arising (the "Notice"), stating plainly and concisely:
 - (i) The nature of the Claim; including the Persons involved and Respondent's role in the Claim;
 - (ii) The legal basis of the Claim;
 - (iii) The proposed remedy; and
 - (iv) The fact that Claimant will meet with Respondent to discuss, in good faith, ways to resolve the Claim, and proposed dates to meet.
- (b) Negotiation and Mediation.
 - (i) The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.
 - (ii) If the Parties do not resolve the Claim within thirty (30) days after the date of the Notice (or within such other period as may be agreed upon by the Parties), the Claim shall be determined by binding arbitration conducted pursuant to subsection (c) below.
- (c) Binding Arbitration.
 - (i) If a Claim is not resolved through informal negotiation or mediation described in subsection (b) above, Claimant shall thereafter be entitled to initiate final, binding arbitration of the Claim under the auspices of the American Arbitration Association ("AAA") in accordance with the AAA's Commercial or Construction Industry Arbitration Rules, as appropriate. Such claims shall not be decided by or in a court of law. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Claim. If the claimed amount exceeds \$500,000, the dispute shall be heard and determined by three arbitrators. Otherwise, unless mutually agreed to by the parties, there shall be one arbitrator. Arbitrators shall have expertise in the area(s) of dispute, which may include legal expertise, if legal issues are involved.

- (ii) The Arbitrator(s) shall have the authority to award costs and expenses, including attorney's fees, to the prevailing party, as well as the arbitrator's and administrative fees of arbitration. If a Party unsuccessfully contests the validity or scope of arbitration in a court of law, the non-contesting party shall be awarded reasonable attorney's fees and expenses incurred in defending such contest. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator(s).
- (iii) The award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law.

Section 10.2. Duration of Restrictions.

All of the Covenants set forth in the Declaration shall continue and remain in full force and effect at all times with respect to the Subdivision and shall be applicable to all of the Owners, subject to the right of amendment or modification provided for in this Article, for a term of twenty (20) years, after which time it shall be automatically be extended for successive periods of twenty (20) years.

Section 10.3. Amendment.

This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than two-thirds (2/3rds) of the Lot Owners, and thereafter by an instrument signed by not less than fifty percent (50%) of the Lot Owners, which instrument must be recorded in the Office of the County Clerk of Sublette County, Wyoming; provided, however, that Declarant or its assigns, shall have the right, during such time as it owns not less than twenty-five percent (25%) of the Lots, excluding Common Area Lots, to change or modify the Declaration, and all Lots within the Subdivision, including those previously sold, shall be subject to such amendments. Such amendments shall be duly executed by Declarant and filed of record in the Office of the County Clerk of Sublette County, Wyoming.

Section 10.4. Violation Constitutes Nuisance.

Every act or omission, whereby any Covenant in this Declaration, is violated in whole or in part, is declared to be and shall constitute a nuisance and may be abated by Declarant or its successors in interest and/or by any Lot Owner; and such remedies shall be deemed cumulative and not exclusive.

The Homeowners Association shall have the right to set and levy fines for violation of these Covenants. Notice of a violation shall be sent to the Owner by certified mail, return receipt requested, advising the Owner of the violation and the potential fine, including enforcement costs incurred and attorney's fees, if applicable, and giving the Owner 30 days to remedy the violation. If the Owner fails to remedy the violation within 30 days after written notice has been mailed, then the Homeowners Association shall have the right to undertake the remedy on its own, file a lien against the Lot and Owner, and then begin proceedings to foreclose the lien.

Section 10.5. Construction and Validity of Restrictions.

All of the Covenants contained in this Declaration shall be construed together, but if it shall at any time be held that any one of the Covenants, or any part thereof, is invalid, or for any

reason becomes unenforceable, no other Covenant, or any part thereof, shall be thereby affected or impaired; and Declarant, and all Owners and their heirs, successors and assigns, shall be bound by every other Covenant not declared invalid or inoperative by a court of law.

Section 10.6. No Waiver.

The failure of the Association, the Board or its agents to insist, in one or more instances, upon the strict performance of any of these Covenants, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or relinquishment, for the future, of such Covenant; but such Covenant shall remain in full force and effect. The receipt and acceptance by the Board or its respective agent of the payment of any assessment from an Owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and duly signed by or on behalf of the Board.

Section 10.7. Variances.

The Architectural Committee may allow reasonable variances and adjustments of the Covenants in order to overcome practical difficulties and prevent unnecessary hardships in the application of the Covenants contained herein, or to grant variances in regard to the requirements for the purpose of enhancing views, utilizing a Lot to better advantage, preventing the removal of trees, and enhancing the placement of improvements on the Lot, provided this may be done in conformity with the intent and purpose of these Covenants, and also provided in every instance that such grants or adjustments shall not be materially detrimental or injurious to other Lots or Owners. The Architectural Committee shall make specific written findings in the event it approves a variance or adjustment of any of these Covenants. Any variances or adjustments of these Covenants granted by the Architectural Committee or any acquiescence or failure to enforce any violation of the Covenants, shall not be deemed to be a waiver of any of the other Covenants.

ARTICLE 11
RESTRICTIONS ON COMMON AREAS

Section 11.1. No Structures or Improvements.

Unless permitted by local zoning ordinances or any other applicable County regulations, as adopted or amended from time to time, no buildings, structures, or improvements of any nature shall be placed, erected, altered, or permitted to remain on any Common Areas shown on the Plat or final development plan, except for fences, irrigation structures, public pathways and recreational improvements and facilities as approved by the Board. Necessary utility installations shall be permitted along established or platted utility easements and other areas.

Section 11.2. Trees and Landscaping.

No trees or brush growing in these areas shall be felled or trimmed, no natural areas shall be cleared, nor shall any natural vegetation, rocks, or soil be damaged or removed, nor any landscaping performed, unless first approved in writing by the Board.

Section 11.3. Temporary Buildings.

No temporary house, house trailer, camper, boat, horse trailer, tent, construction materials, or other temporary or movable structure shall be placed, erected, or allowed to remain on any recreational open space area, except as attendant to lawful development.

Section 11.4. Exterior Lighting.

No exterior lights or fixtures shall be erected, installed or permitted to remain in the common areas, except for street lights placed by the Declarant.

ARTICLE 12
EASEMENTS

Section 12.1. Utility Easements Reserved.

The Board hereby reserves to itself, its successors and assigns, perpetual easements described in the recorded Plat of the Subdivision, for the purpose of constructing, maintaining, operating, replacing, enlarging, and repairing electric, telephone, water, irrigation, sewer, gas and similar lines, pipes, wires, conduits, ditches, fences and landscaping.

ARTICLE 13
INSURANCE

Section 13.1. Insurance.

The Homeowners Association may purchase property insurance policies covering the Common Areas, easements, equipment, and other property that the Homeowners Association in its discretion, deems advisable. In addition, the Homeowners Association may purchase commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, management or other activities related to the land shown on the Plat, and any other type of insurance it deems advisable or appropriate.

Section 13.2. Fidelity Insurance.

If any Owner or employee of the Homeowners Association controls or disburses funds belonging to that entity, the Homeowners Association must obtain and maintain, to the extent reasonably available, fidelity insurance. Coverage shall not be less in aggregate than two months' current assessments plus reserves, as calculated from the current budget of the Homeowners Association.

Any person employed as an independent contractor by the Homeowners Association for the purposes of managing the Subdivision or any of the improvements within the Subdivision must obtain and maintain fidelity insurance in an amount not less than the amount specified

in paragraph 13.2, unless the Homeowners Association names such person as an insured employee in a contract of fidelity insurance.

The Homeowners Association may require any independent contractor employed by it to carry more fidelity insurance coverage than required in this Section if deemed appropriate.

Section 13.3. Insurance Premiums are Common Expenses.

Premiums for insurance acquired by the Homeowners Association and any other expenses in connection with acquiring or maintaining such insurance are common expenses.

ARTICLE 14
MULTIPLE FAMILY HOMES

Section 14.1. Multiple Family Lots.

The following Lots are designated as “Multiple Family Lots”: Lots 51, 53, 55, 63, 70, 71, 76, 77, 80 and 92.

Section 14.2. Permissible Structures.

On each Multiple Family Lot may be built not more than one multiple family dwelling structure, consisting of either a “Multi-plex” unit (one family attached dwellings or a multi-family building pursuant to Chapter 17.65.010 (E) of the Town of Pinedale Regulations), or a “Townhouse” building (one-family dwelling attached from ground to roof by a common wall to one other one-family dwelling pursuant to Chapter 17.65.010 (H); or a Condominium building as defined by Chapter 17.67.010 (G) of the Town of Pinedale Regulations containing no more than two units.

Section 14.3. Ownership of Units.

Title to Townhouse Units on each Multiple Family Lot may be separately deeded after construction, and each Townhouse Unit may be held independently of the other Unit.

Section 14.4. Governed by Declaration.

The Multiple Family Lots shall be governed by, and are subject to, each of the provisions of the Declaration.

Section 14.5. Common Expenses.

The Units on each Multiple Family Lot will have “common expenses”, such as painting of the exterior of the Structure and roof repairs. The Unit Owners shall mutually agree upon all such expenses and repairs prior to their being undertaken. In the event that the Unit Owners are unable to so agree, then the Homeowners Association shall have authority to intervene and decide what repairs and expenses shall be undertaken, and its decision shall be final and binding on the Unit Owners.

14.6. Improvements and Alterations.

Any Unit Owner may make non-structural additions, alterations and improvements within his or her Unit but such Owner shall be responsible to the other Unit Owner for any damage that results from such addition, alteration or improvement.

