

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRAILS CREEK SUBDIVISION

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRAILS CREEK SUBDIVISION

This 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 10th day of July, 2007, by WYBAL, LLC. (“Declarant”), the Owner of Lots 1 through 83 of TRAILS CREEK Subdivision (“the Subdivision”), in accordance with the Plat filed for record in the office of the Clerk of Sublette County, Wyoming, concurrently with this Declaration, in Book of Maps 84 (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 Trails Creek 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 (HOA).

Section 1.3. "Common Areas"

Shall mean all land and open space deeded to, and owned, by the Town of Pinedale, and dedicated for the common use and enjoyment of the Lot and Unit Owners.

Section 1.4. "Common Roads"

Shall mean all roads within the Subdivision which provide access to the lots:

Section 1.5. "Common Services"

Shall mean the services undertaken by the Board for maintenance and operation of the facilities within the Subdivision including but not limited to, maintenance of the border fencing, maintenance of the Subdivision Signs and the landscaping of the area around the sign.

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 WYBAL, LLC., 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 Trails Creek Homeowners Association, Inc., a Wyoming nonprofit corporation, its successors and assigns established to administer and enforce the terms and conditions of these Covenants.

Section 1.11. "Lot"

Shall mean and refer to the single family lots described and shown on the Plat as Lots 1 through 84.

Section 1.12. "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 1.13. “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 1.14. “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. “Trails Creek”

Shall mean and refer to the Subdivision known as Trails Creek.

ARTICLE 2 PROPERTY RIGHTS

Section 2.1. Owners’ Right to Use.

The Common Areas are Town property and the HOA will have no further rights or duties with regards to the Common Areas unless agreed to with the Town of Pinedale.

Section 2.2. Common Roads.

The Common Roads are 60 feet wide, and have an asphalt surface on the middle 33 feet of the road surface, and a 7 foot wide Bioswale on each side for storm water runoff and a 5 foot asphalt pathway. This creates a 13.5 foot wide strip on each side of the finished surface of the roadway. Each Lot Owner is required to keep the 13.5 foot strip between their lot and the finished surface of the common road clear of landscaping and vehicles at all times. These 13.5 foot strips are deemed to be part of the common roadways and available for use by Lot and Unit Owners for walking, jogging, etc. Encroachments of any sort in these strips are prohibited. Each Lot or Unit Owner will be responsible to maintain the strip area adjacent to that Lot or Unit.

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 and/or District:

- (a) Annual assessments or charges; and
- (b) Special assessments for capital improvements, established and collected as provided below.

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 District and/or 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 perimeter fence and subdivision sign.

Section 5.3. Budget.

The Boards of the District and Homeowners Association shall prepare annual budgets and estimates for Common Services and administration of the District and 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/District 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 purchase, repair or maintenance, construction, reconstruction, repair or replacement of any structure, 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 and/or District 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 appointed by the Declarant. After December 31, 2010 the Members shall be appointed by the Board. Declarant reserves the right to relinquish its rights with respect to the Architectural Committee at any time prior to December 31, 2010.

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. The members of the Architectural Committee may receive appropriate compensation for services rendered.

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.

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 5:30 p.m.

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 STANDARD

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 or prefabricated construction shall not be permitted. Modular construction may be utilized subject to both the Modular Manufacturer and the individual home being approved by 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. Permanent, low maintenance materials will be required for all exteriors. Typical materials of choice for the exteriors will include stone, architectural concrete, log and natural-finish wood siding. Vinyl siding is not accepted.
- (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) feet 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. Lots 1, 2, 3 and 4 may have a building height of 35 feet or the maximum height permitted by Sublette County.
- (e) **Maximum Square Footage of Structures.** The maximum total square footage of the Structure placed on each single family lot, including attached garage, shall not exceed thirty five percent (35%) 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 except for lots 1, 2 and 3 and 4 which have no limit.
- (f) **Minimum Square Footage of Living Space.** The minimum total square footage of Living Space excluding the attached garage will be the following:
 - 1: Lots with an area of 8000 to 9999 square feet: Minimum area: 1200 Sq/ft
 - 2: Lots with an area of 10000 to 12999 square feet: Minimum area: 1400 Sq/ft
 - 3: Lots with an area of 13000 to 13999 square feet: Minimum area: 1800 Sq/ft
 - 4: Lots above 14000 square feet: Minimum area: 2000 Sq/ftException: Lots 77 and 78 must have a minimum area of 2000 Sq/ft.
- (g) **Materials. Exterior Surfaces.** Exterior surfaces will be generally of natural materials. Wood siding, fieldstone or river rock are approved choices.
- (h) **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.

(i) **Roofs.** Roofs will be of cedar shake, metal, architectural shingles, or other material approved by the Architectural Committee. Roofs shall be of varying heights and articulation to create a sense of interest from above and below, creating a varying play of light and shadow 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 16”.

(j) **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 Trails Creek Subdivision. Driveway culverts may be required and must be approved by the Architectural Committee prior to installation by the Owner.

(k) **Paved Areas.** Hard-surfaced private driveways and parking areas shall be required, with a “chip seal” or asphalt surface preferred. Materials used to create special paving patterns are subject to Architectural Committee approval. The Lot Owner will have 18 months from the date of occupancy to complete the surfacing.

(l) **Foundation Walls.** Foundation walls, where exposed, shall be finished in a color or materials to blend with the upper walls of the dwelling and must be approved by the Architectural Committee

(m) **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.

(n) **Garage and Garage Doors.** A minimum of a two car garage and a maximum of a three car garage must be built attached or connected by breezeway to the main structure. Lots 1, 2, 3, 4, 5, 15 and 22 may have up to a four car garage and may be detached from the main structure. Detailed plans of these detached garages must be provided and approved by the Architectural Committee.

Visual impact of garage doors should be minimized by such measures as, but not limited to, location of the dwelling, protective overhangs and/or projections. The size, location and overall design must be approved by the Architectural Committee.

(o) **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.

(p) **Accessory Structures.** No outbuildings or accessory structures shall be permitted except for garages as defined in section 7.3 (n) above and approved enclosures for dog runs or enclosures for other pets, and approved enclosures for storage of firewood. Storage sheds attached to the house or garage may be considered but must be approved by the Architectural Committee and they must match the exterior siding of the house and the garage.

(q) **Tanks.** No above ground storage tanks of any kind shall be permitted on any Lot.

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.

(c) Vehicle Parking, Storage, Operation and Repair. No on-street parking shall be allowed at Trails Creek Subdivision unless the Owner receives a temporary use permit from the Architectural Committee for parking during construction or maintenance of improvements. Except for inside the enclosed garage, no buses, campers, recreational vehicles, industrial or commercial vehicles, abandoned or inoperable vehicles, or unlicensed vehicles, shall be parked on a Lot or within the Subdivision except that no more than one RV, or one boat, or two snowmobiles, may be parked in the driveway 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. A three rail pole fence and gates will be erected by the Declarant in certain areas of the subdivision. This fence and all future fences will not exceed 5 feet in height. Any fence and gate plans submitted by any Lot Owner must match the look of the above fence and must be approved by the Architectural Committee. This fence can be used with a wire mesh to create an enclosed area. Gates must also match the gates used above. Fenced areas may be approved for back and side yard areas only. There are no fenced areas permitted in the front of the house.

(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) Firewood Storage. Firewood will be stored in an enclosed structure designed for that purpose, and incorporated inside or adjacent to the house.

(h) 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.

(i) Exterior Clothes Lines. Outside clothes lines, and the drying of clothes outside, are prohibited.

(j) 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, and has no employees working on such Lot or Unit, and does not normally meet with clients or customers or advertise any product or work of art for sale to the public upon such Lot or Unit;
- (b) An Owner may lease his/her house so long as the lease is for a minimum of twelve months and the lease is to a lessee of no more than four 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 8.1.

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.

No signs whatsoever, including, but without limitation, commercial, political and similar signs, shall be erected or maintained upon any Lot, except the residential identification sign referenced in paragraph 7.4 (f) above.

Section 8.5.

No house trailer, mobile home, tent, teepee 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.

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.

There shall be no exterior fires whatsoever except barbecue fires contained within receptacles therefore and such fires as may from time to time be permitted by the Homeowners Association rules. The burning of trash, organic matter, or miscellaneous debris shall be prohibited.

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.

The common roads in the Subdivision shall be maintained by the Town of Pinedale.

Section 8.13.

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

Section 8.14.

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 8.15.

Owners shall not obstruct Common Area Lots, nor place or store anything within the Common Areas.

Section 8.16.

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

Section 8.17.

No ATV, Snowmobile or other similar vehicle shall be operated on any Lot. No motorized vehicle of any kind can be operated on any walkways. Snowmobiles or similar vehicles may not be used for access to and from the Lots.

Section 8.18.

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 four 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 8.19.

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 8.20.

Any shade, blind or other window covering visible from the road or a neighboring Lot shall be 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 Lot within the Subdivision shall otherwise be split, divided or subdivided.

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 Town of Pinedale 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 Town of Pinedale will occur after construction has been completed. 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 there under, 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/or the District, and the Homeowners Association and/or District 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:

Trails Creek Homeowners Association, Inc.
Pinedale, WY 82941

If to Declarant:

WYBAL, LLC.
1004 Old Barn Rd
Parkton, MD 21120

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/District versus Owner Responsibility.

A: The maintenance, alteration and/or upkeep of the Common Area Lots shall be the responsibility of the Town of Pinedale. The snow plowing and general maintenance of the roads, and the maintenance, alteration, replacement and/or repair of the domestic water and sewer systems and streetlights shall be the responsibility of the Town of Pinedale. 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 or Town, except as otherwise expressly set forth herein.

B: Each Lot Owner is required to maintain the landscaping of the Bioswales in its original form. Any grass re-seeding must be of the same type of grass as the original planting. No Trees, bushes or any structures can be placed or planted in the Bioswales. The Lot Owners are responsible for the landscaping on either side of the walkways and must keep them clear of all objects and not block the walkway with a car or other object. The HOA is responsible for clearing the walkway of snow or debris to the extent that they are useable as walkways. The HOA will budget for and use the funds of the HOA to accomplish this task. The HOA is responsible to maintain and repair the walkways except for the bike paths along Jackson St.

C: Irrigation Maintenance: The HOA is required to provide water to the Trails End Subdivision from the Colorado Ditch. The Declarant has installed a system with an electric pump that will provide the necessary flow. The HOA is required to maintain the pump and provide and pay for the electricity to run the pump. The Declarant has supplied a separate meter that will be billed to the HOA. The HOA is not responsible for the pipe running from the pump to Trails End. The pipe will be maintained by Trails End. The HOA must budget for this annual cost and use the funds of the HOA to accomplish this task.

ARTICLE 10
ENFORCEMENT,
DURATION AND AMENDMENT

Section 10.1. Enforcement; Alternative Method for Resolving Disputes.

The Association, the District, 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, the District 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 or District 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 or District 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 or the District for all costs incurred in removing, correcting or abating such noncompliance, including attorney's fees.

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 District, 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 District, 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 or the District 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 regarding the ability to arbitrate 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. Annexation.

Additional residential property and Common Areas may be annexed to the Subdivision by Declarant at any time, provided only that all of such additional Property shall be subjected to the Declaration by a document duly recorded in the Office of the Clerk of Sublette County, Wyoming..

Section 10.5. 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 and/or District 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 or District 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 10.6. 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 10.7. No Waiver.

The failure of the Association, the Board, the District 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 District 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 or District.

Section 10.8. 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 the Town of Pinedale, 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 HOA and the Town of Pinedale. 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 common 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 HOA and the Town of Pinedale.

Section 11.3. Temporary Buildings.

No temporary house, house trailer, camper, boat, horse trailer, 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.

ARTICLE 12 EASEMENTS

Section 12.1. Utility Easements Reserved.

The Town of Pinedale 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.

Section 12.2. Irrigation Water Easements.

The HOA hereby reserves to itself, its successors and assigns, perpetual easements across Lots 23 and 24, Lots 70 through 83, and Lots 6 through 15, in the Subdivision for the purpose of maintaining and operating the irrigation pipes for the proper irrigation of meadowlands adjoining the lands to the west and south.

Section 12.3. Fence Easement

The following lots will provide for an easement to the HOA for a three rail fence with a maximum height of five feet, to be approved by the Town of Pinedale, to be erected along the entire perimeter of the subdivision. The Declarant is not obligated to erect a fence but may do so at any time. The easement is granted for perpetuity unless a fence is not erected within five years from the date the final plat is filed. At that point the easement is forfeited and all rights to the land remain with the land owner.

The easement will be a 10 foot easement along the rear of the property on the following lots: Lots 4 through 37 and along Jackson Street of Lot 1, 2, 3 and 4. Lots 62 through 69 will also provide an easement if the Town of Pinedale does not allow for a fence to be erected in the adjacent open space.

The easement will be a 10 foot easement along the side of the property on the following lots: 4, 5, 18, 19, 27, and 28.

If an existing easement is in place this 10 foot easement is not in addition to any platted easement but will be encompassed within the platted easement.

The land owner may plant shrubs, trees or other landscaping on the inner boundary with a minimum of two feet clearance from the fence. The land owner must keep the outer boundary of the fence free and clear of any vegetation or growth. The land owner will be responsible for the trimming and upkeep of the grass or landscaping on both sides of the fence to the border of the property. The HOA will be responsible for the repair, replacement and upkeep of the fence and must budget an amount annually for this upkeep.

Section 12.4 Sign Easement

Lots numbered 35 & 37 grant an easement to the HOA of 10 feet along the boundary of Road. This easement is for a potential subdivision sign that the Declarant or HOA may erect at anytime. If a sign is not erected within a five year period from the date the final plat is filed, the easement is forfeited and all rights to the land remain with the land owner. The HOA will be responsible for the landscaping and care of the sign and the grounds.

ARTICLE 13 INSURANCE

Section 13.1. Insurance.

The Homeowners Association and/or District may purchase property insurance policies covering the Subdivision, the Common Areas, roads, easements, equipment, and other property that the Homeowners Association, or District, in its discretion, deems advisable. In addition, the Homeowners Association and/or District 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 or District controls or disburses funds belonging to that entity, the Homeowners Association and/or District 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 or District. Any person employed as an independent contractor by the Homeowners Association or District 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 or District names such person as an insured employee in a contract of fidelity insurance. The Homeowners Association or District 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 or District and any other expenses in connection with acquiring or maintaining such insurance are common expenses.

SIGNATURE PAGE

DATED this _____ day _____, 2006.

WYBAL, LLC

By:
John A. Vogt, Jr: Managing Partner

STATE OF WYOMING)

) ss.

COUNTY OF)
SUBLETTE

The foregoing instrument was acknowledged before me by _____, known to me to be the Managing Partner of WYBAL, LLC a Wyoming Limited Liability Company, who stated under oath that he has signed this document this _____ day of _____, 2006 in behalf of the company by authority of its board of directors, as the free act and deed of the company.

Witness my hand and official seal.

_____ Notary Public

My Commission
Expires _____

I (We), the undersigned,

_____ Buyer(s) of Lot
_____ of the Trails Creek Subdivision, acknowledge that I (we) have received a
copy of, and have read, and agree to abide by, the DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRAILS CREEK
SUBDIVISION.

Buyer

Buyer

Date