

DECLARATION OF CONDOMINIUM  
FOR  
PONDEROSA VILLAGE CONDOMINIUMS

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Prepared by:  
Warren W. Dilley, P.C.  
P.O. Drawer 3394  
Jackson, WY. 83001

DECLARATION OF CONDOMINIUM  
FOR  
PONDEROSA VILLAGE CONDOMINIUMS

THIS DECLARATION is made and entered into by H & N Construction Company, a California Corporation hereinafter referred to as "Declarant" as the owner of record of the fee simple title to the real property situate, lying and being in the Town of Jackson, State of Wyoming as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, said real property hereinafter referred to as "The Property" or "The Condominium Property".

WHEREAS, the Declarant is the owner of the Property upon which are presently constructed apartment buildings, which the Declarant wishes to convert to a condominium project consisting of residential units, all of which units will be treated as integral parts of the single condominium ownership project; and

WHEREAS, the Declarant desires to establish certain rights and easements in, over and upon the Property for the benefit of any air space unit or units therein contained, and to provide for the harmonious, beneficial and proper use and conduct of the Property and all air space units; and

WHEREAS, the Declarant desires and intends that the unit owners, holders of security interests in the units, occupants and all other persons hereafter acquiring any interest in the Property shall, at all times, enjoy the benefits of and shall hold their interest subject to the rights, easements, privileges, restrictions and obligations hereinafter set forth, all of which are in furtherance of a plan to promote and protect the cooperative aspects of the Property and are established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property;

NOW, THEREFORE, the Declarant hereby submits the Property to the condominium form of ownership and use in the manner provided by the Wyoming Condominium Ownership Act (Wyoming Statutes Section 34-20-101 through 34-20-104 (1977)) (The Act). Pursuant to the authority granted by The Act, Declarant hereby declares that all of the Property shall be held, sold and conveyed subject to the following covenants, conditions, easements, restrictions, uses, limitations and obligations which define the character, duration, rights, obligations and limitations of condominium ownership, which shall be deemed to run with the land, and which shall be a burden and a benefit to Declarant, its successors and assigns, and any persons acquiring or owning an interest in the Property and the improvements located thereon, their grantees, mortgagees, successors, heirs, administrators, executors, devisees or assigns.

ARTICLE I  
PURPOSE; NAME AND ADDRESS; LEGAL DESCRIPTION; EFFECT.

Section 1. PURPOSE. The purpose of this Declaration is to submit the lands and improvements herein described to condominium ownership and use in the manner prescribed by the Laws of the State of Wyoming.

Section 2. NAME AND ADDRESS. The name of this Condominium is as specified in the title of this document. The address shall be the name of the Condominium together with: Jackson, Wyoming.

Section 3. THE LAND. The real property and buildings thereon described in Exhibit "A" is the Condominium Property hereby submitted to condominium ownership. Such property is subject to such easements, restrictions, reservations and rights of way of record, together with those contained or provided for in this instrument and the exhibits attached hereto.

Section 4. EFFECT. All of the provisions of this Declaration of Condominium and all Exhibits attached hereto shall be binding upon all Unit Owners and are enforceable equitable servitudes

running with the Condominium Property and existing in perpetuity until this Declaration is revoked and the Condominium is terminated as provided herein. In consideration of receiving, and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through, or under such persons agree to be bound by the provisions hereof. Both the burdens imposed and the benefits granted by this instrument shall run with each Unit as herein defined.

## ARTICLE II PLAT AND DESCRIPTION OF IMPROVEMENTS

Section 1. PLAT. The Condominium Property has been platted of record as the PONDEROSA VILLAGE CONDOMINIUMS, PHASE 1 ADDITION on                      as Plat No.                     , said plat consisting of three pages is hereby incorporated herein by reference. The plat consists of a survey of the land, graphic description and plot plans of the improvements constituting the Condominium, identifying the Condominium Units, General Common Elements and Limited Common Elements, and their respective locations and approximate dimensions. Each Condominium Unit is identified on the plat by a specific number. No Unit bears the same number as any other Unit. The parking and storage areas are delineated thereon. The percentage of ownership of undivided interests in the General Common Elements appurtenant to each Condominium Unit is designated on Exhibit "B" attached hereto and incorporated herein by reference.

Section 2. PHASING. This Condominium is a phase condominium. The Declarant may, at its sole discretion and option, add additional lands to the Condominium Property. If additional lands are added they shall not exceed fifteen (15) acres in area and such additional lands if added, shall be added within ten (10) years from the date of this Declaration.

Section 3. AMENDMENT. No amendment, notwithstanding anything in the Declaration to the contrary, adding phases to the Condominium shall require the execution of such amendment or any form of consent thereto by Unit Owners, the Association or by any party other than the Declarant, its successors or assigns.

Section 4. EFFECT OF PHASING. The general effect of phasing a condominium is the submission of a parcel of a property to condominium ownership as the initial condominium phase and the addition(s) of subsequent parcels to condominium ownership with such subsequent parcels being part and parcel of the same condominium and governed by the same condominium association. It is not anticipated that the submission of additional phases to the Condominium will have significant impact upon the individual Unit Owner's rights except as set forth in this Declaration. The adding of a subsequent phase to this Condominium, thereby adding additional Units, will reduce the percentage of common elements attributable to each previously created Unit; however, in no event shall there be added more than one hundred (100) units, in addition to the sixty-four (64) units in the initial phase. The adding of a subsequent phase to this Condominium will not affect the vote of any Unit Owner as a member of the Association. Each Unit Owner shall continue to have one vote for each Unit in the Condominium owned by such Unit Owner, provided, however, that the total number of votes entitled to be cast will increase by the number of Units contained in the phase so added. If Declarant decides not to add any or all of the additional phases to this Condominium, the number of Units in this Condominium will be as created by this Declaration and the Owner's thereof shall comprise the complete membership of the Association and thereby be entitled to cast 100% of the votes of the Association.

Section 5. RIGHT TO ALTER. Declarant reserves the right to alter the interior design, boundaries and arrangements of all Units as long as Declarant owns the Units so altered. Said alteration

shall be accomplished by an amendment to this Declaration, which need only be signed by Declarant without the approval of any other party. Sponsor shall unilaterally reapportion, if necessary, the shares of ownership in the Common Elements appurtenant to the Units concerned.

### ARTICLE III DEFINITIONS

Section 1. DEFINITION OF TERMS. The terms used in this Declaration and the Exhibits attached hereto shall have the meanings stated in the Condominium Act (Wyoming Statutes Section 34-20-103) and as follows, unless the context otherwise requires.

"Condominium" means that form of ownership of real property which is created pursuant to the provisions of Wyoming Statutes Section 34-20-102 and which is comprised of units that may be owned by one or more persons, and there is, appurtenant to each Condominium Unit an undivided share in the General Common Elements. The term shall also mean the Condominium established by this Declaration.

"Declaration", or "Declaration of Condominium" means this instrument.

"Unit" or "Condominium Unit" means a part of the Condominium Property which is to be subject to private ownership as specified in this Declaration, which shall specifically include the separate storage locker for each Unit.

"General Common Elements" or "Common Elements" means the portions of the Condominium Property not included in the Units, including but not limited to the land in fee simple, the exterior parking, walkways and landscaping and laundry room and storage and maintenance room.

"Limited Common Elements" means those General Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units as specified in this Declaration, including but not limited to a storage locker, hallways and stairways for each building.

"Association" means the non-profit Wyoming corporation which is the entity responsible for the operation of the Condominium and the members of which shall be all Unit Owners. The name of such corporation shall be Ponderosa Village Condominiums Association.

"Board" means the Board of Directors of the Association responsible for the administration of the Association.

"By-Laws" means the By-Laws of the aforescribed Association.

"Condominium Act" means the Condominium Act of the State of Wyoming (Wyoming Statutes 34-20-101 et. seq.) as it exists at the time of filing this Declaration.

"Common Expenses" means all expenses and assessments properly incurred by the Association for the Condominium and all other expenses declared Common Expenses by provisions of this Declaration and its exhibits.

"Common Surplus" means the excess of all receipts, of the Association, including but not limited to, assessments, rents, profits, and revenues on account of the General Common Elements, over the amount of Common Expenses.

"Property" or "Condominium Property" means and includes the lands hereby subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto.

"Assessment" means a share of the funds required for the payment of Common Expenses which is assessed against the Unit Owners from time to time.

"Owner", or "Unit Owner" means the owner of a Condominium Unit.

"Institutional Mortgagee" means a State or Federal Bank, Savings and Loan Association, Insurance Company, Real Estate Investment Trust, Union Pension Fund, or an Agency of the United

States Government or like entity being a mortgagee of a Unit.

"Occupant" means the person or persons other than the Unit Owner in actual possession of a Unit.

"Condominium Documents" means this Declaration with Exhibits, Certificate of Incorporation of the Association and By-Laws of the Association.

"Declarant" means H & N Construction Company, its successors and assigns which has created this Condominium in its capacity as developer.

"Certificate of Incorporation" means the Certificate of Incorporation of the Association.

The definitions herein contained shall prevail as the context requires whether or not the same are capitalized in their usage herein.

#### ARTICLE IV THE UNIT AND COMMON ELEMENTS

Section 1. INTEREST IN COMMON ELEMENTS. Each Unit Owner shall own, as an appurtenance to his Unit, an undivided interest in the General Common Elements (Subject to the provisions of Section 2). The percentage of undivided interest of each Unit shall not be changed without the unanimous consent of all owners of all of the Units (except as provided for in Article II, IV and hereof). No owner of any Unit shall bring an action for partition or division of his undivided interest in the Common Elements.

Section 2. PHASING. As set forth in Article II of this Declaration, in the event that additional improvements (units) are submitted to Condominium Ownership there will be an automatic change in the percentage of undivided interests in Common Elements appurtenant to each unit. All Unit Owners in this Condominium and the Mortgagees of such units are deemed, by the acceptance of their interests, to have specifically consented, in proper form (including language of conveyance if necessary) to such amendment.

Section 3. BOUNDARIES. A Unit consists of an individual apartment lying within the following boundaries:

##### A. HORIZONTAL BOUNDARY:

UPPER AND LOWER BOUNDARIES. The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

- (1) UPPER BOUNDARY - The horizontal plane of the undecorated finished ceiling.
- (2) LOWER BOUNDARY - The horizontal plane of the undecorated finished floor.

##### B. PERIMETRICAL BOUNDARIES:

The perimetrical boundaries of the Unit shall be the vertical planes of the undecorated finished interior walls extended to intersections with each other and with the Upper and Lower Boundaries.



ARTICLE VI  
EASEMENTS

Section 1. PERPETUAL NON-EXCLUSIVE EASEMENT. The General Common Elements are hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Unit Owners in the Condominium for their use and the use of their immediate families, guests and invitees, for all proper and normal purposes, including the providing of services for the benefit of all Units.

Section 2. EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. In the event that any Unit, General Common Element or Limited Common Element shall encroach upon any other Unit, General Common Element or Limited Common Element for any reason other than the purposeful or grossly negligent act of any person, then an easement appurtenant to such shall exist for so long as such encroachment shall naturally exist.

Section 3. UTILITY EASEMENTS. Utility easements are reserved and/or may be granted, through the Condominium Property as may be required for utility service (including construction and maintenance) in order to adequately serve the Condominium.

Section 4. INGRESS AND EGRESS. A non-exclusive easement for ingress and egress is hereby created for pedestrian traffic over, through and across sidewalks, paths, walks, driveways, passageways and lanes as the same, from time to time, may exist upon the General Common Elements; and for vehicular traffic over, through and across such portions of the General Common Elements as, from time to time, may be constructed and intended for such purposes.

Section 5. USE. The use of any easement by a Unit Owner shall be subject to the provisions of this Declaration and of any document creating the easement.

Section 6. ACCESS. The Declarant shall have the unequivocal continuous right to use, alter, change and relocate all easements as often as it deems necessary, without the consent of the Association. Unit Owners, and any others entitled to use the easement as location of this easement shall not be deemed to run with this Condominium. The Declarant shall also have the right to grant or dedicate such easements to the public, governmental authorities or an Association Management Firm without the consent of any person whomsoever. However, when requested the Association and Unit Owners shall join in the execution or confirmation of the same.

Section 7. EASEMENTS. The Declarant shall have the right to create, or reserve unto itself, such easements as are necessary to accomplish the purposes referred to in this Declaration. Further, Declarant shall have the unequivocal right without the joinder of any other party to grant such easements, (ingress, egress and maintenance) to such parties as Declarant deems fit, over the traffic ways, parking areas and other General Common Elements as are contained on the Condominium Property. Should the Declarant grant additional easements which connect with or are intended to supplement, replace or relocate the easements designated on the plat, the same shall automatically be part of the easements provided therein as if originally set forth.

Section 8. ADDITIONAL EASEMENTS. Declarant reserves unto itself, or its designee, the unequivocal right to create additional easements over, upon, or through the Condominium Property, at any time, for any purpose without the joinder of the Association or any Unit Owners whomsoever, provided, that said easements so created shall not cause a diminution of parking spaces or cause a taking of part or all of the actual building. However, if requested, the Association and Unit Owners shall join in the creation thereof.

ARTICLE VII  
COMMON EXPENSES; COMMON SURPLUS

Section 1. LIABILITY AND METHOD OF SHARING. Each Unit shall

share in the Common Surplus and be liable for the Common Expenses (except those assessable to less than all Units) in the same percentage as the percentage representing the undivided interest of each Unit in the General Common Elements, as it may exist at any time. The right to share in the Common Surplus does not include the right to withdraw, or to require payment or distribution thereof, except upon termination and dissolution of the Condominium.

Section 2. EXEMPTION OF DECLARANT. The Declarant shall be excused from the payment of the share of Common Expenses in respect of those units owned by Declarant and offered for sale during such period of time that Declarant shall have guaranteed, or caused another entity to guarantee, that the assessment for Common Expenses of the Condominium imposed upon the Unit Owners other than Declarant shall not increase over a stated dollar amount, and for which period Declarant shall have obligated itself, or shall have caused another entity to obligate itself, to pay any amount of Common Expenses not produced by the assessments at the guaranteed level receivable from other Unit Owners.

In the event Declarant does not make, or cause to be made, such guarantee it shall be excused from the payment of Common Expenses at its sole option.

#### ARTICLE VIII ADMINISTRATION OF THE CONDOMINIUM

Section 1. THE ASSOCIATION. The Association shall administer the operation and management of the Condominium Property and undertake and perform all acts and duties incident thereto in accordance with this Declaration, its exhibits and the Condominium Act.

As phases are added to, and become a part of, this Condominium the Association shall administer the operation and management of the Condominium as it then exists.

Section 2. MEMBERSHIP. Each Unit Owner shall automatically become a member of the Association upon his acquisition of title to any Unit and said membership shall terminate automatically upon said Unit Owner being divested of title to such Unit, regardless of the means by which such ownership may be divested. No person holding any lien, mortgage or other encumbrance upon any Unit shall be entitled, by virtue thereof, to membership in the Association or to any of the rights or privileges of such membership.

Section 3. POWERS OF ASSOCIATION. In the administration of the Condominium, the Association shall have, and is hereby granted, the authority and power to enforce the provisions of this Declaration, levy and collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such Rules and Regulations governing the use of the Units, Common Elements and Limited Common Elements as the Board of the Association may deem to be in the best interest of the Condominium.

Section 4. VOTING. Each Unit Owner, including the Declarant shall be entitled to one (1) vote for each Unit owned. The vote of each Unit Owner shall be governed by the provisions of the Certificate of Incorporation and By-Laws of the Association.

Section 5. MANAGEMENT AGREEMENT. The Association may enter into an agreement with any person, firm or corporation for the administration, maintenance and repair of the Condominium Property and may delegate to such contractor or manager such of the powers and duties of the Association as the Association and such person, firm or corporation shall agree.

Section 6. CONSTRUCTION OF POWERS. All references and grants of power or authority to the Association or Board of Directors, including the power to discharge said responsibility and to enforce the Association's legal rights for the purposes of this Declaration, shall be deemed as grants of power and authority directly to any

Management Firm so appointed for such period of time as any Management Agreement exists, and only thereafter, to the Association. This provision shall not be construed as requiring a Management Firm to be employed or of binding the Management Firm to perform all the duties of the Association but only those which shall be specified in the Management Agreement and those actually performed by the Management Firm. For the purpose of this Declaration, all references herein to the Association where the rights, duties and powers are encompassed by the Management Agreement shall be deemed to read "The Management Firm for so long as the Management Agreement shall exist, and, thereafter, the Association". Nothing in this instrument shall be deemed to make the Management Firm liable for any expenses or costs for which the Association and/or Unit Owners are liable.

Section 7. COLLECTION OF ASSESSMENTS. The Association shall, if requested, collect for the benefit of the Management Firm all sums due by virtue of the Management Agreement and promptly remit the same to the Management Firm.

#### ARTICLE IX USE AND OCCUPANCY

Section 1. RESIDENTIAL USE. Each Unit is hereby restricted to residential use as a single family residence by the owner or owners thereof, their immediate families, guests and invitees.

Section 2. GENERAL USE RESTRICTION. No person shall use the Condominium Property, or any parts thereof, in any manner contrary to the Condominium Documents or Condominium Act.

Section 3. ALTERATIONS AND ADDITIONS. No Unit Owner shall make or permit to be made any internal material alteration, addition or modification to his Unit, without the prior written consent of the Association and Declarant. No Unit Owner shall cause to be made any modification or installation of electrical wiring, television antenna systems or connections whether inside or outside the Unit or in any manner change the appearance of any portion of the Condominium Property. No Unit Owner may cause any material puncture or break in the boundaries of his Unit. No Unit Owner shall grow or plant any type of plant, shrub, flower, etc. outside his Unit. All units above ground level shall maintain fully carpeted floors in said units at all times (except in the kitchen area).

Section 4. LAWFUL USE. No immoral, improper, offensive or unlawful use shall be made of any or all the Condominium Property, and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof, shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the Condominium Property shall be the same as the responsibility for maintenance and repair of the property concerned.

Section 5. PETS. No unit owner shall keep or harbor any walking pet or animal on the Condominium Property or within the confines of his unit.

Section 6. VENDING MACHINES. Subject to the provisions of any Management Agreement, the Association shall have the exclusive and perpetual right to contract for the installation and operation of coin-operated vending and laundry machines, including, but not limited to, washing machines, dryers, dry cleaning machines and machines of an allied nature within the Condominium Property on areas designated for such services. No Unit Owner shall, unless incorporated within the unit by Declarant, install, operate or maintain a washing machine and/or dryer within the confines of his Unit, without the written approval of the Board.

Section 7. PROHIBITED STRUCTURES. No house trailer, mobile home, tent, teepee, truck camper, recreational vehicle or boat shall be placed or maintained on the General Common Elements. The term "trailer home" or "mobile home" as used herein shall mean any building or structure with wheels and/or axles and any vehicle, used

at any time, or so constructed so as to permit its being used for the transport thereof upon the public streets or highways and constructed in a manner as to permit occupancy thereof as a dwelling or sleeping place for one or more persons, and shall also mean any such building, structure or vehicle, whether or not wheels and/or axle have been removed, after such building, structure or vehicle has been placed either temporarily or permanently upon a foundation.

Section 8. NUISANCE. No nuisance or any use or practice that is the source of unreasonable annoyance to other Unit Owners or which interferes with the peaceful possession and proper use of the Condominium Property by the Unit Owners is permitted. No Unit Owner of Occupant shall permit or suffer anything to be done or kept upon the Condominium Property or his Unit which will increase the rate of insurance on the Condominium.

Section 9. APPLICABILITY TO DECLARANT. No Unit Owner of the Association, or their use of the Condominium shall interfere with the Declarant's completion and sale of the Condominium Units, whether in this Condominium or otherwise. Anything contained herein to the contrary notwithstanding, the Declarant may make such use of any unsold Unit and the General Common Elements as may facilitate the sale or leasing of any Unit.

Section 10. RULES AND REGULATIONS. All Unit Owners and other persons shall use the Condominium Property in accordance with the Rules and Regulations promulgated by the Board and the provisions of this Declaration, the Certificate of Incorporation and the By-Laws of the Association, as applicable.

#### ARTICLE X MAINTENANCE, ALTERATION AND REPAIR OF THE CONDOMINIUM PROPERTY

Section 1. MAINTENANCE BY ASSOCIATION. The Association, at its expense, shall be responsible for and shall maintain, repair and replace all of the General Common and Limited Common Elements.

Section 2. LIMITATION UPON LIABILITY OF DECLARANT AND MANAGEMENT FIRM. Notwithstanding the duty of the Association and any Management Firm to maintain and repair parts of the Condominium Property, the Association and Unit Owners shall and do fully indemnify and hold the Declarant and the Management Firms harmless from all loss, cost, and expense, including reasonable attorneys' fees, for injury or damage, whether caused by any latent condition of the property to be maintained and repaired by them, natural elements, other persons, or caused by any other reason whatsoever.

Section 3. MAINTENANCE BY UNIT OWNER. The Unit Owner shall, subject to the other provisions of this Declaration, maintain, repair and replace, at his expense, all portions of his Unit including, but not limited to, all doors, windows, glass, screens, electric panels, electric wiring, electric outlets and fixtures, heaters, hot water heaters, refrigerators, dish-washers and other appliances, drains, plumbing fixtures and connections, interior surfaces of all walls, floors and ceilings, and all other portions of his Unit. The Unit Owner shall maintain and repair the air conditioning compressor, refrigerant and electrical line, if any, appurtenant to his Unit.

Section 4. LIABILITY OF UNIT OWNER. Should a Unit Owner undertake unauthorized additions and modifications to his Unit, or refuse to make repairs as required, or should a Unit Owner cause any additions or modifications to be made to the General Common Elements, or cause any damage to the General Common Elements, the Association may make such repairs or replacements and have the right to levy a special assessment for the cost thereof against the said Unit Owner. In the event a Unit Owner threatens to or violates the provisions hereof, the Association shall also have the right to proceed in a court of equity for an injunction to seek compliance with the provisions hereof.

Section 5. INSURANCE PROCEEDS. Whenever any maintenance, repair and replacement of any items for which the Unit Owner is

responsible is made necessary by any loss covered by insurance maintained by the Association, the proceeds of the insurance received by Association, shall be used for the purpose of accomplishing such maintenance, repair or replacement. The Unit Owner shall be required to pay all of the costs thereof that exceed the amount of the insurance proceeds.

Section 6. RIGHT OF ENTRY BY ASSOCIATION AND MANAGEMENT FIRM. Whenever it is necessary to enter any Unit for the purpose of inspection, including inspection to ascertain a Unit Owner's compliance with the provisions of this Declaration, or for performing any maintenance, alteration or repair to any portion of the General Common Elements or Unit, the Unit Owner shall permit an authorized agent of the Association and Management Firm to enter such Unit, or to go upon the General Common Elements, provided, that such entry shall be made only at reasonable times and with reasonable advance notice. In the case of emergency such as, but not limited to, fire or severe storm, entry may be made without notice or permission. The Unit Owners acknowledge that the Association may retain a master pass key to all the Units in the Condominium. Each Unit Owner does hereby appoint the Association as his agent for the purposes herein provided and agrees that the Association or Management Firm shall not be liable for any alleged property damage or theft caused or occurring on account of any entry.

#### ARTICLE XI

##### TAX OR SPECIAL ASSESSMENT ASSESSED AGAINST THE CONDOMINIUM PROPERTY

If any taxing authority levies or assesses any Tax or Special Assessment against the Condominium Property as a whole, and not the individual Units, the same shall be paid as a Common Expense by the Association and assessed to the Unit Owners. In such event, the amount due shall constitute a lien prior to all mortgages and encumbrances upon any parcel to the same extent as though such Tax or Special Assessment had been separately levied by the taxing authority upon each unit.

All personal property taxes levied or assessed against personal property owned by Association shall be paid by the Association and shall be a Common Expense.

Declarant shall give written notice to the Assessor of Teton County, Wyoming of the creation of condominium ownership in this property, as is provided by law, so that each unit and the undivided interest in the General Common Elements appurtenant thereto shall be deemed a separate tax parcel and subject to separate assessment and taxation.

#### ARTICLE XII

##### INSURANCE PROVISIONS

The insurance which shall be purchased and maintained for the benefit of the Condominium shall be governed by the following provisions:

Section 1. PURCHASE OF INSURANCE. All insurance purchased pursuant to this Article shall be purchased by the Association for the benefit of the Association, the Unit Owners and their respective mortgagees, as their interest may appear, and shall provide for the issuance of certificates of insurance and mortgagee endorsements to any or all of the holders of institutional first mortgages. The policies may provide that the insurer waives its rights of subrogation as to any claims against Unit Owners and the Association, their respective servants, agents and guests. Each Unit Owner and the Association hereby agree to waive any claim against each other and against other Unit Owners for any loss or damage for which insurance hereunder is carried where the insurer has waived its rights of subrogation as aforesaid.

Section 2. COST AND PAYMENT OF PREMIUMS. The cost of obtaining all insurance hereunder, excluding only the insurance as may be purchased by individual Unit Owners, is declared to be a

Common Expense, as are any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof.

Section 3. UNIT OWNERS' RESPONSIBILITY. Each Unit Owner may obtain insurance, at his own expense, affording coverage upon his own property and for his own liability and living expenses as he deems advisable. All such insurance shall contain the same waiver of subrogation that is referred to herein and shall waive any right to contribution.

Section 4. COVERAGE. The following coverage shall be obtained by the Association:

A. The building(s) and all other insurable improvements upon the land, including all of the Units, General Common Elements, Limited Common Elements, and all personal property owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavations and foundations) as determined annually by the Association in consultation with the insurance company providing the coverage. Said coverage shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement and all other such risks as, from time to time, may be covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism, malicious mischief, windstorm, war damage and war risk insurance, if available.

B. Comprehensive general public liability and property damage insurance in such an amount and in such form as shall be required by the Association in limits of not less than \$100,000 for bodily injury or death to any person; not less than \$300,000 for bodily injury or death resulting from any one accident or occurrence, and not less than \$50,000 for property damage. Said coverage shall include, but not be limited to, water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverage. All liability insurance shall contain to the extent possible, cross liability endorsements to cover liabilities of the Unit Owners as a group to an individual Unit Owner and one Unit Owner to another.

C. If necessary, workmen's compensation policies shall be obtained to meet the requirements of law.

D. Such other insurance as the Board of the Association may determine to be necessary from time to time.

Section 5. PROCEEDS. The Board may engage the services of any bank or trust company authorized to do business in Wyoming to act as trustee or agent on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds under any policy provided for in Section 4.A. of this Article. In the event of any loss resulting in the destruction of the major portion of one or more Units, the Board shall engage an institutional trustee as aforesaid upon the written demand of the mortgagee or Owner of any Unit so destroyed. The fees of such institutional trustee shall be common expenses.

#### ARTICLE XIII ASSESSMENTS

Section 1. GENERAL AUTHORITY. The Association, through its Board, shall have the power to make, levy and collect regular and special assessments for Common Expenses and such other assessments as are provided for by the provisions of this Declaration and all other expenses declared by the Directors of the Association to be Common Expenses from time to time.

Section 2. PURPOSES. Without limiting the generality of Section 1 of this Article, assessments shall be levied for Common Expenses, which shall include, but not be limited to, the following:

A. All maintenance, repairs, reconstruction and replacements to the General Common Elements, whether located

inside or outside the Units. The Limited Common Elements shall be maintained as General Common Elements.

B. Damages to the interior or any part of a Unit or Units resulting from the painting, maintenance, repair, emergency repair, reconstruction or replacement of any of the General Common Elements or as a result of emergency repairs within another Unit at the instance of the Association.

C. Expenses of administration, operation and management, including management fees, and wages for Association or Management Firm employees and legal and accounting fees.

D. Taxes and special assessments until separately assessed.

E. Premiums for all insurance which the Association is required or permitted to maintain.

F. Common water, sewer, electricity, snow removal and trash collection charges.

G. Deficits remaining from previous assessment periods.

H. Creation of reasonable contingency, reserve, working capital and sinking funds.

I. Expenses for alterations, additions to or improvements on the Limited or General Common Elements; and

J. Any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners or which are declared Common Expenses by the terms of this Declaration, the Certificate of Incorporation or the By-laws of the Association, or the rules and regulations of the Association.

Section 3. UNIT OWNER'S GENERAL LIABILITY. All Common Expenses levied against Unit Owners and Units shall be on a uniform basis in the same proportion as the percentages of the undivided shares in the ownership of the Common Elements unless specifically otherwise provided for herein, without increase or diminution for the existence, or lack of existence, or any exclusive right to use a part of the Limited Common Elements. Should the Association be the owner of any Unit(s), the assessments, which would otherwise be due and payable to the Association or others by the owner of such Unit(s), shall be a Common Expense as the same relates to the collection of such sums from the Unit Owners to pay the Association's obligations. Declarants liability shall be as specified in Article VII of this Declaration.

Section 4. PAYMENT. The assessments of the Association levied against the Unit Owner and his Unit shall be payable in such installments, and at such times, as may be determined by the Board of Directors of the Association.

Section 5. EMERGENCIES. If assessments levied are, or may prove to be insufficient to pay the costs of operation and management of the Condominium, or in the event of emergencies, the Board of Directors shall have the authority to levy such additional assessment or assessments as it shall deem necessary.

A. RESERVE FUND. The Board of Directors of Association in assessing for Common Expenses may include therein a sum to be collected and maintained as a reserve fund for replacement of Common Elements for the purpose of enabling Association to replace structural elements and mechanical equipment constituting a part of the Common Elements, as well as the replacement of personal property which may be a portion of the Condominium Property.

B. OPERATING RESERVE FUND. The Board of Directors of Association in assessing for Common Expenses may include

therein a sum to be collected and maintained as a general operating reserve which shall be used to provide a measure of financial security during periods of special stress. Such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by Unit Owners or as a result of emergencies.

Section 6. SEPARATE PROPERTY. All monies collected by the Association shall, unless the same is collected for the benefit of others, be the separate property of the Association. Such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of the provisions of this Declaration. All monies received from assessments may be co-mingled with other monies held by the Association. All assessments received by the Association shall be held for the benefit of the Unit Owners. No Unit Owner shall have the right to assign, hypothecate, pledge or in any manner transfer his interest therein, except as an appurtenance to his Unit. Such funds shall not be subject to attachment or levy by a creditor or judgment creditor of a Unit Owner. When the owner of a Unit shall cease to be a member of the Association by the divestment of his ownership of such Unit, the Association shall not be required to account to such owner for any share of the funds or assets of the Association.

Section 7. DEFAULT. The payment of any assessment or installment thereof due to the Association shall be in default if such payment is not paid to the Association when due. If in default for in excess of ten (10) days, the delinquent assessment, or delinquent installments thereof and all advance permitted by Article XIII, Section 9 hereof, shall bear interest at the rate equal to the maximum rate then allowed to be charged to individuals in the State of Wyoming. In addition, a late charge of \$25.00, which is acknowledged not to be a penalty, shall be then due and payable. In the event that any Unit Owner is in default in payment of any assessments or installments thereof owed to the Association, said Unit Owner shall be liable for all costs of collecting the same, including reasonable attorneys' fees and court costs.

Section 8. NO WAIVER. No Unit Owner may exempt himself from liability for any assessment levied by waiver of the use or enjoyment of any of the General Common Elements or by abandonment of the Unit for which the assessments are made or in any other manner.

Section 9. LIEN. The Association is hereby granted a lien upon each Condominium Unit, together with a lien on all tangible personal property located within said Unit (except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record), which lien shall secure the payment of all monies from each Unit Owner for which he is liable to the Association, including all assessments, interest and expenses provided for in this Declaration and reasonable attorneys' fees incurred as an incident to the enforcement of said lien. The lien granted to Association may be recorded in the public records and foreclosed by any appropriate suit or proceeding at law or in equity. The Association may also foreclose by advertisement and sale as provided by the laws of the State of Wyoming. The lien granted to the Association shall further secure such advances for taxes and payments on account of Institutional Mortgages, liens or encumbrances which may be advanced by the Association in order to preserve and protect its lien.

Section 10. PROVISO. In the event that any Institutional Mortgagee shall acquire title to any Unit by virtue of either foreclosure of a first mortgage, or a deed in lieu thereof, such acquirer of title, his successors and assigns, shall not be liable for the share of General Common Expenses or assessments by the Association pertaining to the Condominium Unit or chargeable to the former Unit Owner of the Unit which became due prior to acquisition of title as a result of the foreclosure, unless the share is secured by a claim of lien for assessments that is recorded prior to the recording of the foreclosed mortgage. The unpaid share of Common



Expenses or assessments are General Common Expenses collectible from all of the Unit Owners, including such acquirer and his successors and assigns. Nothing herein contained shall be construed as releasing the party liable for such delinquent assessments from the payment thereof or the enforcement of collection of such payment by means other than foreclosure. Thereafter, all Unit Owners, of any nature, including, without limitation, a purchaser at a judicial sale of Institutional Mortgagee, shall be liable for all assessments, both for General Common Expenses or otherwise, coming due while he is the Unit Owner.

Section 11. MECHANICS' LIEN RIGHTS AND INDEMNIFICATION. Subsequent to the completion of any building, no labor performed or materials furnished and incorporated in a Unit with the consent or at the request of the Unit Owner, or the owner's agent, contractor or subcontractor, shall be the basis for filing a lien against any other Units whose owners have not expressly consented to or requested the same, or against the General Common Elements appurtenant to such other units. Each Unit Owner agrees to indemnify, and to hold each of the other Unit Owner's harmless from, and indemnified against, any and all loss, cost, damage and expense, including reasonable attorneys' fees, due to mechanics' or materialmen's liens filed or claimed against other Condominium Units or their appurtenant interest in the General Common Elements, for labor, materials, services or other products delivered to, employed on, or incorporated in such Owner's Unit. All payments, costs and expenses, including attorneys' fees, incurred by the Association, Management Firms or any of the other Unit Owners in releasing such lines or otherwise due to any such liens, shall be forthwith reimbursed by such Unit Owner, and such Unit Owner shall be liable to the Association, Management Firms or such other Unit Owners paying such sums, for the payment of interest at the highest rate chargeable to individuals in the State of Wyoming on all such sums paid or incurred by the Association, Management Firms or such other Unit Owners, and such sums, with interest, shall constitute a lien on the Unit, may be collected through foreclosure or in a civil action against such Unit Owner, and such Unit Owner shall also pay all costs of collection, including reasonable attorneys' fees.

Section 12. CERTIFICATE OF STATUS OF ASSESSMENTS. Upon payment of a reasonable fee not to exceed Twenty Five Dollars (\$25.00), and upon the written request of any Owner, mortgagee or prospective mortgagee of a Unit, the Manager or the Board shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to the subject Unit, the amount of the current assessment and the date or dates that such assessment becomes due, and credit for any advance payments of assessments and for prepaid items, such as insurance premiums, but not including accumulated amounts for reserves or sinking funds, if any. Such statement shall be conclusive upon the Association and the Board in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within twenty (20) days, all unpaid assessments which become due prior to the date of making such request shall be subordinate to the rights of the person requesting such statement.

Section 13. NO OCCUPANCY UNTIL ASSESSMENTS PAID. In any voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments of any nature, incurred prior to the time of such voluntary conveyance. Any person who acquires an interest in a Unit, except through foreclosure of a first mortgage, including without limitation, persons acquiring title by operation of law, shall not be entitled to occupancy of such Unit until such time as all unpaid assessments and all court costs and attorneys' fees, if any, incurred by the Association due and owing by the former Unit Owner, have been paid in full.

Section 14. NO ELECTION OF REMEDIES. The institution of a suit at law for collection of any delinquent assessment may be maintained without waiving the lien securing the same. Proceeding by foreclosure to attempt to effect such collection shall not be deemed an election precluding the institution of suit at law for collection

of the same. All Unit Owners do hereby waive pleading the theory of "elections of remedies" in any such proceedings.

ARTICLE XIV  
MANAGEMENT AGREEMENT

Section 1. MANAGEMENT CONTRACT. The Board may contract with any firm, person or corporation for the operation of the Condominium and the management, maintenance and repair of the Condominium Property. The Board is authorized to delegate to any such Management Firm all the powers and duties of the Association which are contained in any such agreement between the parties.

Section 2. BINDING EFFECT. Each Unit Owner, his heirs, successors and assigns, shall be bound by said Management Agreement to the same extent and effect as if he (it) had executed said Management Agreement for the purposes therein expressed, including, but not limited to:

A. Adopting, ratifying, confirming and consenting to the execution of said Management Agreement by the Association.

B. Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Unit Owners and the Association as provided therefor in said Management Agreement.

C. Ratifying, confirming and approving each and every provision of said Management Agreement, and acknowledging that all of the terms and provisions thereof, including the Management Firm's fees, are fair and reasonable.

D. Agreeing that the persons acting as directors and officers of the Association entering into such Management Agreement have not breached any of their duties or obligations to the Association. It is specifically recognized that some or all the persons comprising the original Board of Directors and Officers of the Association may be Stockholders, Officers and Directors of the Declarant and Management Firm, and that such circumstances shall not and cannot be construed as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate the Management Agreement in whole or in part.

ARTICLE XV  
TERMINATION

Section 1. AGREEMENT. The Condominium may be terminated at any time by the approval in writing of all Unit Owners and all record owners of mortgages on Units.

If the proposed termination is submitted to a meeting of the Association, and if the approval of the Unit Owners owning not less than 75% of the General Common Elements and their Institutional Mortgagees is obtained, in writing, not later than sixty (60) days from the date of such meeting, then the approving Unit Owners (through the Association), shall have an option to buy all of the Units of the disapproving Unit Owners for the period of one hundred twenty (120) days from the date of such meeting. The vote of those Unit Owners approving the termination shall be irrevocable until the expiration of the option. Any Unit Owner voting against termination, or not voting, may, within fifteen (15) days from the date the vote was taken, change or cast his vote in favor of termination by delivering written notification thereof to the Secretary of the Association. The option shall be upon the following terms:

A. EXERCISE OF OPTION. The option shall be exercised by delivery, or the mailing by registered mail, of an agreement to purchase, signed by the Association, to each of the Owners of the Units voting against termination. The agreement shall be subject to the purchase of all Units owned by Owners not approving the termination.

B. PRICE. The sale price for each Unit shall be the fair market value as determined between the seller and the Association within thirty (30) days from the delivery of said agreement. In the absence of agreement on the price of any Unit, the price shall be determined by an appraiser appointed by the President of the local Board of Realtors. A judgment of specific performance of the sale, at the price determined by the appraiser, may be entered in any court of competent jurisdiction.

C. PAYMENT. The purchase price shall be paid in cash.

D. FORM. The contract shall be in the form of the Standard Offer, Acceptance and Receipt Contract then in use in Teton County, Wyoming.

E. CLOSING. The sale of all Units shall be closed simultaneously and within thirty (30) days following the determination of the sale price of the last Unit to be purchased.

Section 2. CERTIFICATE. The termination of the Condominium shall be evidence by a certificate of the Association executed by its President and Secretary certifying the fact of the termination, which shall become effective upon the certificate being recorded in the Public Records.

Section 3. SHARES OF OWNERS AFTER TERMINATION. After termination of the Condominium the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares that shall be equal to the sum of the undivided shares in the General Common Elements appurtenant to the Units prior to termination so that the sum total of the ownership shall equal one hundred (100%) per cent. Any such termination shall in no way affect the rights and obligations of the Unit Owners nor shall the same affect the rights and obligations of the Unit Owners under any Management Agreements.

Section 4. OCCUPANCY RIGHTS AFTER TERMINATION. In the event of termination of the Condominium by agreement, each approving Unit Owner shall have the perpetual exclusive right to occupy the air space which formerly constituted said Unit Owner's Condominium Unit prior to termination, unless otherwise agreed upon in writing evidence by a Certificate executed by said Unit Owner and recorded in the public records.

Section 5. EXCLUSIVE RIGHTS EXTINGUISHED BY TERMINATION. All exclusive rights of use of Common Elements shall be extinguished by virtue of the termination of the Condominium.

Section 6. AMENDMENT. This Article concerning termination cannot be amended without written consent of all Unit Owners and all record owners of mortgages upon the Units.

#### ARTICLE XVI AMENDMENTS

Except as herein or elsewhere provided, this Declaration may be amended in the following manner:

Section 1. NOTICE. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

Section 2. PROPOSAL OF AMENDMENT. An amendment may be proposed by either the unanimous vote of the Board of Directors of the Association, or by 25% of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary within 10 days after the meeting. Except as elsewhere provided, a proposed amendment must be approved by either:

A. Not less than 66% of the entire membership of the Board of Directors and by not less than 75% of the votes of the entire membership of the Association.

B. As long as the first Board of Directors is in existence, (as provided for in the By-Laws) said Board by unanimous vote, in their sole discretion, shall have the right to modify, waive, or amend this Declaration.

Section 3. PROVISO. Except as otherwise provided in this document:

A. No amendment shall alter a Unit Owner's percentage in the General Common Elements, alter his proportionate share in the Common Expense or Common Surplus, change a Unit Owner's voting rights, or alter the basis for apportionment of assessment which may be levied by the Association against a Unit Owner without the written consent of the Unit Owner.

B. No amendment shall be passed which shall impair or prejudice the rights and priorities of any Institutional Mortgagee without the written consent of the Institutional Mortgagee affected.

C. Until the last Unit in Ponderosa Village Condominiums (including all phases) is delivered, no amendments to this Declaration shall be made or shall be effective without the written approval of the Declarant.

D. Prior to the recordation in the Public Records of a deed from the Declarant, the Declarant without the joinder of any other person, may amend any of the provisions of this Declaration by filing an amendment in the Public Records.

Section 4. EXECUTION AND RECORDING. Except as otherwise provided in this Declaration, a copy of each amendment shall be attached to a certificate, executed by the President and attested to by another officer of the Association, certifying that the amendment was duly adopted. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records.

#### ARTICLE XVII RELIEF

Section 1. RELIEF. Each Unit Owner and the Association shall be governed by and shall comply with the provisions of this Declaration, the Certificate of Incorporation and the By-Laws of the Association. A violation thereof shall entitle the appropriate party to the following relief: An action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, or any other action available pursuant to the Condominium Act or law. Suit may be sought by Association, Management Firm, Declarant, or, if appropriate, by one or more Unit Owners and the prevailing party shall be entitled to recover reasonable attorneys' fees. Each Unit Owner acknowledges that the failure to comply with any of the provisions of this Declaration shall or may constitute an injury to the Association, Management Firm, Declarant or the other Unit Owners, and that such injury may be irreparable.

Section 2. COSTS AND ATTORNEYS' FEES. In any proceeding arising because of an alleged default, act, failure to act, or violation by the Unit Owner or Association, including the enforcement of any lien granted pursuant to this Declaration, the Management Firm or the Declarant which ever is appropriate, shall be entitled to recover the costs of the proceeding, including reasonable attorneys' fees. Further, in the event proceedings are instituted by or against the Declarant, Management Firm, or any individual connected with the same (including but not limited to the Declarant, or the initial directors of the Association) for any reason whatsoever, including but not limited to (1) actions for declaratory judgement, (2) any claim that any of the above have not complied with their obligations under this Declaration or (3) that

any provision of the same in unconscionable, unfair (or the like) or violates any State or Federal law or regulation, and if the Declarant, Management Firm, and individuals connected with the same are the prevailing party or parties then, and in that event, they shall be entitled to recover all costs of the proceedings. Said recoverable costs shall include, but are not limited to, reasonable attorneys' fees at all levels of the proceedings, including appeals, together with all costs, including those not normally allowable in actions at law such as, but not limited to, copies of depositions, whether or not used at trial; travel expenses for witnesses traveling from outside of Teton County for the purpose of testifying at trial or deposition; expert witnesses; fees for testifying at trial or deposition, together with such additional fees as the expert witness may charge the said party in connection with his preparation for giving such testimony; witness subpoenas issued to insure the presence of witnesses at deposition or at trial whether or not the witness shall actually appear or be called upon to testify.

Section 3. NO WAIVER. The failure of Management Firms, or the Declarant to enforce any right, provision, covenant, or condition created or granted by this Declaration shall not constitute a waiver of the right of said party to enforce such right, provision, covenant or condition in the future.

Section 4. RIGHTS CUMULATIVE. All rights, remedies and privileges granted to Association, Management Firms, Declarant or Unit Owner pursuant to any of the provisions of this Declaration shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be available to such party at law or in equity. Each Unit Owner agrees in any proceeding brought pursuant to the provisions hereof not to plead or defend the same on the theory of "election of remedies."

Section 5. VENUE; WAIVER OF TRIAL BY JURY. Every Unit Owner or Occupant and all persons claiming any interest in a Unit agrees that, in any suit or proceeding brought pursuant to the provisions of this Declaration, such suit shall be brought in the District Court Ninth Judicial District for Teton County, Wyoming, or the United States District Court, District of Wyoming as the same is now constituted or any court in the future that may be the successor to the courts contemplated herein. All such parties, except the Declarant or Management Firms, do further waive the right to trial by jury and consent to a trial by the court without a jury.

Section 6. APPOINTMENT OF AGENT; PROVISIO. Should suit be instituted, the Unit Owners or Occupants do hereby irrevocably appoint the Secretary of State of the State of Wyoming as their Agent for the acceptance of service of process should, at the time of such service of process, any such person not be residing in Teton County, Wyoming. The provisions hereof shall not be applicable to the Declarant or Management Firms.

#### ARTICLE XVIII MISCELLANEOUS RIGHTS OF DECLARANT

Section 1. CONFLICT OF INTERESTS. No representative of the Declarant serving on the Board of Directors of the Association shall be required to disqualify himself from any vote upon any management contract, lease or other matter between the Declarant or Management Firms and the Association where the Declarant or Management Firms may have a pecuniary or other interest. Declarant, as a member of Association, shall not be required to disqualify itself in any vote which may come before the membership of the Association upon any management contract, lease, or other matter where Declarant may have a pecuniary or other interest, nor shall any conflict of interest be a cause of partial or total invalidity of the matter voted upon whether or not such vote was necessary for the adoption, ratification, or execution of the same.

Section 2. RIGHT TO USE FACILITIES. Notwithstanding any provisions of this Declaration to the contrary, the Declarant shall have the right to use and occupy any unsold Unit, the General Common Elements and any of the Limited Common Elements, the exclusive use of which have not been assigned, for the purpose of a Sales Office or for any other purpose. Until the Declarant has conveyed the last Unit in Ponderosa Village Condominiums (including all phases), the Declarant shall not be subject to the use or other restrictions contained in any of the provisions of this Declaration.

ARTICLE XIX  
MISCELLANEOUS

Section 1. REGISTRATION OF MAILING ADDRESS AND NOTICE REQUIREMENTS. Each Unit Owner shall register one, and no more than one, mailing address with the Board. All notices or demands intended to be served upon a Unit Owner shall either be served personally or be sent by Certified Mail, postage prepaid, Return Receipt Requested, addressed in the name of the Unit Owner at such mailing address. Any notice or demand so mailed shall be deemed given and received twenty four (24) hours after it is deposited in the United States mails. Notices to the Association shall be delivered or mailed as provided for above, to the Secretary of the Association, or in the case of the Secretary's absence, then to the President of the Association.

Notices to the Declarant shall be made by delivery to Declarant at: 6955 Golfcrest Drive, Post Office Box 19327, San Diego, California 92119.

Section 2. CONSTRUCTION. All of the provisions of this Declaration shall be construed in accordance with the Laws of the State of Wyoming. This construction shall govern in all matters, including matters of substantive and procedural law.

Section 3. GENDER. Unless the contrary appears to have been intended, words in the plural number shall include the singular and words in the singular shall include the plural, and words of the male gender shall include the female gender and the neuter gender.

Section 4. CAPTIONS. The captions to the paragraphs of this Declaration are intended for convenience only and are not deemed to be all inclusive as to the matters contained in such paragraphs or considered in connection with the construction of any of the provisions of this Declaration.

Section 5. SEVERABILITY. If any term or provision of this Declaration, or the application thereof to any person or circumstance, shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Declaration, or the application of such term or provision to persons or circumstances other than those to which such term may be held invalid or unenforceable, shall not be affected thereby and each term and provision of this Declaration shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the Declarant has executed this Declaration  
on this 24 day of MAY, 1982

H & N Construction Company,  
a California Corporation

By: [Signature]  
Its President

ATTEST:

By: [Signature]  
Its: SECRETARY

(SEAL)



STATE OF California )  
COUNTY OF San Diego ) ss.

The foregoing instrument was acknowledged before me by  
Henry Nadroski and Henry P. Nadroski Jr. and to me known  
to be the persons who executed the foregoing as President  
and Secretary respectively, of H & N Construction Company,  
and severally acknowledged before me that they executed the  
foregoing as such officers in the name of and for and on behalf of  
the said corporation, this 24 day of May, 1982.

Witness my hand and official seal.

Kim Gamble  
Notary Public

My Commission Expires: 9/10/83



EXHIBIT B

TO DECLARATION OF CONDOMINIUM

FOR

PONDEROSA VILLAGE CONDOMINIUMS

<u>Unit Designation</u>	<u>Percentage Ownership of Appurtenant Undivided Interest in General Common Elements</u>
A-1	1.56
A-2	1.56
A-3	1.56
A-4	1.56
B-1	1.56
B-2	1.56
B-3	1.56
B-4	1.56
C-1	1.56
C-2	1.56
C-3	1.56
C-4	1.56
D-1	1.56
D-2	1.56
D-3	1.56
D-4	1.56
E-1	1.56
E-2	1.56
E-3	1.56
E-4	1.56
F-1	1.56
F-2	1.56
F-3	1.56
F-4	1.56
G-1	1.56
G-2	1.56
G-3	1.56
G-4	1.56
H-1	1.56
H-2	1.56
H-3	1.56
H-4	1.56
I-1	1.56
I-2	1.56
I-3	1.56
I-4	1.56
J-1	1.56
J-2	1.56
J-3	1.56
J-4	1.56
K-1	1.56
K-2	1.56
K-3	1.56
K-4	1.56
L-1	1.56
L-2	1.56
L-3	1.56
L-4	1.56
M-1	1.56
M-2	1.56
M-3	1.56
M-4	1.56
N-1	1.56
N-2	1.56
N-3	1.56
N-4	1.56
O-1	1.56
O-2	1.56
O-3	1.56



Unit Designation

Percentage Ownership of  
Appurtenant Undivided  
Interest in General  
Common Elements

O-4	1.56
P-1	1.56
P-2	1.56
P-3	1.56
P-4	1.56

Description

for

PONDEROSA VILLAGE CONDOMINIUMS - PHASE 1

To-wit:--

That part of the SE $\frac{1}{2}$ SE $\frac{1}{4}$  and SW $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 32, T41N, R116W, within the incorporated limits to the Town of Jackson, Teton County, Wyoming being part of those tracts of record in the Office of the Clerk of Teton County in Book 49 of Photo on pages 103-104 described as follows:

BEGINNING at a point on the north line of said tract, N39°-19'W, 1389.76 feet from the southeast corner of said Section 32 where found a 2" iron pipe and brass cap inscribed "SC T41N.R116W S32/S33 1956";  
thence S00°-09.5'W, 50.00 feet to a point;  
thence N89°-51'W, 223.92 feet to a point;  
thence S00°-09.5'W, 238.91 feet to a point;  
thence N89°-51'W, 63.00 feet to a point;  
thence N00°-09'E, 18.00 feet to a point;  
thence N89°-51'W, 162.14 feet to a point;  
thence S00°-09'W, 20.00 feet to a point;  
thence N89°-51'W, 220.00 feet to a point on the west line of said tract of record;  
thence N00°-09'E, 39.31 feet along the said west line to a point on the south right-of-way line of Meadowlark Lane;  
thence continuing N00°-09'E, 60.00 feet along the said west line adjoining the east right-of-way line of said Meadowlark Lane to a point on the right-of-way line intersection of said Meadowlark Lane and Powderhorn Lane;  
thence continuing N00°-09'E, 191.6 feet along said west line identical with east right-of-way line of said Powderhorn Lane to the northwest corner of said tract of record;  
thence S89°-51'E, 669.1 feet along the north line of said tract of record to the POINT OF BEGINNING;

ENCOMPASSING an area of 3.15 acres, more or less;

Description for  
Ponderosa Village Condominiums - Phase 1  
Page 2

all in accordance with the map prepared and filed for record in the Office  
of the Clerk of Teton County, titled "PONDEROSA VILLAGE CONDOMINIUMS -  
PHASE 1 TO THE TOWN OF JACKSON being part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  and SW $\frac{1}{4}$ SE $\frac{1}{4}$  Section  
32 T41N R116W TETON COUNTY, WYOMING" dated March 1982.



20 April 1982

herbel  
SCHERBEL LTD  
and Surveyor No. 164  
Wyoming 83113

Page 2 of Exhibit "A"

1:dlj



AMENDMENT TO  
DECLARATION OF CONDOMINIUM  
FOR  
PONDEROSA VILLAGE CONDOMINIUMS

RELEASED	
INDEXED	<input checked="" type="checkbox"/>
ABSTRACTED	<input checked="" type="checkbox"/>

Recorded	6-23	1988	at	9:35	A	M
In Book	201	of	Photo	Page	306-335	
No.	280159			\$62.00	pd	
	V. Jolynn Cognce			County Clerk		
by	<i>Carrie Richel</i>			Dep.		

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 FOR PONDEROSA VILLAGE CONDOMINIUMS

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AMENDMENT TO  
DECLARATION OF CONDOMINIUM

FOR  
PONDEROSA VILLAGE CONDOMINIUMS.

THIS AMENDMENT is made and entered into by H & N Construction Company, a California Corporation hereinafter referred to as "Declarant" as the owner of record of the fee simple title to the real property situate, lying and being in the Town of Jackson, State of Wyoming as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, said real property hereinafter referred to as "The Property" or "The Condominium Property".

WHEREAS, the Declarant as the owner of the Property upon which apartment buildings, were originally constructed, has converted them to a condominium project consisting of residential units, by recording in the Public Record of Teton County, Wyoming on June 3, 1982 in Book 126 of Photo, Pages 172-199, a certain Declaration of Condominium For Ponderosa Village Condominiums; and

WHEREAS, Article XVI, AMENDMENTS, provides that the Declarant through the first Board of Directors shall have the right to modify or amend the Declaration in whole or in part at any time as long as the First Board is in existence; and

WHEREAS, the Declarant as the sole owner and acting as the first Board of Directors desires to declare that the Declaration of Condominium for Ponderosa Village Condominiums recorded on June 3, 1982, be cancelled in full and substituted completely by this Amendment.

NOW, THEREFORE, the Declarant hereby declares that the Declaration of Condominium for Ponderosa Village Condominiums recorded on June 3, 1982 is cancelled in full and all that Property described in Exhibit "A" previously platted as the Ponderosa Village Condominiums, PHASE 1 ADDITION on June 3, 1982, as Plat No 514, is hereby submitted to the condominium form of ownership and use in the manner provided by the Wyoming Condominium Ownership Act (Wyoming Statutes Section 34-20-101 through 34-20-104 (1977) (The Act). Pursuant to the authority granted by The Act, Declarant hereby declares that all of the Property shall be held, sold and conveyed subject to the following covenants, conditions, easements, restrictions, uses, limitations and obligations which define the character, duration, rights, obligations and limitations of condominium ownership, which shall be deemed to run with the land, and which shall be a burden and a benefit to Declarant, its successors and assigns, and any persons acquiring or owning an interest in the Property and the improvements located thereon, their grantees, mortgagees, successors, heirs, administrators, executors, devisees or assigns, all in furtherance of a plan to promote and protect the cooperative aspects of the Property and for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property.

ARTICLE I

PURPOSE; NAME AND ADDRESS; LEGAL DESCRIPTION; EFFECT.

Section 1. PURPOSE. The purpose of this Declaration is to submit the lands and improvements herein described to condominium ownership and use in the manner prescribed by the Laws of the State of Wyoming.

Section 2. NAME AND ADDRESS. The name of the Condominium is as specified in the title of this document. The address shall be the name of the Condominium together with: Jackson, Wyoming.

Section 3. THE LAND. The real property and buildings thereon described in Exhibit "A" is the Condominium Property hereby submitted to condominium ownership. Such property is subject to such easements, restrictions, reservations and rights



Section 4. EFFECT. All of the provisions of this Declaration of Condominium and all Exhibits attached hereto shall be binding upon all Unit Owners and are enforceable equitable servitudes running with the Condominium Property and existing in perpetuity until this Declaration is revoked and the Condominium is terminated as provided herein. In consideration of receiving, and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through, or under such persons agree to be bound by the provisions hereof. Both the burdens imposed and the benefits granted by this instrument shall run with each Unit as herein defined.

ARTICLE II  
PLAT AND DESCRIPTION OF IMPROVEMENTS

Section 1. PLAT. The Condominium Property has been platted of record as the PONDEROSA VILLAGE CONDOMINIUMS, PHASE 1 ADDITION on June 3, 1982 as Plat No. 514, said plat consisting of three pages is hereby incorporated herein by reference. The plat consists of a survey of the land, graphic description and plot plans of the improvements constituting the Condominium, identifying the Condominium Units, General Common Elements and Limited Common Elements, and their respective locations and approximate dimensions. Each Condominium Unit is identified on the plat by a specific number. No Unit bears the same number as any other Unit. The parking and storage areas are delineated thereon. The percentage of ownership of undivided interests in the General Common Elements appurtenant to each Condominium Unit is designated on Exhibit "B" attached hereto and incorporated herein by reference.

Section 2. RIGHT TO ALTER. Declarant reserves the right to alter the interior design, boundaries and arrangements of all Units as long as Declarant owns the Units so altered. Said alteration shall be accomplished by an amendment to this Declaration, which need only be signed by Declarant without the approval of any other party. Declarant shall unilaterally reapportion, if necessary, the shares of ownership in the Common Elements appurtenant to the Units concerned; provided that any such reapportionment of shares shall not reduce the percentage ownership of appurtenant undivided interest in the General Common Elements.

ARTICLE III  
DEFINITIONS

Section 1. DEFINITION OF TERMS. The terms used in this Declaration and the Exhibits attached hereto shall have the meanings stated in the Condominium Act (Wyoming Statutes Section 34-20-103) and as follows, unless the context otherwise requires.

"Condominium" means that form of ownership of real property which is created pursuant to the provisions of Wyoming Statutes Section 34-20-102 and which is comprised of units that may be owned by one or more persons, and there is, appurtenant to each Condominium Unit an undivided share in the General Common Elements. The term shall also mean the Condominium established by this Declaration.

"Declaration", or "Declaration of Condominium" means this instrument and any amendments thereto.

"Unit" or "Condominium Unit" means a part of the Condominium Property which is to be subject to private ownership as specified in this Declaration, which shall specifically include the separate storage locker for each Unit.

"General Common Elements" or "Common Elements" means the portions of the Condominium Property not included in the Units, including but not limited to the land in fee simple, the exterior parking, walkways and landscaping and laundry room and storage and maintenance room.

"Limited Common Elements" means those General Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units as specified in this Declaration, including but not limited to a storage locker, hallways and stairways for each building.

"Association" means the non-profit Wyoming corporation which is the entity responsible for the operation of the Condominium and the members of which shall be all Unit Owners. The name of such corporation shall be Ponderosa Village Condominiums Association.

"Board" means the Board of Directors of the Association responsible for the administration of the Association.

"By-Laws" means the By-Laws of the aforescribed Association.

"Condominium Act" means the Condominium Act of the State of Wyoming (Wyoming Statutes 34-20-101 et. seq.) as it exists at the time of filing this Declaration.

"Common Expenses" means all expenses and assessments properly incurred by the Association for the Condominium and all other expenses declared Common Expenses by provisions of this Declaration and its exhibits.

"Common Surplus" means the excess of all receipts of the Association, including but not limited to, assessments, rents, profits, and revenues on account of the General Common Elements, over the amount of Common Expenses.

"Property" or "Condominium Property" means and includes the lands hereby subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto.

"Assessment" means a share of the funds required for the payment of Common Expenses which is assessed against the Unit Owners from time to time.

"Owner" or "Unit Owner" means the owner of a Condominium Unit.

"Institutional Mortgage" means a State or Federal Bank, Savings and Loan Association, Insurance Company, Real Estate Investment Trust, Union Pension Fund, or an Agency of the United States Government or like entity being a mortgagee of a Unit.

"Occupant" means the person or persons other than the Unit Owner in actual possession of a Unit.

"Condominium Documents" means this Declaration with Exhibits and any amendments thereto, Certificate of Incorporation of the Association and By-Laws of the Association.

"Declarant" means H & N Construction Company, its successors and assigns which has created this Condominium in its capacity as developer.

"Certificate of Incorporation" means the Certificate of Incorporation of the Association.

"Eligible Holder, Insurer or Guarantor" means a holder, insurer or guarantor of a first mortgage on a unit in a condominium, which has requested notice in accordance with the

provisions of Article XVIII, Section 1. hereof. If notice has not been requested the first mortgagees shall not be considered eligible holders and accordingly shall not be entitled to the benefits contained herein.

The definitions herein contained shall prevail as the context requires whether or not the same are capitalized in their usage herein.

ARTICLE IV  
THE UNIT AND COMMON ELEMENTS

Section 1. INTEREST IN COMMON ELEMENTS. Each Unit Owner shall own, as an appurtenance to his Unit, an undivided interest in the General Common Elements (Subject to the provisions of Section 2). The percentage of undivided interest of each Unit shall not be changed without the unanimous consent of all owners of all Units (except as provided for in Article II, IV and XVI hereof). No owner of any Unit shall bring an action for partition or division of his undivided interest in the Common Elements.

Section 2. BOUNDARIES. A Unit consists of an individual apartment lying within the following boundaries:

A. HORIZONTAL BOUNDARY:

UPPER AND LOWER BOUNDARIES. The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

- (1) UPPER BOUNDARY - The horizontal plane of the undecorated finished ceiling.
- (2) LOWER BOUNDARY - The horizontal plane of the undecorated finished floor.

B. PERIMETRICAL BOUNDARIES:

The perimetrical boundaries of the Unit shall be the vertical planes of the undecorated finished interior walls extended to intersections with each other and with the Upper and Lower Boundaries.

(1) Where there is an aperture in any perimetrical boundary, including, but not limited to, windows and doors, the vertical boundary shall be extended at all such places, at right angles, to the dimension of such aperture, so that the perimetrical boundary at such places shall be coincident with the exterior unfinished surface of such aperture, including the framework thereto. Exterior walls made of glass or glass fired to metal framing, exterior windows and frames, exterior glass sliding doors, frames and casings, shall be included within the Unit and shall not be deemed a Common Element.

(2) Where a balcony, loggia, terrace, porch, stairway or other portion of the building or any fixture attached to the building serves only the Unit, the perimetrical boundary shall vary with exterior unfinished surface of any such structure extended in a vertical plane, where necessary, to the horizontal boundary.

(3) The interior partitions within a Unit are part of said Unit.

C. WEIGHT BEARING STRUCTURES. The area beneath the unfinished surface of any weight bearing structure which is otherwise within the horizontal and perimetrical boundaries of a Unit is a Common Element not a part of the Unit.

D. MAINTENANCE EASEMENT. There shall exist as a Common Element, an easement through each Unit for ducts, pipes, conduits, plumbing, wiring or other facilities for the furnishing of utility services to Units and the Common Elements and for maintaining, repairing or servicing the same. Any pipes, ducts, wires, conduits, electrical panels, plumbing, drains, or any utility services serving only one Unit are part of such Unit and are not Common Elements.

E. AIR CONDITIONING. Notwithstanding any of the provisions of this Article IV to the contrary, any air conditioning compressor serving a Unit and the refrigerant and electrical lines running from such compressors, to, and the air handler, within, the individual Units are part of such Unit and are not Common Elements, if air conditioning is installed. There shall be no obligation on the Declarant or Association to install air conditioning in any unit.

F. AUTOMOBILE PARKING AREA. Each phase of development will be provided with its own parking areas. The Board of Directors of the Association may assign individual spaces to each unit for the exclusive right to use not more than two automobile parking spaces. The parking area shall be subject to rules and regulations as may be adopted by the Board.

G. UNASSIGNED PARKING. Parking spaces which have not been assigned shall be General Common Elements.

H. STORAGE LOCKER. Those certain areas designed as storage lockers which shall be part of the unit and shall be for the exclusive use of the Unit Owner.

I. USE OF STORAGE LOCKER. Neither the Declarant nor the Association shall be liable, to any Unit Owner as a bailee or otherwise for loss or damage to, or theft of any property stored therein.

#### ARTICLE V RESTRICTION AGAINST FURTHER SUBDIVIDING OF UNITS

No Unit may be divided or subdivided into a smaller Unit or Units other than as shown on the plat, nor shall any Unit, or portion thereof, be added to or incorporated into any other Unit except that the Declarant hereby reserves the right for itself, its successors and assigns, to physically combine the area or space of a Unit with the area or space of one or more adjoining Units. The aggregate or divided undivided interests in the General Common Elements resulting therefrom shall be reflected by an amendment to Exhibit "B" hereof and to the Plat.

#### ARTICLE VI EASEMENTS

Section 1. PERPETUAL NON-EXCLUSIVE EASEMENT. The General Common Elements are hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Unit Owners in the Condominium for their use and the use of their immediate families, guests and invitees, for all proper and normal purposes, including the providing of services for the benefit of all Units and ingress to and egress from each unit.

Section 2. EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. In the event that any Unit, General Common Element or Limited Common Element shall encroach upon any other Unit, General Common Element or Limited Common Element for any reason other than the purposeful or grossly negligent act of any person, then an easement appurtenant to such shall exist for so long as such encroachment shall naturally exist.

Section 3. UTILITY EASEMENTS. Utility easements are reserved and/or may be granted by the Declarant or Association Board through the Condominium Property as may be required for utility service (including construction and maintenance) in order to adequately serve the Condominium.

Section 4. INGRESS AND EGRESS. A non-exclusive easement for ingress and egress is hereby created for pedestrian traffic over, through and across sidewalks, paths, walks, driveways, passageways and lanes as the same, from time to time, may exist upon the General Common Elements; and for vehicular traffic over, through and across such portions of the General Common Elements as, from time to time, may be constructed and intended for such purposes.

Section 5. USE. The use of any easement by a Unit Owner shall be subject to the provisions of this Declaration and of any document creating the easement.

Section 6. ACCESS. The Declarant shall have the unequivocal continuous right to use, alter, change and relocate all easements as often as it deems necessary, without the consent of the Association. Unit Owners, and any others entitled to use the easement as location of this easement shall not be deemed to run with this Condominium. The Declarant shall also have the right to grant or dedicate such easements to the public, governmental authorities or an Association Management Firm without the consent of any person whomsoever. However, when requested the Association and Unit Owners shall join in the execution or confirmation of the same.

Section 7. EASEMENTS. The Declarant shall have the right to create, or reserve unto itself, such easements as are necessary to accomplish the purposes referred to in this Declaration. Further, Declarant shall have the unequivocal right without the joinder of any other party to grant such easements, (ingress, egress and maintenance) to such parties as Declarant deems fit, over the traffic ways, parking areas and other General Common Elements as are contained on the Condominium Property. Should the Declarant grant additional easements which connect with or are intended to supplement, replace or relocate the easements designated on the plat, the same shall automatically be part of the easements provided therein as if originally set forth.

Section 8. ADDITIONAL EASEMENTS. Declarant reserves unto itself, or its designee, the unequivocal right to create additional easements over, upon, or through the Condominium Property, at any time, for any purpose without the joinder of the Association or any Unit Owners whomsoever, provided, that said easements so created shall not cause a diminution of parking spaces or cause a taking of part or all of the actual building. However, if requested, the Association and Unit Owners shall join in the creation thereof.

#### ARTICLE VII COMMON EXPENSES; COMMON SURPLUS

Section 1. LIABILITY AND METHOD OF SHARING. Each Unit shall share in the Common Surplus and be liable for the Common Expenses (except those assessable to less than all Units) in the same percentage as the percentage representing the undivided interest of each Unit in the General Common Elements as it may exist at any time. The right to share in the Common Surplus does not include the right to withdraw, or to require payment or distribution thereof, except upon termination and dissolution of the Condominium.

Section 2. EXEMPTION OF DECLARANT. The Declarant shall be excused from the payment of the share of Common Expenses in respect to those units owned by Declarant and offered for sale during such period of time that Declarant shall have guaranteed, caused another entity to guarantee or generally agreed that the assessment for Common Expenses of the condominium imposed upon the Unit Owners other than Declarant shall not increase by more than five percent (5%) per year above the initial assessment to the Unit Owner and for which period Declarant shall have obligated itself, or shall have caused another entity to obligate itself, to pay any amount of Common Expenses not produced by the assessments at the guaranteed level receivable from other Unit Owners.

ARTICLE VIII  
ADMINISTRATION OF THE CONDOMINIUM

Section 1. THE ASSOCIATION. The association shall administer the operation and management of the Condominium Property and undertake and perform all acts and duties incident thereto in accordance with this Declaration, its exhibits and the Condominium Act.

Section 2. MEMBERSHIP. Each Unit Owner shall automatically become a member of the Association upon his acquisition of title to any Unit and said membership shall terminate automatically upon said Unit Owner being divested of title to such Unit, regardless of the means by which such ownership may be divested. No person holding any lien, mortgage or other encumbrance upon any Unit shall be entitled, by virtue thereof, to membership in the Association or to any of the rights or privileges of such membership.

Section 3. POWERS OF ASSOCIATION. In the administration of the Condominium, the Association shall have, and is hereby granted, the authority and power to enforce the provisions of this Declaration, levy and collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such Rules and Regulations governing the use of the Units, Common Elements and Limited Common Elements as the Board of the Association may deem to be in the best interest of the Condominium.

Section 4. VOTING. Each Unit Owner, including the Declarant shall be entitled to one (1) vote for each Unit owned. The vote of each Unit Owner shall be governed by the provisions of the Certificate of Incorporation and By-Laws of the Association.

Section 5. MANAGEMENT AGREEMENT. The association may enter into an agreement with any person, firm or corporation for the administration, maintenance and repair of the Condominium Property and may delegate to such contractor or manager such of the powers and duties of the Association as the Association and such person, firm or corporation shall agree, provided that any such management agreement entered into during the period of Declarant's control shall contain a provision allowing the Association to terminate the agreement upon ninety (90) days notice after such time as the Declarant is no longer in control of the Association.

Section 6. CONSTRUCTION OF POWERS. All references and grants of power or authority to the Association or Board of Directors, including the power to discharge said responsibility and to enforce the Association's legal rights for the purposes of this Declaration, shall be deemed as grants of power and authority directly to any Management Firm so appointed for such period of time as any Management Agreement exists, and only thereafter, to the Association. This provision shall not be construed as requiring a Management Firm to be employed or of binding the Management Firm to perform all the duties of the

Association but only those which shall be specified in the Management Agreement and those actually performed by the Management Firm. For the purpose of this Declaration, all references herein to the Association where the rights, duties and powers are encompassed by the Management Agreement shall be deemed to read "The Management Firm for so long as the Management Agreement shall exist, and, thereafter, the Association". Nothing in this instrument shall be deemed to make the Management Firm liable for any expenses or costs for which the Association and/or Unit Owners are liable.

Section 7. COLLECTION OF ASSESSMENTS. The Association shall, if requested, collect for the benefit of the Management Firm all sums due by virtue of the Management Agreement and promptly remit the same to the Management Firm.

#### ARTICLE IX USE AND OCCUPANCY

Section 1. RESIDENTIAL USE. Each Unit is hereby restricted to residential use as a single family residence by the owner or owners thereof, their immediate families, guests and invitees. The ownership of any Unit may be held in any legally recognized manner or form, except under a time sharing (interval ownership) arrangement whereby less than 100% of the fee simple interest in a Unit is sold upon some bases of limited time. The leasing of units by Unit Owners is permitted provided the minimum term of a lease shall be sixty (60) days and further provided, all leases must be in writing and shall be subject to this Declaration, the Certificate of Incorporation, By-Laws, and Rules and Regulations of this condominium development.

Section 2. GENERAL USE RESTRICTION. No person shall use the Condominium Property, or any parts thereof, in any manner contrary to the Condominium Documents or Condominium Act.

Section 3. ALTERATIONS AND ADDITIONS. No Unit Owner shall make or permit to be made any internal material alteration, addition or modification to his Unit, without the prior written consent of the Association and Declarant. No Unit Owner shall cause to be made any modification or installation of electrical wiring, television antenna systems or connections whether inside or outside the Unit or in any manner change the appearance of any portion of the Condominium Property. No Unit Owner may cause any material puncture or break in the boundaries of his Unit. No Unit Owner shall grow or plant any type of plant, shrub, flower, etc. outside his Unit. All units above ground level shall maintain fully carpeted floors in said units at all times (except in the kitchen area).

Section 4. LAWFUL USE. No immoral, improper, offensive or unlawful use shall be made of any or all the Condominium Property, and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the Condominium Property shall be the same as the responsibility for maintenance and repair of the property concerned.

Section 5. PETS. No unit owner shall keep or harbor any walking pet or animal on the Condominium Property or within the confines of his unit.

Section 6. VENDING MACHINES. Subject to the provisions of any Management Agreement, the Association shall have the exclusive and perpetual right to contract for the installation and operation of coin-operated vending and laundry machines, dryers, dry cleaning machines and machines of an allied nature within the Condominium Property on areas designated for such.

services. No Unit Owner shall, unless incorporated within the unit by Declarant, install, operate or maintain a washing machine and/or dryer within the confines of his Unit, without the written approval of the Board.

Section 7. PROHIBITED STRUCTURES. No house trailer, mobile home, tent, teepee, truck camper, recreational vehicle or boat shall be placed or maintained on the General Common Elements. The term "trailer home" or "mobile home" as used herein shall mean any building or structure with wheels and/or axles and any vehicle, used at any time, or so constructed so as to permit its being used for the transport thereof upon the public streets or highways and constructed in a manner as to permit occupancy thereof as a dwelling or sleeping place for one or more persons, and shall also mean any such building, structure or vehicle, whether or not wheels and/or axle have been removed, after such building, structure or vehicle has been placed either temporarily or permanently upon a foundation.

Section 8. NUISANCE. No nuisance or any use or practice that is the source of unreasonable annoyance to other Unit Owners or which interferes with the peaceful possession and proper use of the Condominium Property by the Unit Owners is permitted. No Unit Owner or Occupant shall permit or suffer anything to be done or kept upon the Condominium Property or his Unit which will increase the rate of insurance on the Condominium.

Section 9. APPLICABILITY TO DECLARANT. No Unit Owner of the Association, or their use of the Condominium shall interfere with the Declarant's completion and sale of the Condominium Units, whether in this Condominium or otherwise. Anything contained herein to the contrary notwithstanding, the Declarant may make such use of any unsold Unit and the General Common Elements as may facilitate the sale or leasing of any Unit.

Section 10. RULES AND REGULATIONS. All Unit Owners and other persons shall use the Condominium Property in accordance with the Rules and Regulations promulgated by the Board and the provisions of this Declaration, the Certificate of Incorporation and the By-Laws of the Association, as applicable.

#### ARTICLE X

#### MAINTENANCE, ALTERATION AND REPAIR OF THE CONDOMINIUM PROPERTY

Section 1. MAINTENANCE BY ASSOCIATION. The Association, at its expense, shall maintain, repair and replace all of the General Common and Limited Common Elements.

Section 2. LIMITATION UPON LIABILITY OF DECLARANT AND MANAGEMENT FIRM. Notwithstanding the duty of the Association and any Management Firm to maintain and repair parts of the Condominium Property, the Association and Unit Owners shall and do fully indemnify and hold the Declarant and the Management Firms harmless from all loss, cost, and expense, including reasonable attorneys' fees, for injury or damage, whether caused by any latent condition of the property to be maintained and repaired by them, natural elements, other persons, or caused by any other reason whatsoever.

Section 3. MAINTENANCE BY UNIT OWNER. The Unit Owner shall, subject to the other provisions of this Declaration, maintain, repair and replace, at his expense, all portions of his Unit including, but not limited to, all doors, windows, glass, screens, electric panels, electric wiring, electric outlets and fixtures, heaters, hot water heaters, refrigerators, and other appliances, drains, plumbing fixtures and connections, interior surfaces of all walls, floors and ceilings, and all other portions of his Unit. The Unit Owner shall maintain and repair the air conditioning compressor, refrigerant and electrical line, if any, appurtenant to his Unit.



Section 4. LIABILITY OF UNIT OWNER. Should a Unit Owner undertake unauthorized additions and modifications to his Unit, or refuse to make repairs as required, or should a Unit Owner cause any additions or modifications to be made to the General Common Elements, or cause any damage to the General Common Elements, the Association may make such repairs or replacements and have the right to levy a special assessment for the cost thereof against the said Unit Owner. In the event a Unit Owner threatens to or violates the provisions hereof, the Association shall also have the right to proceed in a court of equity for an injunction to seek compliance with the provisions hereof.

Section 5. INSURANCE PROCEEDS. Whenever any maintenance, repair and replacement of any items for which the Unit Owner is responsible is made necessary by any loss covered by insurance maintained by the Association, the proceeds of the insurance received by Association, shall be used for the purpose of accomplishing such maintenance, repair or replacement. The Unit Owner shall be required to pay all of the costs thereof that exceed the amount of the insurance proceeds.

Section 6. RIGHT OF ENTRY BY ASSOCIATION AND MANAGEMENT FIRM. Whenever it is necessary to enter any Unit for the purpose of inspection, including inspection to ascertain a Unit Owner's compliance with the provisions of this Declaration, or for performing any maintenance, alteration or repair to any portion of the General Common Elements or Unit, the Unit Owner shall permit an authorized agent of the Association and Management Firm to enter such Unit, or to go upon the General Common Elements, provided, that such entry shall be made only at reasonable times and with reasonable advance notice. In the case of emergency such as, but not limited to, fire or severe storm, entry may be made without notice or permission. The Unit Owners acknowledge that the Association may retain a master pass key to all the Units in the Condominium. Each Unit Owner does hereby appoint the Association as his agent for the purposes herein provided and agrees that the Association or Management Firm shall not be liable for any alleged property damage or theft caused or occurring on account of any entry.

ARTICLE XI  
TAX OR SPECIAL ASSESSMENT ASSESSED AGAINST THE  
CONDOMINIUM PROPERTY

If any taxing authority levies or assesses any Tax or Special Assessment against the Condominium Property as a whole, and not the individual Units, the same shall be paid as a Common Expense by the Association and assessed to the Unit Owners. In such event, the amount due shall constitute a lien prior to all mortgages and encumbrances upon any parcel to the same extent as though such Tax or Special Assessment had been separately levied by the taxing authority upon each unit.

All personal property taxes levied or assessed against personal property owned by Association shall be paid by the Association and shall be a Common Expense.

Declarant shall give written notice to the Assessor of Teton County, Wyoming of the creation of condominium ownership in this property, as is provided by law, so that each unit and the undivided interest in the General Common Elements appurtenant thereto shall be deemed a separate tax parcel and subject to separate assessment and taxation.

ARTICLE XII  
INSURANCE PROVISIONS

The insurance which shall be purchased and maintained for the benefit of the Condominium shall be governed by the following provisions:

Section 1. PURCHASE OF INSURANCE. All insurance purchased pursuant to this Article shall be purchased by the Association for the benefit of the Association, the Unit Owners and their respective mortgagees, as their interest may appear, and shall provide for the issuance of certificates of insurance and mortgagee endorsements to any or all of the holders of institutional first mortgages. The policies shall provide that the insurer waives its rights of subrogation as to any claims against Unit Owners and the Association, their respective servants, agents and guest. Each Unit Owner and the Association hereby agree to waive any claim against each other and against other Unit Owners for any loss or damage for which insurance hereunder is carried where the insurer has waived its rights of subrogation as aforesaid. The policy shall also provide that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such owners collectively and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All insurance shall be carried in companies licensed to do business in Wyoming and if appropriate, subject to approval by Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC).

Section 2. COST AND PAYMENT OF PREMIUMS. The cost of obtaining all insurance hereunder, excluding only the insurance as may be purchased by individual Unit Owners, is declared to be a Common Expense, as are any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof.

Section 3. UNIT OWNERS' RESPONSIBILITY. Each Unit Owner may obtain insurance, at his own expense, affording coverage upon his own property and for his own liability and living expenses as he deems advisable. All such insurance shall contain the same waiver of subrogation that is referred to herein and shall waive any right to contribution.

Section 4. COVERAGE. The following coverage shall be obtained by the Association with losses payable to the Association or an insurance trustee:

A. The building(s) and all other insurable improvements upon the land, including all of the Units, General Common Elements, Limited Common Elements, and all personal property owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavations and foundations) as determined annually by the Association in consultation with the insurance company providing the coverage and an Inflation Guard Endorsement and Agreed Amount Endorsement if available. Said coverage shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement and all other such risks as, from time to time, may be covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism, malicious mischief, windstorm, war damage and war risk insurance, if available.

B. Comprehensive general public liability and property damage insurance in such an amount and in such form as shall be required by the Association in limits of not less than \$1,000,000.00 for bodily injury or death to any person; not less than \$300,000 for bodily injury or death resulting from any one accident or occurrence, and not less than \$50,000 for property damage. Said coverage shall include, but not be limited to, water damage, legal liability, hired automobile, non-owned automobile, and

off-premises employee coverage. All liability insurance shall contain to the extent possible, cross liability endorsements to cover liabilities of the Unit Owners as a group to an individual Unit Owner and one Unit Owner to another.

C. If necessary, workmen's compensation policies shall be obtained to meet the requirements of law.

D. All policies shall contain a provision, if available, that such policies may not be cancelled or substantially modified, by any party, without at least 10 days' prior written notice to the Association and to each holder of a first mortgage on any Unit in the Condominium which is listed as a scheduled holder of a first mortgage in the insurance policy.

E. Flood insurance must be purchased if the Condominium is located in an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards, if available. Coverage to be in an amount deemed appropriate by the Association, but not less than the following:

The lesser of: (A) the maximum coverage available under the NFIP for all buildings and other insurable property within the Condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (B) 100% of current "replacement cost" of all such buildings and other insurable property within such area.

F. Such other insurance as the Board of the Association may determine to be necessary from time to time.

Section 5. PROCEEDS. The Board may engage the services of any bank or trust company authorized to do business in Wyoming to act as trustee or agent on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds under any policy provided for in Section 4. A. of this Article. In the event of any loss resulting in the destruction of the major portion of one or more Units, the Board shall engage an institutional trustee as aforesaid upon the written demand of the mortgagee or Owner of any Unit so destroyed. The fees of such institutional trustee shall be common expenses.

Section 6. INSURANCE TRUSTEE. The declaration or other appropriate constituent document of the condominium shall provide that notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom such Association may enter into any Insurance Trust Agreement or any successor to such trustee, who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose.

#### ARTICLE XIII ASSESSMENTS

Section 1. GENERAL AUTHORITY. The Association, through its Board, shall have the power to make, levy and collect regular and special assessments for Common Expenses and such other assessments as are provided for by the provisions of this Declaration and all other expenses declared by the Directors of the Association to be Common Expenses from time to time.

Section 2. PURPOSES. Without limiting the generality of Section 1 of this Article, assessments shall be levied for Common

Expenses, which shall include, but not be limited to, the following:

- A. All maintenance, repairs, reconstruction and replacements to the General Common Elements, whether located inside or outside the Units. The Limited Common Elements shall be maintained as General Common Elements.
- B. Damages to the interior or any part of a Unit or Units resulting from the painting, maintenance, repair, emergency repair, reconstruction or replacement of any of the General Common Elements or as a result of emergency repairs within another Unit at the instance of the Association.
- C. Expenses of administration, operation and management, including management fees, and wages for Association or Management Firm employees and legal and accounting fees.
- D. Taxes and special assessments until separately assessed.
- E. Premiums for all insurance which the Association is required or permitted to maintain.
- F. Common water, sewer, electricity, snow removal and trash collection charges.
- G. Deficits remaining from previous assessment periods.
- H. Creation of reasonable contingency, reserve, working capital and sinking funds.
- I. Expenses for alterations, additions to or improvements on the Limited or General Common Elements' and
- J. Any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners or which are declared Common Expenses by the terms of this Declaration, the Certificate of Incorporation or the By-Laws of the Association, or the rules and regulations of the Association.

Section 3. UNIT OWNER'S GENERAL LIABILITY. All Common Expenses levied against Unit Owners and Units shall be on a uniform basis in the same proportion as the percentages of the undivided shares in the ownership of the Common Elements unless specifically otherwise provided for herein, without increase or diminution for the existence, or lack of existence, or any exclusive right to use a part of the Limited Common Elements. Should the Association be the owner of any Unit(s), the assessments, which would otherwise be due and payable to the Association or others by the owner of such Unit(s), shall be a Common Expense as the same relates to the collection of such sums from the Unit Owners to pay the Association's obligations. *Declarants liability shall be as specified in Article VII of this Declaration.*

Section 4. PAYMENT. The assessments of the Association levied against the Unit Owner and his Unit shall be payable in such installments, and at such times, as may be determined by the Board of Directors of the Association.

Section 5. EMERGENCIES. If assessments levied are, or may prove to be insufficient to pay the costs of operation and

management of the Condominium, or in the event of emergencies, the Board of Directors shall have the authority to levy such additional assessment or assessments as it shall deem necessary.

A. RESERVE FUND. The Board of Directors of Association in assessing for Common Expenses shall include therein a sum to be collected and maintained as a reserve fund for replacement of Common Elements for the purpose of enabling Association to replace structural elements and mechanical equipment constituting a part of the Common Elements, as well as the replacement of personal property which may be a portion of the Condominium Property.

B. OPERATING RESERVE FUND. The Board of Directors of Association in assessing for common expenses may include therein a sum to be collected and maintained as a general operating reserve which shall be used to provide a measure of financial security during periods of special stress. Such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by Unit Owners or as a result of emergencies.

C. WORKING CAPITAL FUND. Upon acquisition of record title to a Unit from Declarant, each Owner shall contribute to the capital of the Association an amount equal to one-sixth (1/6) the amount of the then annual assessment for that Unit as determined by the Board. This amount shall be paid by owner, as buyer, at closing on the Unit and disbursed therefrom to the Association. Within sixty (60) days after close of the first sale of a Unit by Declarant, as seller, Declarant shall deposit with the Association an amount equal to one-sixth (1/6) of the then annual assessment for any and all Units not yet sold. Upon the closing of any Unit for which the Working Capital fund was prepaid by Declarant, the buyer shall reimburse the Declarant for the amount it paid to the fund. Amounts paid pursuant to this Section 5.C. shall not be considered as advance payment of regular assessments.

Section 6. SEPARATE PROPERTY. All monies collected by the Association shall, unless the same is collected for the benefit of others, be the separate property of the Association. Such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of the provisions of this Declaration. All monies received from assessments may be co-mingled with other monies held by the Association. All assessments received by the Association shall be held for the benefit of the Unit Owners. No Unit Owner shall have the right to assign, hypothecate, pledge or in any manner transfer his interest therein, except as an appurtenance to his Unit. Such funds, shall not be subject to attachment or levy by a creditor or judgment creditor of a Unit Owner. When the owner of a Unit shall cease to be a member of the Association by the divestment of his ownership of such Unit, the Association shall not be required to account to such owner for any share of the funds or assets of the Association.

Section 7. DEFAULT. The payment of any assessment or installment thereof due to the Association shall be in default if such payment is not paid to the Association when due. If in default for in excess of ten (10) days, the delinquent assessment, or delinquent installments thereof and all advances permitted by Article XIII, Section 9 hereof, shall bear interest at the rate equal to the maximum rate then allowed to be charged to individuals in the State of Wyoming. In addition, a late charge of \$25.00, which is acknowledged not to be a penalty, shall be then due and payable. In the event that any Unit Owner is in default in payment of any assessments or installments thereof owed to the Association, said Unit Owner shall be liable for all costs of collecting the same, including reasonable attorneys' fees and court costs.

Section 8. NO WAIVER. No Unit Owner may exempt himself from liability for any assessment levied by waiver of the use or enjoyment of any of the General Common Elements or by abandonment of the Unit for which the assessments are made or in any other manner.

Section 9. LIEN. The Association is hereby granted a lien upon each Condominium Unit, together with a lien on all tangible personal property located within said Unit (except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record), which lien shall secure the payment of all monies from each Unit Owner for which he is liable to the Association, including all assessments, interest and expenses provided for in this Declaration and reasonable attorneys' fees incurred as an incident to the enforcement of said lien. The lien granted to Association may be recorded in the public records and foreclosed by any appropriate suit or proceeding at law or in equity. The Association may also foreclose by advertisement and sale as provided by the laws of the State of Wyoming. The lien granted to the Association shall further secure such advances for taxes and payments on account of Institutional Mortgages, liens or encumbrances which may be advanced by the Association in order to preserve and protect its lien.

Section 10. PROVISO. In the event that any Institutional Mortgagee shall acquire title to any Unit by virtue of either foreclosure of a first mortgage, or a deed in lieu thereof, such acquirer of title, his successors and assigns, shall not be liable for the share of General Common Expenses or assessments by the Association pertaining to the Condominium Unit or chargeable to the former Unit Owner of the Unit which became due prior to acquisition of title as a result of the foreclosure. Any claim of lien filed after the recordation of the first mortgage, shall be subordinate to the first mortgage on the Unit. The unpaid share of Common Expenses or assessments are General Common Expenses collectible from all of the Unit Owners, including such acquirer and his successors and assigns. Nothing herein contained shall be construed as releasing the party liable for such delinquent assessments from the payment thereof or the enforcement of collection of such payment by means other than foreclosure. Delinquent assessments shall not pass to successors in Title or interest, unless assumed by them, but rather the Unit Owner shall remain personally liable for the delinquent assessment. Thereafter, all Unit Owners, of any nature, including, without limitation, a purchaser at a judicial sale of Institutional Mortgagee, shall be liable for all assessments, both for General Common Expenses or otherwise, coming due while he is the Unit Owner.

Section 11. MECHANICS' LIEN RIGHTS AND INDEMNIFICATION. Subsequent to the completion of any building, no labor performed or materials furnished and incorporated in a Unit with the consent or at the request of the Unit Owner, or the owner's agent, contractor or subcontractor, shall be the basis for filing a lien against any other Units whose owners have not expressly consented to or requested the same, or against the General Common Elements appurtenant to such other units. Each Unit Owner agrees to indemnify, and to hold each of the other Unit Owner's harmless from and indemnified against, any and all loss, cost, damage and expense, including reasonable attorneys' fees, due to mechanics' or materialmen's liens filed or claimed against other Condominium Units or their appurtenant interest in the General Common Elements, for labor, materials, services or other products delivered to, employed on, or incorporated in such Owner's Unit. All payments, costs and expenses, including attorneys' fees, incurred by the Association, Management Firms or any of the other Unit Owners in releasing such liens or otherwise due to any such liens, shall be forthwith reimbursed by such Unit Owner, and such Unit Owner shall be liable to the Association, Management Firms or such other Unit Owners paying such sums, for the payment of interest at the highest rate chargeable to individuals in the State of Wyoming on all such sums paid or incurred by the Association, Management Firms or such other Unit Owners, and such

sums, with interest, shall constitute a lien on the Unit, may be collected through foreclosure or in a civil action against such Unit Owner, and such Unit Owner shall also pay all costs of collection, including reasonable attorneys' fees.

Section 12. CERTIFICATE OF STATUS OF ASSESSMENTS. Upon payment of a reasonable fee not to exceed Twenty Five Dollars (\$25.00), and upon the written request of any Owner, mortgagee or prospective mortgagee of a Unit, the Manager or the Board shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to the subject Unit, the amount of the current assessment and the date or dates that such assessment becomes due, and credit for any advance payments of assessments and for prepaid items, such as insurance premiums, but not including accumulated amounts for reserves or sinking funds, if any. Such statement shall be conclusive upon the Association and the Board in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within twenty (20) days, all unpaid assessments which become due prior to the date of making such request shall be subordinate to the rights of the person requesting such statement.

Section 13. NO OCCUPANCY UNTIL ASSESSMENTS PAID. In any voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments of any nature, incurred prior to the time of such voluntary conveyance. Any person who acquires an interest in a Unit, except through foreclosure of a first mortgage, including without limitation, persons acquiring title by operation of law, shall not be entitled to occupancy of such Unit until such time as all unpaid assessments and all court costs and attorneys' fees, if any, incurred by the Association due and owing by the former Unit Owner, have been paid in full.

Section 14. NO ELECTION OF REMEDIES. The institution of a suit at law for collection of any delinquent assessment may be maintained without waiving the lien securing the same. Proceeding by foreclosure to attempt to effect such collection shall not be deemed an election precluding the institution of suit at law for collection of the same. All Unit Owners do hereby waive pleading the theory of "elections of remedies" in any such proceedings.

#### ARTICLE XIV MANAGEMENT AGREEMENT

Section 1. MANAGEMENT CONTRACT. The Board may contract with any firm, person or corporation for the operation of the Condominium and the management, maintenance and repair of the Condominium Property. The Board is authorized to delegate to any such Management Firm all the powers and duties of the Association which are contained in any such agreement between the parties.

Section 2. BINDING EFFECT. Each Unit Owner, his heirs, successors and assigns, shall be bound by said Management Agreement to the same extent and effect as if he (it) had executed said Management Agreement for the purposes therein expressed, including, but not limited to:

A. Adopting, ratifying, confirming and consenting to execution of said Management Agreement by the Association.

B. Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Unit Owners and the Association as provided therefor in said Management Agreement.

C. Ratifying, confirming and approving each and every provision of said Management Agreement, and acknowledging

that all of the terms and provisions thereof, including the Management Firm's fees, are fair and reasonable.

D. Agreeing that the persons acting as directors and officers of the Association entering into such Management Agreement have not breached any of their duties or obligations to the Association. It is specifically recognized that some or all the persons comprising the original Board of Directors and Officers of the Association may be Stockholders, Officers and Directors of the Declarant and Management Firm, and that such circumstances shall not and cannot be construed as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate the Management Agreement in whole or in part. Except for termination of a Management Agreement as provided for in Article VIII herein.

#### ARTICLE XV TERMINATION

Section 1. AGREEMENT. The Condominium may be terminated at any time by the approval in writing of all Unit Owners and all record owners of mortgages on Units.

If the proposed termination is submitted to a meeting of the Association, and if the approval of the Unit Owners owning not less than 75% of the General Common Elements and their Institutional Mortgagees is obtained, in writing, not later than sixty (60) days from the date of such meeting, then the approving Unit Owners (through the Association), shall have an option to buy all of the Units of the disapproving Unit Owners for the period of one hundred twenty (120) days from the date of such meeting. The vote of those Unit Owners approving the termination shall be irrevocable until the expiration of the option. Any Unit Owner voting against termination, or not voting, may, within fifteen (15) days from the date the vote was taken, change or cast his vote in favor of termination by delivering written notification thereof to the Secretary of the Association. The option shall be upon the following terms:

A. EXERCISE OF OPTION. The option shall be exercised by delivery, or the mailing by registered mail, of an agreement to purchase, signed by the Association, to each of the Owners of the Units voting against termination. The agreement shall be subject to the purchase of all Units owned by Owners not approving the termination.

B. PRICE. The sale price for each Unit shall be the fair market value as determined between the seller and the Association within thirty (30) days from the delivery of said agreement. In the absence of agreement on the price of any Unit, the price shall be determined by an appraiser appointed by the President of the local Board of Realtors. A judgment of specific performance of the sale, at the price determined by the appraiser, may be entered in any court of competent jurisdiction.

C. PAYMENT. The purchase price shall be paid in cash.

D. FORM. The contract shall be in the form of the Standard Offer, Acceptance and Receipt Contract then in use in Teton County, Wyoming.

E. CLOSING. The sale of all Units shall be closed simultaneously and within thirty (30) days following the determination of the sale price of the last Unit to be purchased.

Section 2. CERTIFICATE. The termination of the Condominium shall be evidenced by a certificate of the Association executed



by its President and Secretary certifying the fact of the termination, which shall become effective upon the certificate being recorded in the Public Records.

Section 3. SHARES OF OWNERS AFTER TERMINATION. After termination of the Condominium the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares that shall be equal to the sum of the undivided shares in the General Common Elements appurtenant to the Units prior to termination so that the sum total of the ownership shall equal one hundred (100%) per cent. Any such termination shall in no way affect the rights and obligations of the Unit Owners nor shall the same affect the rights and obligations of the Unit Owners under any Management Agreements.

Section 4. OCCUPANCY RIGHTS AFTER TERMINATION. In the event of termination of the Condominium by agreement, each approving Unit Owner shall have the perpetual exclusive right to occupy the air space which formerly constituted said Unit Owner's Condominium Unit prior to termination, unless otherwise agreed upon in writing evidenced by a Certificate executed by said Unit Owner and recorded in the public records.

Section 5. EXCLUSIVE RIGHTS EXTINGUISHED BY TERMINATION. All exclusive rights of use of Common Elements shall be extinguished by virtue of the termination of the Condominium.

Section 6. AMENDMENT. This Article concerning termination cannot be amended without written consent of all Unit Owners and all record owners of mortgages upon the Units.

#### ARTICLE XVI AMENDMENTS

Except as herein or elsewhere provided, this Declaration may be amended in the following manner:

Section 1. NOTICE. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

Section 2. PROPOSAL OF AMENDMENT. An amendment may be proposed by either the unanimous vote of the Board of Directors of the Association, or by 25% of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary within 10 days after the meeting. The Declarant shall be entitled to vote all Units owned by it. Except as elsewhere provided, a proposed amendment must be approved by either:

A. Not less than 66% of the entire membership of the Board of Directors, not less than 75% of the votes of the entire membership of the Association and by not less than 51% of Eligible Holders of First Mortgages on Units.

B. As long as the First Board of Directors is in existence, (as provided for in the By-Laws) said Board by unanimous vote, in their sole discretion, shall have the right to modify, waive, or amend this Declaration, except for the following items which may only be amended by vote as established in subparagraph A. above:

- (1) Voting;
- (2) Assessments, assessment liens or subordination of such liens;
- (3) Reserves for maintenance, repair and replacement of the common elements;

- (4) Insurance or Fidelity Bonds;
- (5) Rights to use of the common elements;
- (6) Responsibility for maintenance and repair of the several portions of the condominium;
- (7) Expansion or contraction of the condominium regime or the addition, annexation or withdrawal of property to or from the regime;
- (8) Boundaries of any unit;
- (9) The interests in the general or limited common elements;
- (10) Convertibility of units into common elements or of common elements into units;
- (11) Leasing of units;
- (12) Imposition of any right of first refusal or similar restriction on the right of a unit owner to sell, transfer, or otherwise convey his or her unit in the condominium;
- (13) Establishment of self-management by the condominium association where professional management has been required by any of the agencies or corporations.

Section 3. PROVISO. Except as otherwise provided in this document:

A. No amendment shall alter a Unit Owner's percentage in the General Common Elements, alter his proportionate share in the Common Expense or Common Surplus, change a Unit Owner's voting rights, or alter the basis for apportionment of assessment which may be levied by the Association against a Unit Owner without the written consent of the Unit Owner.

B. No amendment shall be passed which shall impair or prejudice the rights and priorities of any Institutional Mortgagee without the written consent of the Institutional Mortgagee affected.

C. Until the last Unit in Ponderosa Village Condominiums (including all phases) is delivered, no amendments to this Declaration shall be made or shall be effective without the written approval of the Declarant.

D. Prior to the recordation in the Public Records of a deed from the Declarant, the Declarant without the joinder of any other person, may amend any of the provisions of this Declaration by filing an amendment in the Public Records.

Section 4. EXECUTION AND RECORDING. Except as otherwise provided in this Declaration, a copy of each amendment shall be attached to a certificate, executed by the President and attested to by another officer of the Association, certifying that the amendment was duly adopted. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records.

ARTICLE XVII  
RELIEF

Section 1. RELIEF. Each Unit Owner and the Association shall be governed by and shall comply with the provisions of this

Declaration, the Certificate of Incorporation and the By-Laws of the Association. A violation thereof shall entitle the appropriate party to the following relief: an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, or any other action available pursuant to the Condominium Act or law. Suit may be sought by Association, Management Firm, Declarant, or, if appropriate, by one or more Unit Owners and the prevailing party shall be entitled to recover reasonable attorneys' fees. Each Unit Owner acknowledges that the failure to comply with any of the provisions of this Declaration shall or may constitute an injury to the Association, Management Firm, Declarant or the other Unit Owners, and that such injury may be irreparable.

**Section 2. COSTS AND ATTORNEYS' FEES.** In any proceeding arising because of an alleged default, act, failure to act, or violation by the Unit Owner or Association, including the enforcement of any lien granted pursuant to this Declaration, the Management Firm, Declarant, Association or Unit Owner, which ever is appropriate, shall be entitled to recover the costs of the proceeding, including reasonable attorneys' fees. Further, in the event proceedings are instituted by or against the Declarant, Management Firm, or any individual connected with the same (including but not limited to the Declarant, or the initial directors of the Association) for any reason whatsoever, including but not limited to: (1) actions for declaratory judgment, (2) claim that any of the above have not complied with their obligations under this Declaration or (3) that any provision of the same is unconscionable, unfair (or the like) or violates any State or Federal law or regulation, and if the Declarant, Management Firm, and individuals connected with the same are the prevailing party or parties then, and in that event, they shall be entitled to recover all costs of the proceedings. Said recoverable costs shall include, but are not limited to, reasonable attorneys' fees at all levels of the proceedings, including appeals, together with all costs, including those not normally allowable in actions at law such as, but not limited to, copies of depositions, whether or not used at trial; travel expenses for witnesses traveling from outside of Teton County for the purpose of testifying at trial or deposition; expert witnesses; fees for testifying at trial or deposition, together with such additional fees as the expert witness may charge the said party in connection with his preparation for giving such testimony; witness subpoenas issued to insure the presence of witnesses at deposition or at trial whether or not the witness shall actually appear or be called upon to testify.

**Section 3. NO WAIVER.** The failure of Management Firms, or the Declarant to enforce any right, provision, covenant, or condition created or granted by this Declaration shall not constitute a waiver of the right of said party to enforce such right, provision, covenant or condition in the future.

**Section 4. RIGHTS CUMULATIVE.** All rights, remedies and privileges granted to Association, Management Firm, Declarant or Unit Owner pursuant to any of the provisions of this Declaration shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election or remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be available to such party at law or in equity. Each Unit Owner agrees in any proceeding brought pursuant to the provisions hereof not to plead or defend the same on the theory of "election of remedies."

**Section 5. VENUE; WAIVER OF TRIAL BY JURY.** Every Unit Owner or Occupant and all persons claiming any interest in a Unit agrees that in any suit or proceeding brought pursuant to the provisions of this Declaration, such suit shall be brought in the

District Court Ninth Judicial District for Teton County, Wyoming, or the United States District Court, District of Wyoming as the same is now constituted or any court in the future that may be the successor to the courts contemplated herein. All such parties, except the Declarant or Management Firms, do further waive the right to trial by jury and consent to a trial by the court without a jury.

Section 6. APPOINTMENT OF AGENT; PROVISIO. Should suit be instituted, the Unit Owners or Occupants do hereby irrevocably appoint the Secretary of State of the State of Wyoming as their Agent for the acceptance of service of process should, at the time of such service of process, any such person not be residing in Teton County, Wyoming. The provisions hereof shall not be applicable to the Declarant or Management Firms.

ARTICLE XVIII  
FIRST MORTGAGE HOLDERS' RIGHTS

Section 1. NOTICES OF ACTION. A holder, insurer or guarantor of a first mortgage, upon written request to the Association, (such request to state the name and address of such holder, insurer or guarantor and the unit number), will be entitled to timely written notice of:

A. Any proposed amendment of the condominium instruments affecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interests in the General or Limited Common Elements appertaining to any unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

B. Any proposed termination of the condominium regime;

C. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

D. Any delinquency in the payment of assessments or charges owed by a Unit Owner subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;

E. Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

Section 2. ADDITIONAL PROVISION; CONDEMNATION

A. Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the declaration and the original plans and specifications unless the approval of the Eligible Holders of first mortgages on Units to which at least 51% of the votes of Units subject to mortgages held by such Eligible Holders are allocated, is obtained.

B. Any election to terminate the condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium Property must require the approval of the Eligible Holders of first mortgage on Units to which at least 54% of the votes of units subject to mortgages held by such eligible holders are allocated.

C. No reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the condominium project may be effected without the approval of the Eligible Holders of first mortgages on units to which at least 51% of the votes of Units subject to mortgages held by such Eligible Holders are allocated.

D. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, by the condemning authority. Accordingly, each Unit Owner hereby appoints the Association as attorney-in-fact for such purpose.

E. In the event of a taking or acquisition of part or all of the Common Elements by a condemning authority, the ward or proceeds of settlement shall be payable to the Association, or any Trustee, to be held in trust for Unit Owners and their first mortgage holders as their interests may appear.

#### ARTICLE XIX MISCELLANEOUS RIGHTS OF DECLARANT

Section 1. CONFLICT OF INTERESTS. No representative of the Declarant serving on the Board of Directors of the Association shall be required to disqualify himself from any vote upon any management contract, lease or other matter between the Declarant or Management Firms and the Association where the Declarant or Management Firms may have a pecuniary or other interest. Declarant, as a member of Association, shall not be required to disqualify itself in any vote which may come before the membership of the Association upon any management contract, lease, or other matter where Declarant may have a pecuniary or other interest, nor shall any conflict of interest be a cause of partial or total invalidity of the matter voted upon whether or not such vote was necessary for the adoption, ratification, or execution of the same.

Section 2. RIGHT TO USE FACILITIES. Notwithstanding any provisions of this Declaration to the contrary, the Declarant shall have the right to use and occupy any unsold Unit, the General Common Elements and any of the Limited Common Elements, the exclusive use of which have not been assigned, for the purpose of a Sales Office, Management office, model unit, or for any other purpose, specifically including the right to rent any and all unsold units upon any terms and conditions deemed appropriate by Declarant. Until the Declarant has conveyed the last Unit in Ponderosa Village Condominiums (including all phases, if any,) the Declarant shall not be subject to the use or other restrictions contained in any of the provisions of this Declaration, provided the Declarants use thereof does not unreasonably interfere with the rights of the other Unit Owners.

#### ARTICLE XX MISCELLANEOUS

Section 1. REGISTRATION OF MAILING ADDRESS AND NOTICE REQUIREMENTS. Each Unit Owner shall register one, and no more than one, mailing address with the Board. All notices or demands intended to be served upon a Unit Owner shall either be served personally or be sent by Certified Mail, postage prepaid, Return Receipt Requested, addressed in the name of the Unit Owner at such mailing address. Any notice or demand so mailed shall be deemed given and received twenty four (24) hours after it is deposited in the United States mail. Notices to the Association shall be delivered or mailed as provided for above, to the Secretary of the Association, or in the case of the Secretary's absence, then to the President of the Association.

Notices to the Declarant shall be made by delivery to Declarant at: 6955 Golfcrest Drive, Post Office Box 19327, San Diego, California 92119.

Section 2. CONSTRUCTION. All of the provisions of this Declaration shall be construed in accordance with the Laws of the State of Wyoming. This construction shall govern in all matters, including matters of substantive and procedural law.

Section 3. GENDER. Unless the contrary appears to have been intended, words in the plural number shall include the singular and words in the singular shall include the plural, and words of the male gender shall include the female gender and the neuter gender.

Section 4. CAPTIONS. The captions to the paragraphs of this Declaration are intended for convenience only and are not deemed to be all inclusive as to the matters contained in such paragraphs or considered in connection with the construction of any of the provisions of this Declaration.

Section 5. SEVERABILITY. If any term or provision of this Declaration, or the application thereof to any person or circumstance, shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Declaration, or the application of such term or provision to persons or circumstances other than those to which such term may be held invalid or unenforceable, shall not be affected thereby and each term and provision of this Declaration shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the Declarant has executed this Declaration on this 5<sup>th</sup> day of APRIL, 1988.

H & N CONSTRUCTION COMPANY,  
a California Corporation

By: [Signature]  
its President

ATTEST:

By: [Signature]  
its Secretary



STATE OF CA )  
                  ) ss.  
COUNTY OF San Diego

The foregoing instrument was acknowledged before me by Glenn Napierskie and Glenn P. Napierskie II, and to me known to be the persons who executed the foregoing as President and Secretary, respectively, of H & N Construction Company, and severally acknowledged before me that they executed the foregoing as such officers in the name of and for and on behalf of the said corporation this 5th day of April, 1988.

WITNESS my hand and official seal.

[Signature]  
Notary Public  
Donna F. Koch

My Commission Expires:  
April 10, 1991

Description

for

PONDEROSA VILLAGE CONDOMINIUMS - PHASE 1

To-wit:--

That part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  and SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 32, T41N, R116W, within the incorporated limits to the Town of Jackson, Teton County, Wyoming being part of those tracts of record in the Office of the Clerk of Teton County in Book 49 of Photo on pages 103-104 described as follows:

BEGINNING at a point on the north line of said tract, N39°-19'W, 1389.76 feet from the southeast corner of said Section 32 where found a 2" iron pipe and brass cap inscribed "SC T41N R116W S32/S33 1956";

thence S00°-09.5'W, 50.00 feet to a point;

thence N89°-51'W, 223.92 feet to a point;

thence S00°-09.5'W, 238.91 feet to a point;

thence N89°-51'W, 63.00 feet to a point;

thence N00°-09'E, 18.00 feet to a point;

thence N89°-51'W, 162.14 feet to a point;

thence S00°-09'W, 20.00 feet to a point;

thence N89°-51'W, 220.00 feet to a point on the west line of said tract of record;

thence N00°-09'E, 39.31 feet along the said west line to a point on the south right-of-way line of Meadowlark Lane;

thence continuing N00°-09'E, 60.00 feet along the said west line adjoining the east right-of-way line of said Meadowlark Lane to a point on the right-of-way line intersection of said Meadowlark Lane and Powderhorn Lane;

thence continuing N00°-09'E, 191.6 feet along said west line identical with east right-of-way line of said Powderhorn Lane to the northwest corner of said tract of record;

thence S89°-51'E, 669.1 feet along the north line of said tract of record to the POINT OF BEGINNING;

ENCOMPASSING an area of 3.15 acres, more or less;

Description for  
Ponderosa Village Condominiums - Phase 1  
Page 2

all in accordance with the map prepared and filed for record in the Office of the Clerk of Teton County, titled "PONDEROSA VILLAGE CONDOMINIUMS - PHASE 1 TO THE TOWN OF JACKSON being part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  and SW $\frac{1}{4}$ SE $\frac{1}{4}$  Section 32 T41N R116W TETON COUNTY, WYOMING" dated March 1982.



20 April 1982

Scherbel  
CARL B. SCHERBEL, LTD.  
Professional Land Surveyor No. 114  
Teton, Wyoming 83113

Page 2 of Exhibit "A"

JM:dm



EXHIBIT B  
TO DECLARATION OF CONDOMINIUM  
FOR  
PONDEROSA VILLAGE CONDOMINIUMS

<u>Unit Designation</u>	<u>Percentage Ownership of Appurtenant Undivided Interest in General Common Elements</u>
A-1	1.5625
A-2	1.5625
A-3	1.5625
A-4	1.5625
B-1	1.5625
B-2	1.5625
B-3	1.5625
B-4	1.5625
C-1	1.5625
C-2	1.5625
C-3	1.5625
C-4	1.5625
D-1	1.5625
D-2	1.5625
D-3	1.5625
D-4	1.5625
E-1	1.5625
E-2	1.5625
E-3	1.5625
E-4	1.5625
F-1	1.5625
F-2	1.5625
F-3	1.5625
F-4	1.5625
G-1	1.5625
G-2	1.5625
G-3	1.5625
G-4	1.5625
H-1	1.5625
H-2	1.5625
H-3	1.5625
H-4	1.5625
I-1	1.5625
I-2	1.5625
I-3	1.5625
I-4	1.5625
J-1	1.5625
J-2	1.5625
J-3	1.5625
J-4	1.5625
K-1	1.5625
K-2	1.5625
K-3	1.5625
K-4	1.5625
L-1	1.5625
L-2	1.5625
L-3	1.5625
L-4	1.5625
M-1	1.5625
M-2	1.5625
M-3	1.5625
M-4	1.5625
N-1	1.5625
N-2	1.5625
N-3	1.5625
N-4	1.5625

<u>Unit Designation</u>	<u>Percentage Ownership of Appurtenant Undivided Interest in General Common Elements</u>
O-1	1.5625
O-2	1.5625
O-3	1.5625
O-4	1.5625
P-1	1.5625
P-2	1.5625
P-3	1.5625
P-4	1.5625

AMENDMENT TO  
DECLARATION OF CONDOMINIUM  
FOR  
PONDEROSA VILLAGE CONDOMINIUMS

THIS AMENDMENT is made and entered into by GEMINI DEVELOPMENT PARTNERSHIP II, a California general partnership; hereinafter referred to as "Declarant" as the successor in interest to H & N Construction Company and as the owner of record of the fee simple title to the real property situate, lying and being in the Town of Jackson, State of Wyoming as shown on that certain Plat No. 774, recorded May 17, 1993 in Book 2 of Maps, page 0007, records of the Clerk and Recorder of Teton County, Wyoming ("the Property" or "the Condominium Property").

WHEREAS, the original Declaration of Condominium for the Ponderosa Village Condominiums recorded June 3, 1982 was cancelled and amended in its entirety by document dated April 5, 1988, recorded June 23, 1988 in Book 201 of Photo, page 306-335, records of the Clerk and Recorder, Teton County, Wyoming ("the 1988 Amendment");

WHEREAS, the 1988 Amendment provides in Article XVI that it may be amended upon the taking of certain actions, namely upon approval of "not less than 66% of the entire membership of the Board of Directors, not less than 75% of the votes of the entire membership of the Association and by not less than 51% of Eligible holders of First Mortgage on Units." Such amendment may include *inter alia* amending "rights to use of common elements, responsibility for maintenance and repair of the several portions of the condominium, expansion or construction of the condominium regime or the addition, annexation, or withdrawal of property to or from the regime, boundaries of any unit, the interests in the general or limited common elements, convertibility of units into common elements or of common elements into units."

WHEREAS, this amendment has been duly approved and/or ratified by not less than 66% of the entire membership of the Board of Directors, not less than 75% of the votes of the entire membership of the Association and by not less than 51% of the Eligible Holder of First Mortgages on Units,

NOW THEREFORE, the 1988 Amendment is amended as follows:

1. Notwithstanding anything to the contrary contained in the 1988 Amendment, it is provided that the laundry room and storage and maintenance room depicted on the plat as "limited Common Elements" and identified in the 1988 Amendment as being "General Common Elements" or "Common Elements" shall not be considered as such but instead shall be deemed a "Unit" and designated as Unit Q-2 with the present owner being Declarant. The office building likewise constructed on the property and located adjoining the laundry room shall be deemed a Unit, designated Q-1 with the present owner being Declarant. Ownership

RELEASED	<input checked="" type="checkbox"/>
INDEXED	<input checked="" type="checkbox"/>
ABSTRACTED	<input checked="" type="checkbox"/>

Grantor: GEMINI DEVELOPMENT  
Grantee: THE PUBLIC  
Doc 0391857 bk 307 pg 626-627 Filed at 12:24 on 02/27/95  
V Jolynn Cooney, Teton County Clerk Fees: 11.50  
By CLAIRE K. ARZANS Deputy

of Units Q-1 and Q-2 shall apply to Declarant, its heirs, successors, and assigns, PROVIDED, HOWEVER (a) that Units Q-1 and Q-2 shall not be assessable or liable for any "assessments" or "common expenses" as those terms are used in the 1988 Amendment; and (b) that the owner of Unit Q-2 grants the other owners of Units the right to use the laundry facilities but such owner of Unit Q-2 retains the right, exercisable in its sole and complete discretion, to discontinue the use of the Unit for laundry purposes for any purpose and at any time.

2. Article IX, Section 6 of the 1988 Amendment is amended by striking it in its entirety except for the last sentence in that section.

3. The definition of "Limited Common Elements" contained in Article III, Section 1 of the 1988 Amendment is amended by striking the term "storage locker."

4. Except of specifically provided herein, all of the other terms and conditions of the 1988 Amendment are to remain in full force and effect but with the intention being that if any conflict arises between the terms or meaning of the 1988 Amendment and this Amendment, the terms and conditions of this Amendment will be deemed to control.

IN WITNESS WHEREOF, the Declarant has executed this Amendment this 27 day of February, 1995.

GEMINI DEVELOPMENT PARTNERSHIP II,  
a California general partnership

By: [Signature]  
Richard J. Morreale  
Its: General Partner

STATE OF WYOMING )  
 ) ss.  
COUNTY OF TETON )

The foregoing instrument was acknowledged before me this 27 day of February, 1995, by Richard J. Morreale, known to me to be a General Partner for Gemini Development Partnership II.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_



[Signature]  
Notary Public

22.1

2

Signature below constitutes approval of current amendment to the Ponderosa Village Condominiums by the authorized representative of the first lien holder.

[Signature]  
Mr. Kyle MITTS Assistant Vice President  
Jackson State Bank  
THIS DOCUMENT WAS RECORDED  
WITHOUT A CORPORATE SEAL  
TETON COUNTY CLERK'S OFFICE

Dated 2/27/95  
M. Morreale - Notary Public  
State of Wyoming  
Commission Expires April 23, 1997

*State of Wyoming  
County of Teton*

*Signed before me by Kyle MITTS on 2/27/95  
M. Morreale*

AMENDMENT TO  
DECLARATION OF CONDOMINIUM  
FOR  
PONDEROSA VILLAGE CONDOMINIUMS

RELEASED	<input checked="" type="checkbox"/>
INDEXED	<input checked="" type="checkbox"/>
ABSTRACTED	<input checked="" type="checkbox"/>

THIS AMENDMENT is made and entered into by GEMINI DEVELOPMENT PARTNERSHIP II, a California general partnership; hereinafter referred to as "Declarant" as the successor in interest to H & N Construction Company and as the owner of record of the fee simple title to the real property situate, lying and being in the Town of Jackson, State of Wyoming as shown on that certain Plat No. 774, recorded May 17, 1993 in Book 2 of Maps, page 0007, records of the Clerk and Recorder of Teton County, Wyoming ("the Property" or "the Condominium Property").

WHEREAS, the original Declaration of Condominium for the Ponderosa Village Condominiums recorded June 3, 1982 was cancelled and amended in its entirety by document dated April 5, 1988, recorded June 23, 1988 in Book 201 of Photo, page 306-335, records of the Clerk and Recorder, Teton County, Wyoming ("the 1988 Amendment");

WHEREAS, the 1988 Amendment provides in Article XVI that it may be amended upon the taking of certain actions, namely upon approval of "not less than 66% of the entire membership of the Board of Directors, not less than 75% of the votes of the entire membership of the Association and by not less than 51% of Eligible holders of First Mortgage on Units." Such amendment may include ~~inter alia~~ amending "rights to use of common elements, responsibility for maintenance and repair of the several portions of the condominium, expansion or construction of the condominium regime or the addition, annexation, or withdrawal of property to or from the regime, boundaries of any unit, the interests in the general or limited common elements, convertibility of units into common elements or of common elements into units."

WHEREAS, this amendment has been duly approved and/or ratified by not less than 66% of the entire membership of the Board of Directors, not less than 75% of the votes of the entire membership of the Association and by not less than 51% of the Eligible Holder of First Mortgages on Units,

NOW THEREFORE, the 1988 Amendment is amended as follows:

1. Notwithstanding anything to the contrary contained in the 1988 Amendment, it is provided that the laundry room and storage and maintenance room depicted on the plat as "limited Common Elements" and identified in the 1988 Amendment as being "General Common Elements" or "Common Elements" shall not be considered as such but instead shall be deemed a "Unit" and designated as Unit Q-2 with the present owner being Declarant. The office building likewise constructed on the property and located adjoining the laundry room shall be deemed a Unit, designated Q-1 with the present owner being Declarant. Ownership

Grantor: GEMINI DEVELOPMENT  
Grantee: THE PUBLIC  
Doc 0291797 bk 302 pg 564-586 Filed at 2:24 on 03/01/95  
V Jolynn Coombs, Teton County Clerk fees: 13.50  
By CLAUDE A. ARZMAN Deputy

of Units Q-1 and Q-2 shall apply to Declarant, its heirs, successors, and assigns, provided, however (a) that Units Q-1 and Q-2 shall not be assessable or liable for any "assessments" or "common expenses" as those terms are used in the 1988 Amendment; and (b) that the owner of Unit Q-2 grants the other owners of Units the right to use the laundry facilities but such owner of Unit Q-2 retains the right, exercisable in its sole and complete discretion, to discontinue the use of the unit for laundry purposes for any purpose and at any time.

2. Article IX, Section 6 of the 1988 Amendment is amended by striking it in its entirety except for the last sentence in that section.

3. The definition of "Limited Common Elements" contained in Article III, Section 1 of the 1988 Amendment is amended by striking the term "storage locker."

4. Except of specifically provided herein, all of the other terms and conditions of the 1988 Amendment are to remain in full force and effect but with the intention being that if any conflict arises between the terms or meaning of the 1988 Amendment and this Amendment, the terms and conditions of this Amendment will be deemed to control.

IN WITNESS WHEREOF, the Declarant has executed this Amendment this 15 day of March, 1995.

GEMINI DEVELOPMENT PARTNERSHIP II,  
a California general partnership

By: [Signature]  
Richard W. Morreale  
Its: General Partner

STATE OF WYOMING )  
 ) ss.  
COUNTY OF TETON )

The foregoing instrument was acknowledged before me this 15 day of March, 1995, by Richard W. Morreale, known to me to be a General Partner for Gemini Development Partnership II.

Witness my hand and official seal



My commission expires: 1/1

[Signature]  
Notary Public

MAR 31 '95 11:22AM HOLLAND&HART

P.4/4

This Amendment is approved by the First Mortgage Holder on the Units this 1<sup>st</sup> day of March, 1995.

JACKSON STATE BANK

By: [Signature]  
Its: Kyle Mills  
Assistant Vice President

STATE OF WYOMING  
COUNTY OF TETON

)  
) ss.  
)

THIS DOCUMENT WAS RECORDED  
WITHOUT A CORPORATE SEAL  
TETON COUNTY CLERK'S OFFICE

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of March, 1995, by Kyle Mills known to me to be a Assistant Vice President for the Jackson State Bank.

Witness my hand and official  
My commission expires:



[Signature]  
Notary Public

SECOND AMENDMENT TO  
DECLARATION OF CONDOMINIUM  
FOR  
PONDEROSA VILLAGE CONDOMINIUMS

THIS AMENDMENT is made and entered into by GEMINI DEVELOPMENT PARTNERSHIP II, a California general partnership; hereinafter referred to as "Declarant" as the successor in interest to H & N Construction Company and as the owner of record of the fee simple title to the real property situate, lying and being in the Town of Jackson, State of Wyoming as shown on that certain Plat No. 774, recorded May 17, 1993 in Book 2 of Maps, page 0007, records of the Clerk and Recorder of Teton County, Wyoming ("the Property" or "the Condominium Property").

RELEASED  
INDEXED  
ABSTRACTED

WHEREAS, the original Declaration of Condominium for the Ponderosa Village Condominiums recorded June 3, 1982 was cancelled and amended in its entirety by document dated April 5, 1988, recorded June 23, 1988 in Book 201 of Photo, page 306-338, records of the Clerk and Recorder, Teton County, Wyoming ("the 1988 Amendment"). This Declaration was subsequently amended, in part, by document dated 2-1-95, 1995, in Book 302 of Photo, page 584-586, records of the Clerk and Recorder, Teton County, Wyoming ("the 1995 Amendment").

WHEREAS, the 1988 Amendment provides in Article XVI that it may be amended upon the taking of certain actions, namely upon approval of "not less than 66% of the entire membership of the Board of Directors, not less than 75% of the votes of the entire membership of the Association and by not less than 51% of Eligible holders of First Mortgage on Units." Such amendment may include *inter alia* amending "rights to use of common elements, responsibility for maintenance and repair of the several portions of the condominium, expansion or construction of the condominium regime or the addition, annexation, or withdrawal of property to or from the regime, boundaries of any unit, the interests in the general or limited common elements, convertibility of units into common elements or of common elements into units."

WHEREAS, this amendment has been duly approved and/or ratified by not less than 66% of the entire membership of the Board of Directors, not less than 75% of the votes of the entire membership of the Association and by not less than 51% of the Eligible Holder of First Mortgages on Units,

NOW THEREFORE, the 1988 and the 1995 Amendment is further amended as follows:

1. Article XII (Insurance Provisions) of the 1988 Amendment is amended by deleting Section 3 and 4A therefore in their entirety and substituting therefore the following:

Section 3. UNIT OWNERS' RESPONSIBILITY. Each Unit Owner may obtain insurance, at his own expense,

Grantor: GEMINI DEVELOPMENT  
Grantee: THE PUBLIC  
Doc 039457 bk 304 pg 599-603 Filed at 11:09 on 04/25/95  
V Jolynn Looney, Teton County Clerk fees: 17.00  
by JULIE HODGES Deputy



affording coverage upon his own property and for his own liability and living expenses as he deems advisable. Each Unit Owner shall be responsible for obtaining insurance, at his own expense, affording coverage for loss, destruction or damage to the contents and personal effects contained within the Unit, which coverage should include such items as furniture, drapery, floor coverings, clothing, appliances, jewelry, wall coverings and other such similar items. All such insurance shall contain the same waiver of subrogation that is referred to herein and shall waive any right to contribution.

Section 4. COVERAGE. The following coverage shall be obtained by the Association with losses payable to the Association or an insurance trustee:

A. The building(s) and all other insurable improvements upon the land, including all of the Units, General Common Elements, Limited Common Elements, and all personal property owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavations and foundations) as determined annually by the Association in consultation with the insurance company providing the coverage and an Inflation Guard Endorsement and Agreed Amount Endorsement, if available. Said coverage shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement and all other such risks as, from time to time, may be covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism, malicious mischief, windstorm, war damage and war risk insurance, if available. Such insurance as to the Units shall also cover all fixtures, interior walls and partitions, decorated and finished surfaces of perimeter walls, floors, ceilings, doors, windows and other elements or materials comprising an integral structural part of the Units. For purposes of this Paragraph, "Units" shall not be deemed to include the items for which each Unit owner is responsible for insuring under Section 3 above.

**Article IX, Section 5, Pets.**

**A unit owner may have one cat or one dog on the Condominium property, or within the confines of his unit.**

**Any animal allowed outside the owners unit must be contained at all times on a leash. This applies to both a cat or a dog.**

**It is the responsibility of the owner to physically pick up any animal droppings left by their animal, and dispose of same in a proper receptacle.**

**The Association has the right to levy a fine upon any owner who is found to have violated the rules regarding pets described above. The amount of said fine shall be \$50.00 for the first violation, and \$100.00 for any subsequent violation.**

**Any fine is due to the Association upon the remittance to the owner that a fine has been levied. Any fine unpaid when due shall become a lien against the owners unit, and the Association shall have the right, to the extent allowed under the law, to collect said lien.**

**No renter of any unit shall be allowed to keep any dog or cat in a unit or on the premises.**

**2. Except as specifically provided herein, all of the other terms and conditions of the 1988 and the 1995 Amendments are to remain in full force and effect but with the intention being that if any conflict arises between the terms or meaning of the 1988 Amendment as amended by the 1995 amendment and this Amendment, the terms and conditions of this agreement will be deemed to control.**

IN WITNESS WHEREOF, the Declarant has executed this Amendment this 25 day of March, 1995.

GEMINI DEVELOPMENT PARTNERSHIP II,  
a California general partnership

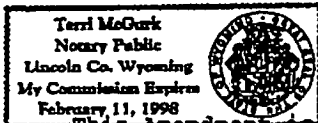
By: [Signature]  
Richard J. Morreale,  
Its: General Partner

STATE OF WYOMING )  
 ) ss.  
COUNTY OF TETON )

The foregoing instrument was acknowledged before me this 25 day of April, 1995, by Richard J. Morreale, known to me to be a General Partner for Gemini Development Partnership II.

Witness my hand and official seal.

My commission expires: 2-11-98



[Signature]  
Notary Public

~~This Amendment is~~ approved by the First Mortgage Holder on the Units this 25 day of Apr., 1995.

JACKSON STATE BANK

By: [Signature]  
Kyle Mills  
Its: Assistant Vice President

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STATE OF WYOMING )  
 ) ss.  
COUNTY OF TETON )

The foregoing instrument was acknowledged before me this  
25<sup>th</sup> day of April, 1995, by Kyle Mills known to me  
to be a Assistant Vice President for the Jackson State Bank.

Witness my hand and official seal.

My commission expires: June 7, 1997

Janet A. Steward  
Notary Public

