

ENABLING DECLARATION
OF
SLEEPING INDIAN CONDOMINIUM PROJECT

THIS DECLARATION is made and executed this 19th day of January, 1977, by JACKSON HOLE SKI CORPORATION, a Wyoming corporation (hereinafter referred to as "Declarant"), pursuant to the provisions of the Wyoming Condominium Ownership Act (Sections 34-389.7 through 34-389.10, Wyoming Statutes, 1957, as amended; Supp. 1971).

RECITALS:

- A. Declarant is vested with legal title to that certain Parcel of real property more particularly described in Article II hereof.
- B. A Condominium Project, including certain Units and other improvements, has been constructed or is in the process of being constructed upon said Parcel. All of such construction has been, or is to be, performed in accordance with the information contained in the Survey Maps.
- C. Declarant desires, by filing this Declaration and the Survey Maps, to submit said Parcel and all improvements now or hereafter constructed thereon to the provisions of the Act as a Condominium Project to be known as the "Sleeping Indian Condominium Project".
- D. Declarant intends to convey to various persons the fee title to the individual Units contained in the Project, together with the undivided ownership interests in the Common Areas and Facilities appurtenant to such Units, subject to the covenants, restrictions, and limitations herein set forth.

NOW, THEREFORE, for the foregoing purposes, Declarant hereby makes the following Declaration:

I. DEFINITIONS

When used in this Declaration (including in that portion hereof headed "Recitals") the following terms shall have the meaning indicated. Any term used herein which is defined by the Act shall, to the extent permitted by the context hereof, have the meaning ascribed by the Act.

1. ACT shall mean and refer to the Wyoming Condominium Ownership Act Sections 34-389.7 through 34-389.10, Wyoming Statutes, 1957 as amended.
2. DECLARATION shall mean and refer to this Enabling Declaration.
3. SURVEY MAPS shall mean and refer to the Survey Maps filed herewith, executed the 18th day of February, 1977, consisting of 4

sheets, and prepared and certified to by Paul N. Scherbel, a duly registered Wyoming Land Surveyor, License No. 164 for the West Building. The East Building Survey Map will be prepared and filed subsequently.

4. MANAGEMENT COMMITTEE and COMMITTEE shall mean and refer to the Management Committee of the Sleeping Indian Condominium Project.

5. COMMON ELEMENTS AND FACILITIES shall mean, refer to, and include:

a. The real property and interests in real property which this Declaration submits to the terms of the Act.

b. All Common Elements and Facilities designated as such in the Survey Maps.

c. All Limited Common Elements and Facilities.

d. All foundations, roofs, and lobbies constituting a portion of or included in the improvements which comprise a part of the Project, and any halls, corridors, stairs, stairways, entrances, and exits which are designed for the use of more than one Unit.

e. All installations for and all equipment connected with the furnishing of Project utility services such as electricity, gas, water and sewer, but only to the extent such facilities are located within the buildings contained within the Project.

f. All tanks, pumps, motors, fans, compressors, ducts, and in general all apparatus, installations and facilities included within the Project and existing for common use.

g. All parking and storage areas not located within any of the buildings which contain Units.

h. All portions of the Project not specifically included within the individual Units.

i. All other parts of the Project normally in common use or necessary or convenient to its use, existence, maintenance, safety or management.

6. LIMITED COMMON ELEMENTS AND FACILITIES shall mean and refer to those Common Elements and Facilities designated herein or in the Survey Maps as reserved for the use of one or more but fewer than all of the Owners of the Units, including:

a. The ski storage lockers as shown by the Survey Maps.

b. The storage lockers situated in the basement of the West building.

7. UNIT shall mean and refer to one of the 27 residential individual air space units which is designated as a Unit on the Survey Maps. Each Unit consists of enclosed rooms occupying part of a floor in one of the two buildings in the Project.

Unless a wall on the perimeter of a Unit separates and is common to two or more Units, such perimeter wall shall constitute a part of the Unit to which it relates. A wall on the perimeter of a Unit which separates such Unit from, and is common to, another Unit shall, from and including the surface of such wall to its center, constitute a part of the Unit to which it relates. A Unit shall include the space and any walls, partitions, and floors which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit.

8. UNIT DESIGNATION shall include the letter "W" for West Building and the letter "E" for the East Building, together with a number for each Unit in the two buildings. For instance, "W-6" would indicate Unit #6 in the West Building. This is accordance with the Survey Maps.

9. UNIT OWNER or OWNER shall mean and refer to the owner of the fee in a Unit and the undivided interest as shown in Schedule A in the Common Elements and Facilities which is appurtenant thereto. In the event a Unit is the subject of an executory contract of sale, the contract purchaser shall, unless the seller and the purchaser have otherwise agreed and have both informed the Committee in writing of such agreement, be considered the Unit Owner for purposes of voting and Committee membership.

10. COMMON EXPENSES shall mean and refer to all sums which are expended on behalf of all the Unit Owners and all sums which are required by the Management Committee to perform or exercise its functions, duties, or rights under the Act, this Declaration, such rules and regulations as the Management Committee may from time to time make and adopt, and any agreement which the Management Committee may enter into for the management of the Project.

11. PARCEL shall mean and refer to the real property which Article II of this Declaration submits to the terms of the Act.

12. CONDOMINIUM PROJECT or PROJECT shall mean and refer to the Sleeping Indian Condominium Project.

13. MANAGER shall mean the person or firm designated by the Management Committee, as provided in Section 9 of this Declaration, to manage the affairs of the Project.

14. PERSON means any individual, corporation, partnership, association, trustee, or other legal entity.

15. PROPERTY means and includes the land hereinafter described, the building or buildings, all improvements and structures thereon, all easements, rights, and appurtenances thereto, and all articles of personal property intended for use in connection therewith.

II. SUBMISSION

Declarant hereby submits to the provisions of the Act, as the Parcel associated with Sleeping Indian Condominium Project, the following-described real property situated in Teton County, State of Wyoming:

Lot 169 of the Jackson Hole Ski Corporation Addition, Ninth Filing, Second Amendment, Teton County, State of Wyoming, according to that plat recorded March 9, 1976, as Plat No. 270.

RESERVED FROM THE FOREGOING SUBMISSION are all presently existing or to be constructed sewer lines and water mains located beyond or outside the buildings contained within the Project, including the south 15 feet of said Lot 169 for the purpose of a surface access lift owned by the Jackson Hole Ski Corporation for a ski-way facility.

THE FOREGOING SUBMISSION IS SUBJECT TO: All Patent reservations and exclusions; all instruments of record which affect the above-described Parcel or any portion thereof; all visible easements and rights-of-way; all easements and rights-of-way of record; all easements and rights-of-way shown on the Survey Maps; an easement for each and every pipe, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above described Parcel at such time as construction of all Project improvements is complete; and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipes, lines, cables, wires, utility lines, and similar facilities.

Declarant hereby publishes and declares that said property is made subject to the covenants, conditions, restrictions, uses, limitations and obligations set forth in this Declaration.

III. COVENANTS, CONDITIONS, AND RESTRICTIONS

The foregoing submission is made upon and under the following covenants, conditions and restrictions:

1. Description of Improvements. The improvements included in the Project are now or will be located upon the Parcel described above, and all of such improvements are described in the Survey Maps. The Survey Maps show the basement, the number of stories, and the number of Units which are to be contained in the buildings which comprise a part of such improvements. The buildings shall be principally constructed of the following materials:

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| Foundation: | A. All concrete shall be stone or concrete Gravel to test at 3,000 psi at 28 days.
B. Concrete reinforcement shall be ASTM A615 grade 40 deformed. |
| Walls: | Exterior walls are 2" x 6" Douglas Fir studs.
Interior walls are 2" x 4" Douglas Fir studs.
All interior and exterior walls provide a one hour fire rating. |
| Structural Steel: | (ASTM A-36) conform to minimum requirements of A.I.S.C. (The Design, Fabrication and Erection of Structural Steel for Buildings). |
| Floors: | Douglas Fir joists and Homosite sound deadening and fire retardant material to provide one hour fire rating. |

Lumber and Hardware: Structural members grade and tempered according to industry standards. Plywood stamped according to industry standards. Rough hardware: necessary nails, spikes, and screws.

2. Description and Legal Status of Units: The Survey Maps show the Unit Number of each Unit, its location, dimensions from which its area may be determined, and the Common Areas and Facilities to which it has immediate access. Included in each Unit are Rooms and Areas on the Survey Maps. Each unit together with its undivided interest in the Common Elements and Facilities shall be capable of being separately owned, encumbered and conveyed.

3. Common and Limited Common Elements and Facilities. The Common and Limited Common Elements and Facilities contained in the Project are described and identified in Article I of this Declaration. The exclusive use of the balconys is reserved to the respective Units with which they are contiguous. The exclusive use of each storage area is reserved to the Unit having the Unit Number appearing on the storage area. The exclusive use of each ski locker is reserved to the Unit having the Unit Number appearing on the ski locker. Neither the undivided ownership interest as shown in Schedule A in the Common Elements and Facilities nor the right of exclusive use of a Limited Common Element and Facility shall be separated from the Unit or Units to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such undivided ownership as shown in Schedule A interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

4. Permissable Use of Units and Common Elements. All Units are intended to be used for single family residential housing and are restricted to such use. No Unit shall be used, occupied, or altered in violation of law, so as to detract from the appearance or value of any other Unit, so as to create a nuisance or interfere with the rights of any Unit Owner, or in a way which would result in an increase in the cost of any insurance covering the Project as a whole. The Common Elements and Facilities shall be used only in a manner consistent with their community nature. There shall be no obstruction of the Common Elements and Facilities and nothing shall be stored in the Common Elements and Facilities without the prior written consent of the Committee, except as otherwise provided in this Declaration or in such rules and regulations as the Committee may adopt. No Owner shall make or permit any structural alteration, improvement, or addition in or to his Unit without the prior written consent of the Committee. No Owner shall do any act which may impair the structural

soundness of any of the buildings in the Project or which would impair or interfere with any easement or hereditament affecting the Project. No Unit shall be used or occupied in violation of such rules and regulations as the Committee may adopt or in violation of any restrictive covenants affecting the Parcel or Project. No animals other than small household pets shall be kept or allowed in any Unit or in any part of the Common Elements and Facilities.

5. Condition and Maintenance of Units. Each Unit shall be maintained so as not to detract from the appearance of the Project and so as not to affect adversely the value or use of any other Unit.

6. Status and General Authority of Committee. The Condominium Project shall be managed, operated, and maintained by the Management Committee as agent for the Unit Owners. The Committee shall, in connection with its exercise of any of the powers delineated in subparagraph a) through k) below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers:

a. The authority, without the vote or consent of the Unit Owners or of any other person(s), to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across, and through the Common Elements and Facilities.

b. The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration or Survey Maps which have been approved by the vote or consent necessary to authorize such amendment.

c. The power to sue and be sued.

d. The authority to enter into contracts which in any way concern the Project, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.

e. The power and authority to convey or transfer any interest in real property, so long as any vote or consent necessary under the circumstances has been obtained.

f. The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property or personal property, so long as such action has been authorized by any vote or consent which is necessary under the circumstances.

g. The power and authority to add any interest in real property obtained pursuant to subparagraph f) above to the Condominium Project, so long as such action has been authorized by the necessary vote or consent.

h. The power and authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.

i. The power and authority to establish, maintain, and authorize and make payments from a common expense fund for the Project to be used for any purpose permitted by this Declaration and by law.

j. The power and authority to enter into contracts for the benefit of the Project and to engage a Manager, attorneys, and accountants to assist and represent the Committee.

k. The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions as agent for the Unit Owners.

7. Manager. The Committee may carry out through a Project Manager any of its functions which are properly the subject of delegation. Any Manager so engaged shall be an independent contractor and not an agent or employee of the Committee, shall be responsible for managing the Project for the benefit of the Committee and the Unit Owners, and shall, to the extent permitted by law and the terms of the agreement with the Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself.

8. Composition of Management Committee. The Committee shall be composed of five members. At the first regular Owners meeting three Committee members shall be elected for two-year terms and two members for one-year terms. At each annual Owners meeting thereafter any vacant seat on the Committee shall be filled with a member elected for a two-year term. Only persons who are, at the time of their appointment, Unit Owners and officers and agents of Owners other than individuals shall be eligible for Committee membership. At the annual meeting each Unit Owner may vote his undivided ownership interest as shown in Schedule A in favor of as many candidates for Committee membership as there are seats on the Committee to be filled. Until the first annual meeting of the Owners the members of the Committee, although numbering less than five, shall be the following persons and each shall hold office indicated opposite his name:

Paul McCollister	-	President
Bruce L. Nurse	-	Vice President
Susanne Sheahan	-	Secretary/Treasurer

In the event a Committee seat becomes vacant, whether by reason of resignation or other cause, the remaining Committee members shall elect a replacement to sit on

the Committee until the expiration of the term for which the member being replaced was elected. Unless he forfeits his seat as herein provided, a member shall serve on the Committee until his successor is elected and qualifies. Committee members shall be reimbursed for all expenses reasonably incurred in connection with Committee business. The Committee may fix such compensation for any member as may be reasonable in light of the Committee duties which that member is required to perform.

9. Committee Officers and Agents. The Committee shall perform its functions through those members who are elected as officers by the Committee and through such agents or employees as the Committee may appoint. Any Committee officer, agent, or employee may at any time be removed with or without cause by the vote of a majority of the Committee members. The officers of the Committee, and their respective powers and functions, shall be as follows:

a. President. The President shall be the chief executive of the Committee and shall exercise general supervision over the property and affairs of the Project. He shall preside over all meetings of the Committee and of the Unit Owners. He shall execute all instruments on behalf of the Committee.

b. Vice President(s). The Committee may elect one or more of its members to the office of Vice President. In the event only one member holds such office, the Vice President shall have all the powers of the President in the event of the latter's absence or inability to act. In the event more than one member holds the office of Vice President and the President is absent or unable to act, the Committee shall specify which Vice President is to exercise the powers of the President.

c. Secretary. The Secretary shall keep minutes of meetings of the Committee and of the Unit Owners and shall keep all records which are required or made necessary by the Act, this Declaration, or the Committee.

d. Treasurer. The Treasurer shall have custody and control of the funds available to the Committee. He shall furnish the Committee with a bond, in the amount specified by the Committee, conditioned upon the faithful performance of his duties. The offices of Secretary and Treasurer or Vice President and Treasurer may be held by the same Committee member.

10. Committee Meetings. A regular meeting of the Committee shall be held immediately after the adjournment of each annual Owners meeting. Other regular meetings shall be held at regular intervals at such time and place as the Committee may provide. No notice need be given of regular Committee meetings. Special Committee meetings

shall be held whenever called by the President or by any two members of the Committee. Either oral or written notice of special meetings shall, unless a waiver of such notice is signed by all members, be given to each Committee member at least 24 hours before the time fixed for the meeting. Any meeting attended by all Committee members shall be valid for all purposes. A quorum for the transaction of business at any Committee meeting shall consist of a majority of all the members then in office.

11. Owners Meetings. The regular meeting of the Unit Owners shall be held during the fourth week of December or the first week of January of each year. The place of the meeting shall be at a location in or near the Project specified in the notice of meeting. At least 10 days before the date of the regular meeting a written notice thereof shall be personally delivered or mailed postage prepaid to each Unit Owner at his last known address. Such notice shall state the time, place, and general purpose of the meeting.

Special meetings of the Owners may be called by any three members of the Committee, or by Unit Owners cumulatively holding at least one-third of the undivided ownership interest as shown in Schedule A, in the Project. At least 10 days before the date set for a special meeting written notice such as that described in the immediately preceding paragraph shall be personally delivered or mailed postage prepaid to each Unit Owner at his last known address.

No notice of any Owners meeting shall be required if a waiver of such notice is signed by all of the Owners. Whenever all the Owners meet in person or by proxy, such meeting shall be valid for all purposes. A quorum for the transaction of business at an Owners Meeting shall consist of a majority of all the undivided ownership interest in the Project. In the event a quorum is not present at an Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled for a later date. Notice of such rescheduled meeting shall be given to all Owners and at such rescheduled meeting the presence of Owners of thirty per cent of all the undivided ownership interests as shown in Schedule A in the Project shall constitute a quorum. Except as otherwise expressly provided in this Declaration, any action may be taken at a meeting of the Owners at which a quorum is present upon the affirmative vote of Owners of a majority of the undivided ownership interests as shown in Schedule A in the Project represented at the meeting.

12. Capital Improvements. Additions or capital improvements to the Project which cost no more than \$3,000.00 may be authorized by the Management Committee alone. Additions or capital improvements the cost of which will exceed such amount must, prior to being constructed, be authorized by at least a majority of the undivided

ownership interest as shown in Schedule A in the Project. Any addition or capital improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed, be authorized by at least 75% of the Project's undivided ownership interest, as shown in Schedule A.

13. Operation and Maintenance. The Management Committee shall as a portion of the Common Expenses, pay for all utility services furnished to each Unit except telephone and any other services which are separately billed to individual Units by the utility or other party furnishing such service. The Committee shall provide for such maintenance and operation of the Common and Limited Common Elements and Facilities as may be reasonably necessary to keep them clean, functional, attractive, and generally in good condition and repair. The Committee shall have no obligation regarding maintenance or care of Units. The Manager or Committee shall have access to and the right to enter any Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common Elements and Facilities, or for making emergency repairs necessary to prevent damage to the Common Elements and Facilities or to any other Unit or Units.

Each Owner shall, at his own expense, keep his Unit in good order, condition, and repair. Each Owner shall also keep the Limited Common Elements and Facilities appurtenant to his Unit in a clean and sanitary condition.

14. Payment of Expenses. Before September 1 of each year the Committee shall prepare a budget which sets forth an itemization of the Common Expenses which are anticipated for the 12-month period commencing with the following October 1. Such budget shall take into account any deficit or surplus realized during the current fiscal year and shall make reasonable provision for contingencies and replacements. The total of such expenses shall be apportioned among all the Units on the basis of their undivided ownership interest. Prior to the first day of each month during the fiscal year covered by the budget each Unit Owner shall pay to the Committee as his share of the Common Expenses one-twelfth of the amount so apportioned to his Unit. If such monthly payments are too large or too small as a result of unanticipated income or expenses, the Committee may effect an equitable change in the amount of said payments. The dates and manner of payment shall be determined by the Committee. The foregoing method of assessing the Common Expenses to the Unit Owners may be altered by the Committee so long as the method it adopts is consistent with good accounting practice and requires that the portion of Common Expenses borne by each Owner during a 12-month period be determined on the basis of his undivided ownership interest. No Owner may exempt himself from liability for his contribution toward the common expenses by a waiver of the use or enjoyment of any of the Common Elements and Facilities or by abandonment of his Unit.

15. Remedies for Nonpayment. Should any Owner fail to make any payment when due of his share of the Common Expenses, the Committee may enforce any remedy provided in the Declaration or by the laws of the State of Wyoming. An Owner's share of the Common Expenses shall be a separate and distinct personal debt and expense of the Owner and shall be collectible as such. Regardless of the terms of any agreement to which the Committee is not a party, liability for the payment of Common Expense assessments shall be joint and several, and any remedy for the collection of such assessments may be enforced against any person holding an ownership interest in the Unit concerned, against the interest which is held by him, against either or both the seller or purchaser under an executory contract of sale covering the Unit concerned, against the interests in the Unit which are held by any such seller or purchaser, and against any combination or all of such persons and interests. Any relief obtained, whether or not through foreclosure proceedings, shall include interest at the rate of 9% per annum from the date payment was due and the Committee's costs and expenses and a reasonable attorney's fee.

Suits recovering money judgment for unpaid common expenses shall be maintained without foreclosing or waiving the lien securing the same. An Owner's share of Common Expenses together with interest, costs, expenses, and attorney's fees as provided above shall, upon nonpayment and recordation of notice, become a lien upon such Owner's interest in the Project. Such lien shall have priority over all other liens and encumbrances, recorded or unrecorded, except only: (1) tax and special assessment liens in favor of governmental bodies as provided by the laws of the State of Wyoming; (2) encumbrances affecting the Owner's interest in the Project which were recorded prior to the date such notice is recorded and which by law would be a lien having priority over subsequently recorded encumbrances; (3) the lien of a first mortgage as provided in Paragraph 16.

The Manager or Management Committee shall, upon written request of any Unit Owner or any encumbrances or prospective encumbrances of a Unit, and upon payment of a reasonable fee not to exceed \$10 issue to the person making the request a written statement setting forth the unpaid Common Expenses with respect to the Unit covered by the request. Said statement shall be conclusive upon the Manager, the Management Committee, and the remaining Unit Owners in favor of all persons who rely on the statement in good faith. Unless the request for a statement of indebtedness shall be complied with within ten (10) days, all unpaid Common Expenses which became due prior to the date of the making of such request shall be subordinate to the lien held by the person making the request. Any encumbrancer holding a lien on a Unit may pay any unpaid Common Expenses payable with respect to such Unit and upon such payment said encumbrancer shall have a lien on such Unit for the amounts so paid, which lien shall be of the same rank and priority as the lien of his encumbrance.

Upon payment or other satisfaction of an Owner's share of Common Expenses, together with interest, costs, expenses and attorney's fees concerning which a notice has been recorded, as provided above, the Manager or Management Committee shall cause to be recorded in the same manner as the notice, a further notice stating the satisfaction and release of the lien created by the earlier notice.

Any lien for non-payment of Common Expenses may be enforced by sale or foreclosure of the delinquent Owner's interest in the Project by the Manager or Management Committee. Such sale or foreclosure shall be conducted in accordance with the provisions of law applicable to the exercise of powers of sale in foreclosure of mortgages or in any other manner permitted by law. In any foreclosure or sale, the Owner shall be required to pay the costs and expenses of such proceedings and reasonable attorney's fees.

In case of foreclosure, the Owner shall be required to pay a reasonable rental for the Unit and the plaintiff in the foreclosure action shall, without regard to the value of the Unit or the extent of the Owner's equity therein, be entitled to the appointment of a receiver to collect any income or rentals which may be produced by the Unit concerned. The Manager or the Management Committee shall have the power to bid on the Unit at the foreclosure or other sale and to hold, lease, mortgage and convey the Unit.

16. Mortgage Protection. Notwithstanding the other provisions hereof:

a. The liens created as provided above for common expenses upon any Unit shall be subject and subordinate to and shall not affect the rights of the holder of any indebtedness secured by any recorded first mortgage (meaning a mortgage with first priority over other mortgages) made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to Paragraph 15 hereof on the interest of the Purchaser at such foreclosure sale to secure all assessments hereunder to such purchaser as an Owner after the date of such foreclosure sale which said lien shall have the same effect and be enforced in the same manner as provided herein.

b. No amendment to this paragraph shall affect the rights of the holder of any first mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

17. Insurance. The Management Committee shall secure and at all times maintain the following insurance coverages:

a. A policy or policies of fire and casualty insurance, with extended coverage endorsement, for the full insurable replacement value of the entire Project. Such policy or policies shall be made payable to the Committee and all persons holding an interest in the Project or any of the Units, as their interests may appear.

b. A policy or policies insuring the Committee, the Manager, and the Unit Owners against any liability incident to the ownership, use, or operation of the Project or of any Unit which may arise among themselves, to the public, and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be not less than \$300,000.00 for any one person injured or any one accident, and shall not be less than \$100,000.00 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

The following additional provisions shall apply with respect to insurance:

a. In addition to the insurance described above, the Committee shall secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with condominium projects similar to the Project in construction, nature, and use.

b. All policies shall be written by a company licensed to do business in the State of Wyoming and holding a rating of "AA" or better from Best's Insurance Reports.

c. The Committee shall have the authority to adjust losses.

d. Insurance secured and maintained by the Committee shall not be brought into contribution with insurance held by the individual Unit Owners or their mortgagees.

e. Each policy of insurance obtained by the Committee shall, if possible, provide: A waiver of the insurer's subrogation rights with respect to the Committee, the Manager, the Unit Owners, and their respective servants, agents, and guests; that it cannot be cancelled, suspended, or invalidated due to the conduct of any particular Unit Owner or Owners; that it cannot be cancelled, suspended, or invalidated due to the conduct of the Manager, or of any member, officer, or employee of the Committee without prior written demand that the defect be cured; that any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit Owners.

f. Any Unit Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee. Any Unit Owner who individually obtains insurance covering any portion of the Project shall supply the Committee with a copy of his policy within 30 days after he acquires such insurance.

g. The Committee shall review at least annually the limits and coverage of the insurance policies in force and shall determine whether additional or other insurance should be obtained.

18. Damage to Project. In the event of damage to or destruction of part or all of the improvements in the Project, the procedures set forth in this Paragraph 18 shall apply. As used in this Paragraph 18, the term "Reconstruction" means repairing and restoring the improvements to substantially the same condition in which they existed immediately prior to the occurrence of the damage or destruction, with each Unit and the Common Elements and Facilities having the same vertical and horizontal boundaries as before.

a. If proceeds of the insurance maintained by the Management Committee are alone sufficient to reconstruct the damaged or destroyed improvement, such reconstruction shall be carried out.

b. If less than 75% of the Project improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Committee are not alone sufficient to accomplish reconstruction, reconstruction shall be carried out and all the Unit Owners shall be assessed for any deficiency on the basis of their undivided interest as per Schedule A in the Common Elements and Facilities.

c. If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Management Committee are not alone sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of at least 75% elect to reconstruct the affected improvements, reconstruction shall be accomplished in the manner directed under subparagraph b) above.

d. If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Committee are insufficient to accomplish reconstruction, and if the Unit Owners do not, within 100 days after the destruction or damage and by a vote of at least 75%, elect to reconstruct the affected improvements, the Management Committee shall promptly record with the County Clerk of Teton

County, Wyoming, a notice setting forth such facts. Upon the recording of such notice:

(i) The property shall be deemed to be owned in common by the Owners;

(ii) The undivided interest in the property owned in common which shall appertain to each Owner shall be the percentage of the undivided interest as shown by Schedule A previously owned by such Owner in the Common Elements and Facilities.

(iii) Any liens affecting any of the Units shall be deemed to be transferred in accordance with existing priorities to the undivided interest of the Owner in the property;

(iv) The property shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the Owners in a share equal to the undivided interest as shown in Schedule A owned by each Owner in the Common Elements and Facilities, after first paying out of their respective shares of the Owners, to the extent sufficient for the purposes, all liens on the undivided interest in the property owned by each owner.

Anything herein to the contrary notwithstanding, the Owners may, by an affirmative vote of at least 75% at a meeting of Owners duly called for such purpose, elect to sell or otherwise dispose of the property. Such action shall be binding upon all Owners and it shall thereupon become the duty of every Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect the sale.

Any reconstruction or repair which is required to be carried out by this Paragraph 18 shall be accomplished at the instance and direction of the Management Committee. Any determination which is required to be made by this Paragraph 18 regarding the extent of damage to or destruction of Project improvements shall be made as follows: The Management Committee shall select three duly qualified appraisers; each appraiser shall independently arrive at a figure representing the share of Project improvements which have been destroyed or substantially damaged; the share which governs the application of the provisions of this Paragraph 18 shall be the average of the two closest appraisal figures.

19. Compliance with By-Laws, etc. Each Owner shall comply strictly with the covenants and restrictions set forth in the Declaration or otherwise affecting the Project, and with such by-laws, rules, and regulations as may be adopted by the Committee. The Committee, the Manager, or an aggrieved Unit Owner shall be entitled to maintain an action of any type permitted by the laws of the State of Wyoming

against any Owner who fails to comply with such covenants, restrictions, by-laws, rules, and regulations.

20. Books and Records. The Manager or Management Committee shall keep detailed and accurate records, in chronological order of the receipts and expenditures affecting the Common Elements and Facilities specifying and itemizing the maintenance and repair expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by any Owner at convenient hours of weekdays.

21. Consent Equivalent to Vote. In those cases in which the Act or this Declaration requires the vote of a stated share of the Project's undivided ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of undivided ownership interest.

22. Amendment. Except as otherwise required by the Declaration or by the laws of the State of Wyoming, the vote of at least 75% of the undivided ownership interest in the Common Elements and Facilities shall be required to amend this Declaration or the Survey Maps. Any amendment so authorized shall be accomplished through and shall become effective upon the recordation in the Office of the County Clerk, Teton County, Wyoming, of an appropriate instrument executed by the Management Committee. In such instrument the Committee shall certify that the vote required by this Paragraph for amendment has occurred.

23. Expansion of Project.

a. Reservation. Declarant reserves the right to expand this Declaration to include and be applicable to additional buildings and condominium units constructed upon the real property described in Schedule "A" attached hereto. The total number of units to be constructed upon said real property shall not exceed twenty-seven(27).

b. Supplemental Declaration. Such expansion to be accomplished with the consent of at least seventy-five (75%) per cent of the voting power excluding the voting power of the Declarant; or, if within ten (10) years from the date of recording this Declaration, the Declarant should develop additional units within the area described in Schedule "A" attached hereto, such additional improvements thereon with common elements may be included hereunder without the consent as hereinbefore provided; provided, however, that the development of the additional units described in this section shall be in accordance with the general plan of the Declarant existent upon the recordation hereof.

c. Definitions. In the event of such expansion, the definitions used in this Declaration automatically shall be expanded to encompass and refer to the condominium as so expanded. Thus, for example, reference to this Declaration shall mean this Declaration as so supplemented. All conveyances of condominium units after such expansion shall be effective to transfer rights in the condominium as expanded, and the instrument of conveyance shall make reference to the supplemental declaration and the supplemental condominium map.

d. Undivided Interests. In the event of such expansion, the undivided interest of all owners in and to the general common elements appurtenant to each unit shall be recomputed in accordance with the formula provided in Schedule "A" of this Declaration, and shall be attached as an exhibit to the supplemental declaration and shall be effective as against all owners upon recordation of said supplement.

24. Effect of Invalidity. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder thereof.

25. Interpretation of Survey Maps, Etc. In interpreting the Survey Maps or any deed or other instrument affecting any building in the Project or any Unit, the boundaries of the buildings in the Project and of the Units constructed or reconstructed in substantial accordance with the Survey Maps shall be conclusively presumed to be the actual boundaries rather than the description expressed in the Survey Maps, regardless of the settling or lateral movement of any building and regardless of minor variance between boundaries shown on the Survey Maps and those of the buildings in the Project and of the Units.

26. Interpretation. To the extent the provisions of the Act are consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. This Declaration shall be liberally constructed to effect its purpose. The captions which precede the Paragraphs of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed.

27. Covenants to Run With Land; Compliance. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors and assigns. Each Owner or occupant of a Unit shall comply with, and all

interests in all Units shall be subject to, the terms of the Act, the terms of this Declaration, and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

28. No Partition. The Common Elements and Facilities shall remain undivided, and there shall be no judicial partition of the Common Elements and Facilities, nor shall any Owner or any other person bring an action for partition or division of any part of the Common Elements and Facilities, unless the Project is removed from the provisions of the Act.

29. Effective Date. This Declaration shall take effect upon recordation with the Office of the County Clerk of Teton County, Wyoming.

EXECUTED the day and year first above written.

JACKSON HOLE SKI CORPORATION

By Bruce L. Nurse
Bruce L. Nurse, President

 EST:
Paul McCollister
Paul McCollister, Secretary

STATE OF WYOMING)
COUNTY OF TETON) ss:

The foregoing instrument was acknowledged by Bruce L. Nurse, President, and Paul McCollister, Secretary, of the Jackson Hole Ski Corporation before me this 3rd day of May, 1977.

Witness my hand and official seal.



Gayle Wheeler
Gayle Wheeler Notary Public

My commission expires May 6, 1978

SCHEDULE "A"

SLEEPING INDIAN CONDOMINIUM PROJECT

The Condominium will have two (2) buildings with fifteen (15) units in the West Building and twelve (12) units in the East Building. Each unit will own the percentage of the Common Elements and Limited Common Elements as hereinbelow set forth:

PERCENT OWNERSHIP IN COMMON
ELEMENTS AND LIMITED COMMON
ELEMENTS (ALSO DETERMINATIVE
OF VOTING RIGHTS AND PRO
RATE SHARE OF OWNERS' EXPENSES)

Sleeping Indian West

W 1	4.4776
W 2	2.4876
W 3	2.4876
W 4	4.4776
W 5	3.4826
W 6	4.4776
W 7	2.4876
W 8	2.4876
W 9	4.4776
W 10	3.4826
W 11	4.4776
W 12	2.4876
W 13	2.4876
W 14	4.4776
W 15	3.4826

Sleeping Indian East

E 1	4.4776
E 2	4.4776
E 3	2.4876
E 4	4.4776
E 5	4.4776
E 6	4.4776
E 7	2.4876
E 8	4.4776
E 9	4.4776
E 10	4.4776
E 11	2.4876
E 12	4.4776