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the
Terrace
on Beaver Park
Declaration for Condominiums

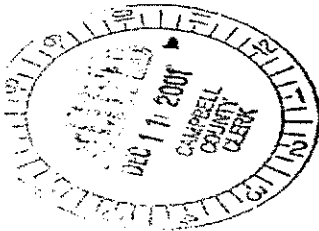


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DECLARATION
FOR
TERRACE ON BEAVER PARK CONDOMINIUMS

This Declaration For Terrace on Beaver Park Condominiums (this "Declaration"), is made this 5th day of December, 2001, by Terrace on Beaver Park LLC, a Wyoming Limited Liability Corporation ("Declarant").

ARTICLE I. STATEMENTS OF PURPOSE AND DECLARATION

Section 1.01 Owner. Declarant is the owner of the property located in the City of Gillette, County of Campbell, State of Wyoming, described on the attached Exhibit A (the "Property"). Declarant hereby makes the following declarations.

Section 1.02 Purpose. The purpose of this Declaration is to create a planned community of condominiums (the "Project") which will be known as "Terrace on Beaver Park Condominiums", all in accordance with the Wyoming Condominium Ownership Act, W.S. §34-20-101 et seq., as amended and supplemented from time to time.

Section 1.03 Intention of Declarant. Declarant intends to protect the value and desirability of the Project, further a plan for the improvement, sales and condominium ownership of the Project, create a harmonious and attractive development, and promote and safeguard the health, comfort, safety, convenience and welfare of the owners of Units in the Project.

Section 1.04 Development and Use. Upon completion, the Project will consist of a maximum of up to 11 Condominium Units. No more than 11 Condominium Units may be established on the Property or the Expansion Property by subdivision of existing units, conversion of non-condominium space or by time-shares or any other method.

Section 1.05 Imposition of Covenants. To accomplish the purposes indicated above, Declarant hereby declares that from the date of recording this Declaration forward, the Property shall constitute a planned community under the Wyoming Condominium Ownership Act, W.S. §34-20-101 et seq., as amended and supplemented from time to time, and shall be held, sold and conveyed subject to the following covenants, conditions, restrictions and easements (collectively, these "Covenants"). These Covenants shall run with the land and be binding upon all persons having any right, title or interest in all or any part of the Property (including Declarant) and their heirs, successors and assigns, and their tenants, employees, guests and invitees. These Covenants will inure to the benefit of each Owner of the Property. All Owners (including Declarant) are subject to all the rights and duties assigned to Owners under these covenants. During the period that Declarant is the Owner of a Unit, Declarant also enjoys the same rights and assumes the same obligations as they relate to each Unit owned by Declarant.

Section 1.06 Right to Expand. Declarant also owns additional real estate in Campbell County, Wyoming, described in the attached Exhibit C (the "Expansion Property"), and Declarant has reserved the right, but will not be obligated, to incorporate the Expansion Property in whole or in part in the regime established under this Declaration, all as provided in Article XXV below, so that the Expansion Property, if and when developed, will be treated as an integral part of the Project.

ARTICLE II. DEFINITIONS

- (a) The following terms, as used in this Declaration, are defined as follows:
- (b) "Act" means the Wyoming Condominium Ownership Act, W.S. §34-20-101 et seq., as amended and supplemented from time to time, or any successor legislation to these statutes.
- (c) "Annexation" means the process by which portions of the Expansion Property are made subject to this Declaration pursuant to Article XXV below.
- (d) "Annual Assessment" means the Assessment levied annually pursuant to Section 8.03.
- (e) "Articles" or "Articles of Incorporation" means the articles of incorporation for the Association, which have been filed with the Wyoming Secretary of State to create Terrace on Beaver Park Homeowners Association, as such articles, may be amended or restated from time to time.
- (f) "Assessments" means the Annual, Special and Default Assessments levied pursuant to Article VIII below.
- (g) "Association" means Terrace on Beaver Park Homeowners Association, a Wyoming nonprofit membership corporation, and any successor of that entity by whatever name, charged with the duties and obligations of administering the Project.
- (h) "Board of Directors" or "Board" means the Board of Directors of the Association, which is the executive board, as defined in the Act, designated in this Declaration to act on behalf of the Association.
- (i) "Building" means the building (including all fixtures and improvements contained within it) located on the Property in which the Individual Air Space Units are located.
- (j) "Bylaws" means the Bylaws of the Association, which establish the methods and procedures of its operation, as such bylaws may be amended or restated from time to time.
- (k) "Common Elements" means all of the Project, except the Individual Air Space Units, but including, without limiting the generality of the foregoing, the following components:
 - (i) The Property, excluding improvements on the Property unless specifically described in this Section 2.10; and
 - (ii) The Building (including, but not by way of limitation, the foundation, columns, girders, beams, supports, perimeter and supporting walls, chimneys chimney chases, roofs, patios, balconies, entrances and exits, and the mechanical installations of the Building consisting of the equipment and materials making up any central services such as power, light, gas, hot and cold water, sewer, and heating and central air conditioning which exist for use by one or more of the Owners, including the pipes, vents, ducts, flues, cable conduits, wires, telephone wire, and other similar utility installations used in connection therewith), except for the individual Air Space Units; and
 - (iii) The sidewalks, walkways, paths, grass, shrubbery, trees, driveways, roadways, landscaping, parking areas, and related facilities upon the Property, and

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- (iv) The pumps, tanks, motors, fans, storm drainage structures, compressors, ducts, and, in general, all apparatus, installations, and equipment of the Building existing for the use of one or more of the Owners; and
- (v) In general, all other parts of the Project designated by Declarant as Common Elements and existing for the use of one or more of the Owners.

The Common Elements shall be owned by the Owners of the separate Condominium Units, each Owner of a Condominium Unit having an undivided interest in the Common Elements as provided below, and the Common Elements may not be subject to a lease between the Owners or the Association and another party.

- (i) "Common Expense(s)" means and includes the following: (i) expenses of administration, insurance, operation, and management, repair, or replacement of the Common Elements except to the extent such repairs and replacements are the responsibilities of an Owner as delineated in Section 9.01 below; (ii) expenses declared Common Expenses by the provisions of this Declaration or the Bylaws of the Association; (iii) sums lawfully assessed against the Condominium Units by the Board of Directors; (iv) expenses agreed upon as Common Expenses by the members of the Association, and (v) expenses provided to be paid pursuant to any Management Agreement.
- (m) "Condominium Plat" or "Plat" means and includes any engineering survey or surveys of the Property locating the Condominium Units in the Building and the Building on the Property (including the original Plat, any amendments thereto, and any supplemental Plats), and depicting the main floor areas of the Units together with other drawings or diagrammatic plans and information regarding the Property as may be included in the discretion of the Declarant, as recorded by Declarant in the office of the Clerk and Recorder of County, Wyoming, and as subsequently amended as allowed under the Act.
- (n) "Condominium Unit" or "Unit" means the fee simple interest in and to an Individual Air Space Unit, together with the undivided interest in the Common Elements appurtenant to the Individual Air Space Unit as specified in the attached Exhibit A, together with an unrestricted right of ingress and egress to the Unit, which is perpetual so that it passes with the fee simple interest of the Unit.
- (c) "Declarant" means Terrace on Beaver Park LLC, a Wyoming Limited Liability Corporation, or its successors or assigns, including any Successor Declarant to the extent the rights of Declarant are assigned to the Successor Declarant, as provided in this Declaration below.
- (p) "Declaration of Annexation" means a declaration prepared and recorded in accordance with the provisions of Article XXV to incorporate Expansion Property within the Property governed by this Declaration.
- (q) "Default Assessment" means the Assessments levied by the Association pursuant to Section 8.06 below.
- (r) "Default Rate" means an annual rate of interest that is the lesser of (i) five percent above the prime rate of interest charged by the Association's bank, or such other rate as shall have been established by the Board of Directors, and (ii) the maximum rate permitted by the Act or other applicable law.
- (s) "Development Rights" is defined in Section 14.01(b)
- (t) "Director" means a member of the Board.

- (u) "Eligible Mortgage Holder" means a First Mortgagee or any insurer or guarantor of a First Mortgage which has notified the Association in writing of its name and address and status as a holder, insurer, or guarantor of a First Mortgage. Such notice will be deemed to include a request that the Eligible Mortgage Holder be given the notices and other rights described in Article XXI.
- (v) "Expansion Property" means such additional real property owned by Declarant, or a third party consenting to the provisions of this Declaration, as Declarant may make subject to the provisions of this Declaration, in accordance with Article XXV below, pursuant to a duly recorded Declaration of Annexation, which is more particularly described as Exhibit B.
- (w) "First Mortgage" means any Mortgage which is not subject to any lien or encumbrance except liens for taxes or other liens which are given priority by statute.
- (x) "First Mortgagee" means the holder of record of a First Mortgage.
- (y) "General Common Elements" means the Common Elements, except for Limited Common Elements.
- (z) "Individual Air Space Unit" or "Unit" means a single unit depicted on the Plat and consisting of enclosed rooms in the Building and bounded by the unfinished perimeter walls, ceilings, floors, doors, and windows thereof. An Individual Air Space Unit shall include the lath, furring, wallboard, plasterboard, plaster, drywall, wall paneling, wood, tile, paint, paper, carpeting, or any other wall, ceiling, or floor covering, windows and window frames and glass, shutters, awnings, windowboxes, doorsteps, stoops, and interior doors and door frames. An Individual Air Space Unit shall also include any fireplace or stove hearth, facing brick, tile or firebox. An Individual Air Space Unit shall further include fixtures and hardware and all improvements contained within the unfinished perimeter walls, ceilings, and floors. An Individual Air Space Unit shall include any heating and refrigerating elements or related equipment, utility lines and outlets, electrical and plumbing fixtures, pipes, and all other related equipment required to provide heating, air-conditioning, hot and cold water, electrical, or other utility services to the Individual Air Space Unit and located within the unfinished walls, ceilings, and floors; provided, however, that an Individual Air Space Unit shall not include any of the structural components of the Building or utility or service lines located within the Individual Air Space Unit but serving more than one Individual Air Space Unit.
- (aa) "Limited Common Elements" means those parts of the Common Elements which are limited to and reserved for the use of the Owners of one or more, but fewer than all, of the Condominium Units. Without limiting the foregoing, the Limited Common Elements shall include, any balcony, yard area, deck, patio, entryway or porch adjacent to an Individual Air Space Unit, and storage spaces outside Individual Air Space Units, if any, including, but not limited to, all such items designated as Limited Common Elements on the Plat. The adjacent yard area, balcony or patio which is accessible from, associated with, and which adjoins a particular Individual Air Space Unit, without further reference thereto, shall be used in connection with such Individual Air Space Unit to the exclusion of the use thereof by the other Owners, except by invitation.
- (bb) "Management Agreement" means any contract or arrangement entered into for purposes of discharging the responsibilities of the Board of Directors relative to the operation, maintenance, and management of the Project.
- (cc) "Manager" means such person or entity engaged by the Board to perform certain duties, powers, or functions of the Board pursuant to this Declaration or the Bylaws.
- (cd) "Member" means any person holding a membership in the Association.

- (cc) "Mortgage" means any mortgage, deed of trust or other document which is recorded in the office of the Clerk and Recorder of Campbell County, Wyoming, and which encumbers any portion of the Property or interest therein as security for payment of a debt or obligation.
- (ff) "Mortgagee" means any person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.
- (gg) "Owner" means the owner of record (including Declarant, and including a contract seller, but excluding a contract purchaser), whether one or more persons, of fee simple title to any Condominium Unit, but does not mean or refer to any person who holds such interest merely as security for the performance of a debt or other obligation, including a Mortgage, unless and until such person has acquired fee simple title pursuant to foreclosure or other proceedings.
- (hh) "Period of Declarant Control" means the period during which Declarant (or any Successor Declarant) may appoint and remove the Directors and officers of the Association as permitted under the Act. The Period of Declarant Control will begin on the date this Declaration is first recorded in the office of the Clerk and Recorder of Campbell County, Wyoming, and will end no later than (i) 60 days after conveyance of 75% of the Condominium Units that maybe created within the Project to Owners other than Declarant (or any Successor Declarant), (ii) two years after the last conveyance of a Condominium Unit by Declarant (or any Successor Declarant) in the ordinary course of business, (iii) two years after any right to add new units was last exercised, or (iv) the date on which Declarant (or any Successor Declarant) voluntarily terminates the Period of Declarant Control by recording a notice to that effect in the office of the Clerk and Recorder of Campbell County, Wyoming, whichever of the foregoing dates or events occurs first. After the termination of the Period of Declarant Control, Declarant, if still an Owner, will have all the rights and duties ordinarily given to Members under this Declaration.
- (ii) "Person" (whether or not in capitalized form) means a natural person, a corporation, a partnership, a limited liability company, an association, a trust, or any other entity or combination thereof.
- (jj) "Project" means the planned community established by this Declaration known as "Terrace on Beaver Park Condominiums".
- (kk) "Project Documents" means the basic documents creating and governing the Project, including, but not limited to, this Declaration, the Articles, the Bylaws, and any procedures, rules, regulations or policies adopted under such documents by the Association or the Board of Directors and its authorized committees, and the Plat.
- (ll) "Property" means the real property described on Exhibit A and subjected to this Declaration.
- (mm) "Special Assessment" means an Assessment levied pursuant to Section 8.05 below on an irregular basis.
- (nn) "Special Declarant Rights" is defined as set forth in Section 14.01 below.
- (oo) "Special Declarant Rights Period" means the period beginning the date this Declaration is first recorded in the office of the Clerk and Recorder of Campbell County, Wyoming, and ending the date on which Declarant shall have conveyed to parties (other than a Successor Declarant) all units, as defined in the Act, originally owned by Declarant in the Project.
- (pp) "Successor Declarant" means any party or entity to whom Declarant assigns any or all of its rights, obligations, or interest as Declarant, as permitted by Section 26.07 and evidenced by an assignment or deed of record in the office of the Clerk and Recorder of Campbell County, Wyoming, designating such party as a Successor Declarant, signed by the transferor and the transferee, and otherwise complying with the

requirements of the Act. Upon such recording, Declarant's rights and obligations under the Declaration shall cease and terminate to the extent provided in such document.

ARTICLE III. THE PROJECT PLANNED COMMUNITY

Section 3.01 Establishment of Planned Community. By this Declaration, the Project is established as a planned community under the Act, consisting of no more than eleven (11) Condominium Units

Section 3.02 Division into Condominium Units. The Property is hereby divided into eight Condominium Units, each consisting of a fee simple interest in an Individual Air Space Unit and an undivided fee simple interest in the Common Elements in accordance with the respective undivided interests in the Common Elements as set forth in Exhibit A. Such undivided interests in the Common Elements are hereby declared to be appurtenant to the respective Units. The undivided interests of the respective Owners in the Common Elements is computed by dividing the number of units owned into the total number of units constructed in the Project. Such percentage of interest owned in the Common Elements by each of the units in the Project shall be recalculated upon the completion of each unit and shall at no time be less than 9.09%.

Section 3.03 Delineation of Unit Boundaries. The boundaries of each Individual Air Space Unit are delineated and designated by an identifying number on the Plat, and those numbers are set forth in Exhibit A.

Section 3.04 Inseparability of Condominium Unit. No part of a Condominium Unit or of the legal rights comprising ownership of a Condominium Unit may be partitioned or separated from any other part thereof during the period of condominium ownership prescribed in this Declaration, except as may be allowed under the Act. Each Condominium Unit shall always be conveyed, transferred, devised, bequeathed, encumbered, and otherwise affected only as a complete Condominium Unit. Every conveyance, transfer, gift, devise, bequest, encumbrance, or other disposition of a Condominium Unit or any part thereof shall be presumed to be a disposition of the entire Condominium Unit, together with all appurtenant rights and interests created by law or by this Declaration, including the Owner's membership in the Association.

Section 3.05 Nonpartitionability of Common Elements. Subject to the provisions of this Article, Article V, and Article XXI below, the Common Elements shall be owned in common by all of the Owners and shall remain physically undivided, and no Owner shall bring any action for partition or division of the Common Elements. Any conveyance, encumbrance, judicial sale, or other transfer (voluntarily or involuntarily) of an individual interest of the Common Elements will be void unless the Unit to which that interest is allocated is also transferred. By acceptance of a deed or other instrument of conveyance or assignment to a Condominium Unit, each Owner of the Unit shall be deemed to have specifically waived such Owner's right to institute or maintain a partition action or any other cause of action designed to cause a division of the Common Elements, and this Section 3.05 may be pleaded as a bar to the maintenance of such an action. Any Owner who shall institute or maintain any such action shall be liable to the Association and hereby agrees to reimburse the Association for the Association's costs, expenses, and reasonable attorneys' fees in defending any such action. Such amounts shall automatically become a Default Assessment determined and levied against such Owner's Unit and enforced by the Association in accordance with Article VIII below.

Notwithstanding the foregoing and subject to the limitations of the Act, the Association shall have the right to dedicate, sell or otherwise transfer all or any part of the Common Elements to any public, governmental, or quasi-governmental agency, authority or utility for such purposes and to grant permits, licenses and easements over the Common Elements for utilities, roads, and other purposes necessary for the proper operation of the Project, and subject to such conditions as may be agreed to by the Owners. However, such dedication or transfer shall not be effective unless an instrument has been signed by members holding an aggregate interest equal to at least 80% of all votes of the Association and by Eligible Mortgage Holders representing 51% of the votes of Eligible Mortgage Holders. Notwithstanding the preceding sentence, the granting of easements for public utilities, for access by pedestrians or other uses related to the Project, or for other public purposes not inconsistent with the intended use of the Common Elements shall not be deemed a transfer requiring such consent of the Owners within the meaning of this Section.

ARTICLE IV. CONDOMINIUM PLAT

Section 4.01 Condominium Plat. The Plat shall be filed for record in the office of the County Clerk and Recorder of Campbell County, Wyoming, and shall comply with the requirements of the Act. Any Plat filed subsequent to the first Plat shall be termed a supplement to such Plat, and the numerical sequence of such supplements shall be shown thereon. The Plat shall be filed for record following substantial completion of the Building depicted on the Plat and prior to the conveyance of any Condominium Unit depicted on the Plat to a purchaser. The Plat shall show the location of the Building on the Property; the main floor areas and elevation plans; the location of the Condominium Units within the Building, both horizontally and vertically, the Condominium Unit designations; designation of General Common Elements and Limited Common Elements; and such other information as required by the Act and as Declarant may require in its discretion. The Plat shall contain a certificate of a registered professional engineer or licensed architect or a licensed land surveyor certifying that the Plat substantially depicts the location and the horizontal and vertical measurements of the Buildings and the Condominium Units, the dimensions and, if Declarant directs, the square foot areas of the Condominium Units, and the elevations of the unfinished floors and ceilings as constructed, and certifying that such Plat is prepared subsequent to the substantial completion of the improvements, and certifying that the Plat complies with the Act. Each supplement or amendment shall set forth a like certificate when appropriate.

Section 4.02 Amendment. Declarant reserves the right to amend the Plat from time to time, to conform it to the actual location of any of the constructed improvements and, on or before the expiration of the Period of Declarant Control to establish, vacate, and relocate outside the Building utility easements, access easements, and parking areas.

ARTICLE V. OWNERS' PROPERTY RIGHTS IN COMMON ELEMENTS

Section 5.01 General Common Elements. Every Owner and the family members, guests, tenants, and licensees of each Owner shall have a perpetual right and easement of access over, across, and upon the General Common Elements for the purpose of getting to and from the Condominium Unit of such Owner and the public ways for both pedestrian and vehicular travel, which right and easement shall be appurtenant to and pass with the transfer of title to such Condominium Unit; provided, however, that such right and easement shall be subject to the following:

- (a) The covenants, conditions, restrictions, easements, reservations, rights-of-way, and other provisions contained in this Declaration and the Plat;
- (b) The right of the Association to adopt, from time to time any and all rules and regulations concerning vehicular traffic and travel upon, in, under, and across the Project; and
- (c) The right of the Association to adopt, from time to time, any and all rules and regulations concerning the Common Elements as the Association may determine is necessary or prudent.

Section 5.02 Limited Common Elements. Subject to the provisions of this Declaration, every Owner shall have the exclusive right to use and enjoy the Limited Common Elements appurtenant to his Condominium Unit.

ARTICLE VI. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 6.01 Membership. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Condominium Unit. No owner, whether one or more persons, will have more than one membership per Condominium Unit owned, but all of the persons owning each Condominium Unit will be entitled to rights of membership and use and enjoyment appurtenant to such ownership.

Section 6.02 Transfer of Membership. An Owner shall not transfer, pledge, or alienate his membership in the Association in any way, except upon the sale or encumbrance of his Condominium Unit and then only to the purchaser or Mortgagee of his Condominium Unit.

Section 6.03 Classes of Membership. Initially, the Association shall have one class of voting membership, composed of all Owners, including Declarant. The Bylaws may set forth additional classifications of membership from time to time.

Section 6.04 Voting Rights. Each Member shall be entitled to vote in Association matters pursuant to this Declaration. Votes will be allocated to Units based on one vote per Unit.

When more than one person holds an interest in any Condominium Unit, all such persons shall be Members. The vote for such Condominium Unit shall be exercised by one person or alternative persons as the Owners among themselves determine. If more than one of the multiple Owners are present at a meeting in person or by proxy, the vote allocated to their Condominium Unit may be cast only in accordance with the agreement of a majority in interest of the Owners. There is a majority agreement if any one of the multiple Owners casts the vote allocated to his Condominium Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Condominium Unit.

Section 6.05 Appointment of Officers and Directors by Declarant. Until the expiration of the Period of Declarant Control and subject to the limitations of the Act, Declarant will retain the exclusive powers to appoint and remove Directors and officers of the Association.

Notwithstanding the foregoing, Declarant may voluntarily surrender the right to appoint and remove Directors and officers of the Association before the end of the Period of Declarant Control by providing a notice to that effect to the Association and otherwise complying with the procedures for termination of this Special Declarant Right, as set forth in the Bylaws. However, upon voluntarily terminating this Special Declarant Right in advance of the expiration of the Period of Declarant Control, Declarant may require throughout the balance of the Period of Declarant Control (had it not been voluntarily terminated) that specified actions of the Association or the Board, as described in an instrument executed and recorded by Declarant in the office of the Clerk and Recorder of Campbell County, Wyoming, be approved by Declarant before those actions become effective.

After the Period of Declarant Control, the Directors and the officers of the Association will be elected as provided in the Bylaws.

Section 6.06 Notice of Membership. Any person, on becoming a Member, will furnish the Secretary of the Association with a photocopy or certified copy of the recorded instrument or such other evidence as may be specified by the Board under the Bylaws or the Association rules, vesting the person with the interest required to make him a Member. At the same time, the Member will provide the Association with the single name and address to which the Association will send any notices given pursuant to the Project Documents. The Member will state in such notice the voting interest in the Association to which the Member believes he is entitled and the basis for that determination. In the event of any change in the facts reported in the original written notice, including any change of ownership, the Member will give a new written notice to the Association containing all of the information required to be covered in the original notice. The Association will keep and preserve the most recent written notice received by the Association with respect to each Member.

Section 6.07 Owner's and Association's Addresses for Notices. All Owners of each Condominium Unit shall have one and the same registered mailing address to be used by the Association or other Owners for notices, demands, and all other communications regarding Association matters. The Owner or Owners of a Condominium Unit shall furnish such registered address to the Secretary of the Association within five days after transfer of title to the Condominium Unit to such Owner or Owners. Such registration shall be in written form and signed by all of the Owners of the Condominium Unit or by such persons as are authorized by law to represent the interests of all Owners of the Condominium Unit.

If no address is registered or if all of the Owners cannot agree, then the address of the Condominium Unit shall be deemed their registered address until another registered address is furnished as required under this Section.

If the address of the Condominium Unit is the registered address of the Owners, then any notice shall be deemed duly given if delivered to any person occupying the Condominium Unit or sent to the Condominium Unit by any other means specified for a particular notice in any of the Project Documents, or if the Condominium Unit is unoccupied, if the notice is held and available for the Owners at the principal office of the Association. All notices and demands intended to be served upon the Board of Directors shall be sent to the address of the Association or such other address as the Board may designate from time to time by a notice delivered to all Owners in accordance with this Section.

Unless applicable provisions of this Declaration or the Act or other applicable law expressly require otherwise, all notices given under this Declaration shall be sent by personal delivery, which shall be effective upon receipt; by overnight courier service, which shall be effective one business day following timely deposit with a courier service; or regular, registered or certified mail, postage prepaid which shall be effective three days after deposit in the U.S. mail.

Section 6.08 Compliance with Project Documents. Each Owner will abide by and benefit from the provisions, covenants, conditions and restrictions contained in the Project Documents.

ARTICLE VII. POWERS AND DUTIES OF ASSOCIATION

Section 7.01 Association Management Duties. Subject to the rights and obligations of Declarant and other Owners as set forth in this Declaration and the Act, the Association shall be responsible for the administration and operation of the Project and for the exclusive management, control, maintenance, repair, replacement and improvement of the General Common Elements (including facilities, furnishings, and equipment related thereto) and the Limited Common Elements, and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The expenses, costs and fees of such management, operation, maintenance and repair by the Association shall be part of the Assessments, and prior approval of the Owners shall not be required in order for the Association to pay any such expenses, costs and fees. The Board of Directors will exercise for the Association all powers, duties and authority vested in or obligated to be taken by the Association and not reserved to Declarant or the other Members by this Declaration, the other Project Documents, the Act or other applicable law.

Section 7.02 Owner's Negligence. In the event that the need for maintenance, repair or replacement of all or any portion of the Common Elements is caused through or by the negligent or willful act or omission of an Owner, or by any member of an Owner's family, or by an Owner's guests, invitees, licensees or tenants, then the expenses incurred by the Association for such maintenance, repair or replacement shall be a personal obligation of such Owner. If the Owner fails to repay the expenses incurred by the Association within 30 days after notice to the Owner of the amount owed, then the failure to so repay shall be a default by the Owner under the provisions of this Section, and such expenses shall automatically become a Default Assessment enforceable in accordance with Article VIII below.

Section 7.03 Rules and Regulations.

- (a) Board's Power. From time to time and subject to the provisions of the Project Documents, the Board of Directors may adopt, amend and repeal rules and regulations governing, among other things and without limitation, the use and rental of the Condominium Units and the use of the Common Elements. A copy of the rules in effect will be distributed to each Member, and any change in the rules will also be distributed within a reasonable time following the effective date of the change.
- (b) Enforcement. The Board of Directors will provide for enforcement of the Association rules as set forth in the Bylaws. Without limiting the generality of the foregoing, the Board may suspend the voting rights of a Member after notice and hearing as provided in the Bylaws for an infraction of the rules.

Section 7.04 Delegation by Association Board.

- (a) Delegation to Manager. The Association, acting through the Board, may employ or contract for the services of a Manager to act for the Association and the Board and the officers according to the powers and duties delegated to the Manager pursuant to the Bylaws or resolution of the Board. Neither the Board nor any officer of the Association will be liable for any omission or improper exercise by a Manager of any such duty, power, or function so delegated by written instrument executed by or on behalf of the Board.
- (b) Committees. The Association, acting through the Board, may delegate any of its rights, duties or responsibilities to any committee or other entity that the Board may choose to form.
- (c) Limitation. Any delegation by the Board under this Article VII is subject to compliance with the Act and the Bylaws and the requirement that the Board, when so delegating, will not be relieved of its responsibilities under the Project Documents and the Act.

Section 7.05 Acquiring and Disposing of Personal Property. The Association may acquire, own, and hold for the use and benefit of all Owners tangible and intangible personal property, and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same undivided proportion as their respective undivided interests in the Common Elements. Such interests shall not be transferable except with the transfer of a Condominium Unit. A conveyance of a Condominium Unit shall transfer ownership of the transferor's beneficial interest in such personal property without any reference thereto. Each Owner may use such personal property in accordance with the purposes for which it is intended without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Condominium Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium Unit.

Section 7.06 Cooperation with Others. The Association may contract or cooperate with other homeowners associations or owners of nearby property as convenient or necessary to provide services and privileges, such as access to the Project or recreation facilities, for the benefit of Owners and their family members, guests, tenants and invitees. The costs associated with such efforts by the Association shall be a Common Expense.

Section 7.07 Books and Records. The Association will make available for inspection by Owners and Mortgagees, upon request, during normal business hours or under other reasonable circumstances, current copies of the Project Documents, and the books, records, and financial statements of the Association prepared pursuant to the Bylaws, as well as any management agreement. Any Owner or Mortgagee may make a written request to the Association for a copy of the Association's audited financial statements for the preceding year, which will be available within 120 days after the end of the Association's fiscal year. The Association may charge a reasonable fee for copying such materials.

Section 7.08 Reserve Account. The Association will establish and maintain an adequate reserve fund from Annual Assessments levied pursuant to Section 8.03 below for maintenance, repair or replacement of the Common Elements that must be replaced on a periodic basis and for any other facilities made available to the Association that must be replaced on a periodic basis with contribution from the Association, including those Limited Common Elements that the Association is obligated to maintain.

Section 7.09 Working Capital Account. The Association will also administer a working capital account funded as provided in Section 8.04.

Section 7.10 Implied Rights and Obligations. The Association will perform all of the duties and obligations imposed on it expressly by the Project Documents, together with every other duty or obligation reasonably to be implied from the express provisions of the Documents or reasonably necessary to satisfy any such duty or obligation. The Association may exercise any other right or privilege (i) given to it expressly by the Project Documents. (ii)

reasonably to be implied from the existence of another right or privilege given expressly by the Project Documents, or (iii) reasonably necessary to effectuate any such right or privilege.

ARTICLE VIII. ASSESSMENTS

Section 8.01 Creation of Lien and Personal Obligation for Assessments. Declarant, by creating the Condominium Units pursuant to this Declaration, hereby covenants, and each Owner of any Condominium Unit, by accepting a deed for a Condominium Unit, whether or not it shall be so expressed in such deed or other instrument of transfer, is deemed to covenant to pay to the Association (1) Annual Assessments imposed by the Board of Directors as necessary to meet the Common Expenses of maintenance, operation, and management of the Common Elements, to fund the reserve account contemplated under Section 8.02 and to generally carry out the functions of the Association, (2) Special Assessments for capital improvements and other purposes as stated in this Declaration, (3) Default Assessments which may be assessed against a Condominium Unit for the Owner's failure to perform an obligation under the Project Documents or because the Association has incurred an expense on behalf of the Owner under the Project Documents.

All Assessments, together with fines, interest, costs, reasonable attorneys' (and legal assistants') fees and other charges allowed under the Act, shall be a charge on the Unit and shall be a continuing lien upon the Condominium Unit against which each such Assessment is made until paid.

Each such Assessment, together with fines, interest, costs, and reasonable attorneys' (and legal assistants') fees and other charges allowed under the Act, shall also be the personal and individual obligation of the Owner of such Condominium Unit as of the time the Assessment falls due, and two or more Owners of a Condominium Unit shall be jointly and severally liable for such obligations. No Owner may exempt himself from liability for any Assessments by abandonment or leasing of his Condominium Unit or by waiver of the use or enjoyment of the Common Elements. Suit to recover a money judgment for unpaid Assessments and related charges as listed above may be maintained without foreclosing or waiving the Assessment liens provided in this Declaration.

Section 8.02 Purpose of Assessments. The Assessments shall be used exclusively to promote the health, safety and welfare of the Owners and occupants of the Project, and for the improvement and maintenance of the Property and of the services and facilities located on the Property. Proper uses of the Assessments shall include, but are not limited to, the following:

- (a) Repairing, replacing, renovating and maintaining any of the Common Elements not made the responsibility of the Owners by Section 7.01 or Section 7.02 above, Section 9.02 below, or other provisions of this Declaration;
- (b) Installing, maintaining, and repairing underground utilities upon, across, over, and under any part of the Project which are not conveyed to and accepted by utility companies;
- (c) Furnishing garbage, trash pickup, natural gas, water and sewer services to the Project;
- (d) Obtaining and maintaining insurance in accordance with the provisions of Article XV below;
- (e) Establishing and maintaining reserves for repairs, replacement, maintenance, taxes, capital improvements, and other purposes;
- (f) Carrying Out all other powers, rights, and duties of the Association specified in the Project Documents;
- (g) Generally, addressing any other expenses necessary to meet the primary purposes of the Association.

Section 8.03 Annual Assessments

- (a) Calculation of Annual Assessments. The Board of Directors shall prepare a budget for revenues, expenditures, and reserves before the close of each fiscal year of the Association and submit the budget to the Association as required by the Act. Annual Assessments for Common Expenses shall be based upon the estimated net cash flow requirements of the Association to cover items including, without limitation, the cost of routine maintenance and operation of the Common Elements; expenses of management; premiums for insurance coverage as deemed desirable or necessary by the Association; snow removal, landscaping, care of grounds, common lighting within the Common Elements; routine renovations within the Common Elements; wages; common water and utility charges for the Common Elements; natural gas charges for Common Elements and Units; legal and accounting fees; management fees; expenses and liabilities incurred by the Association under or by reason of this Declaration; payment of any deficit remaining from a previous Assessment period; and the supplementing of the reserve fund for general, routine maintenance, repairs, and replacement of the Common Elements on a periodic basis, as contemplated under Section 8.02.
- (b) Apportionment of Annual Assessments. Generally, each Owner shall be responsible for that Owner's share of the Common Expenses, which, except as specifically provided in this Declaration, shall be assessed to the Condominium Units equally and independent of the respective undivided interests in the Common Elements appurtenant to the Units, as shown on Exhibit A, subject to the following provisions. Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element shall be assessed against the Unit or Units to which that Limited Common Element is assigned, equally, or in any other proportion the Board of Directors reasonably determines. Any Common Expense or portion thereof benefiting fewer than all of the Units may be assessed exclusively against the Units benefited as determined by the Board of Directors. If any Common Expense is caused by the misconduct of any Owner, the Association may assess that expense exclusively against such Owner's Unit. The total Annual Assessments of the Association shall be apportioned among all Condominium Units as provided in this Section 8.03 and shall not be apportioned between General Common Elements and Limited Common Elements.
- (c) Collection. Annual Assessments shall be collected in periodic installments as the Board may determine from time to time, but until the Board directs otherwise, they shall be payable monthly in advance on the first day of each calendar month. The Association shall have the right, but not the obligation, to make pro rata refunds of any Annual Assessments in excess of the actual expenses incurred in any fiscal year or may deposit such amounts to any reserve fund of the Association.
- (d) Date of Commencement of Annual Assessments. The Annual Assessments shall commence as to all Condominium Units no later than 60 days after the date of the first conveyance by Declarant of a Condominium Unit to an Owner. The first Annual Assessment shall be prorated according to the number of months remaining in the calendar year. The Annual Assessments shall commence for Units contained in each phase of Expansion Property incorporated in the Project on the first day of the month following the recording of the Declaration of Annexation incorporating them into the Project, and shall be prorated according to the number of months remaining in the calendar year.

Section 8.04 Capitalization of the Association. Declarant will establish a working capital fund in an amount at least equal to three months' installments of the Annual Assessment for each Unit in the Project. Upon the first conveyance of record title to a Condominium Unit from Declarant, the Owner shall contribute to the working capital and reserves of the Association an amount equal to three months' installments of the Annual Assessment at the rate in effect at the time of the sale, and upon the sale of each Unit from the Declarant to an Owner, Declarant will receive a refund of the contribution to the working capital fund made by Declarant for such Unit. The Association shall maintain the working capital funds in segregated accounts to meet unforeseen expenditures or to acquire additional equipment or services for the benefit of the Members. Such payments to this fund shall not be considered advance payments of Annual Assessments and except for refunds to Declarant, shall not be refundable. Declarant may not use any working capital funds to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficits.

Section 8.05 Special Assessments.

- (a) Determination by Board. Subject to the budget procedures required by the Act, the Board of Directors may levy in any fiscal year one or more Special Assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement within the Project or any facilities located in the Project, including the necessary fixtures and personal property related to it, or to make up any shortfall in the current year's budget.
- (b) Apportionment and Collection of Special Assessments. The Board will apportion Special Assessments among the Condominium Units and collect payment according to the same guidelines as set forth for Annual Assessments in Section 8.03(b).
- (c) Notice. Notice of the amount and due dates for such Special Assessments must be sent to each Owner at least 30 days prior to the due date.
- (d) Member Approval. If any of the Special Assessments levied pursuant to this Section are to be used for the construction of new facilities (as opposed to repair and reconstruction of existing facilities in the Project), and if the total amount of the Special Assessments levied for such construction exceeds 10% of the gross annual budget for the Association for that year, then the use of Special Assessments for that construction will require the approval of Owners representing at least 67% of the votes in the Association. The use of Special Assessments pursuant to this Section for constructing any Common Elements shall not apply to the construction of any Common Elements to be completed by Declarant in development of the Project.

Section 8.06 Default Assessments. All monetary fines, penalties, interest or other charges or fees levied against an Owner pursuant to the Project Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Project Documents, and any expense (including without limitation attorneys' fees) incurred by the Association as a result of the failure of an Owner to abide by the Project Documents, constitutes a Default Assessment, enforceable as provided in this Declaration below and in accordance with the Act.

Section 8.07 General Remedies of Association for Nonpayment of Assessment. Any installment of an Annual Assessment or a Special Assessment which is not paid within the time period established from time to time by the Board shall be delinquent. If such an Assessment installment becomes delinquent, or if any Default Assessment is levied, the Association, in its sole discretion, may take any or all of the following actions:

- (a) Assess a late charge for each delinquency at uniform rates set by the Board of Directors from time to time;
- (b) Charge interest from the date of delinquency at the Default Rate;
- (c) Suspend the voting rights of the Owner during any period of delinquency;
- (d) Accelerate all remaining Assessment installments for the fiscal year in question so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once;
- (e) Bring an action at law against any Owner personally obligated to pay the delinquent Assessment charges;
- (f) File a statement of lien with respect to the Condominium Unit and foreclose as set forth in more detail below.

The remedies provided under this Declaration shall not be exclusive, and the Association may enforce any other remedies to collect delinquent Assessments as may be provided by law.

Section 8.08 Assessment Liens. Any Assessment chargeable to a Condominium Unit (together with any interest, late charges, costs, expenses and reasonable attorneys fees and legal assistants' fees and any other sums allowed by the Act) shall constitute a lien on the Condominium Unit, effective the due date of the Assessment. To evidence the lien, the Association may, but shall not be required to, prepare a written lien statement setting forth the name of the Owner, the legal description of the Condominium Unit, the name of the Association and the delinquent Assessment amounts then owing. Any such statement shall be duly signed and acknowledged by the President or a Vice President of the Association or by the Manager, and the Association shall serve the notice upon the Owner by mail to the address of the Condominium Unit or to such other address as the Association may have in its files for such Owner. At least 10 days after the Association mails the statement to the Owner, the Association may record the same in the office of the Clerk and Recorder of Campbell County, Wyoming. The Association shall have the power to bid on a Condominium Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the Condominium Unit.

Section 8.09 Successor's Liability for Assessment. All successors to the fee simple title of a Condominium Unit will be liable for assessments levied during the prior Owner's ownership of the Unit and shall, by virtue of obtaining fee simple title of a Condominium Unit, be deemed to have agreed to assume the obligation for such assessments. Any successor shall be entitled to rely on the statement of status of Assessments given by or on behalf of the Association under Section 8. 13 below.

Section 8.10 Waiver of Homestead Exemption; Subordination of the Lien. The lien of the Assessments shall be superior to and prior to any homestead exemption provided now or in the future by any federal law or the laws of the State of Wyoming, and to all other liens and encumbrances the following:

- (a) Liens and encumbrances recorded before the date of the recording of this Declaration;
- (b) Liens for real estate taxes and other governmental assessments or charges duly imposed against the Condominium Unit by a Wyoming governmental or political subdivision or special taxing district, or any other liens made superior by statute; and
- (c) The lien for all sums unpaid on a First Mortgage recorded before the date on which the Assessment sought to be enforced became delinquent, including any and all advances made by the First Mortgagee, even though some or all of such advances may have been made subsequent to the date of attachment of the Association's lien; all subject, however, to the limitations of the Act.

With respect to Section 8.09 above, any First Mortgagee who acquires title to a Condominium Unit by virtue of foreclosing the First Mortgage or by virtue of a deed or assignment in lieu of such a foreclosure, or any purchaser at a foreclosure sale of the First Mortgage, shall take the Condominium Unit free of any claims for unpaid Assessments, interest, late charges, costs, expenses, and attorneys' (and legal assistants') fees against the Condominium Unit which accrue prior to the time such First Mortgagee or purchaser acquires title to the Condominium Unit, except as provided in the Act.

All other persons not holding a lien not described in Sections 8.10(a) through 8.10(c) shall be deemed to consent that any such lien or encumbrance shall be subordinate to the Association's future liens for Assessments, interest, late charges, costs, expenses and attorneys' (and legal assistants') fees, as provided in this Article, whether or not such consent is specifically set forth in the instrument creating any such lien or encumbrance.

Section 8.11 Reallocation of Assessments Secured by Extinguished Lien. The sale or transfer of any Condominium Unit to enforce any of the liens to which the lien for Assessments is subordinate shall extinguish the lien of such Assessments as to installments which became due prior to such sale or transfer to the extent provided in the Act. The amount of such extinguished lien may be reallocated and assessed to all Condominium Units as a Common Expense at the direction of the Board of Directors. However, no such sale or transfer shall relieve the purchaser or transferee of a Condominium Unit from liability for, or the Condominium Unit from the lien of, any Assessments made after the sale or transfer.

Section 8.12 Exempt Property. The following portions of the Property shall be exempt from the Assessments, charges, and liens created under this Declaration:

- (a) All properties to the extent of any easement or other interest therein dedicated and accepted by Campbell County and devoted to public use;
- (b) All utility lines and easements; and
- (c) The Common Elements.

Section 8.13 Statement of Status of Assessments. The Association shall furnish to an Owner or his designee or to any Mortgagee a statement setting forth the amount of unpaid Assessments then levied against the Condominium Unit in which the Owner, designee or Mortgagee has an interest. The Association shall deliver the statement personally or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party within 14 calendar days after the registered agent of the Association receives the request by personal delivery or by certified mail, first class postage prepaid, return receipt requested or as otherwise required by the Act. The information contained in such statement, when signed by the Treasurer of the Association or the Manager, shall be conclusive upon the Association, the Board, and every Owner as to the person or persons to whom such statement is issued and who rely on it in good faith. The Board may establish a reasonable fee relating to such statement.

Section 8.14 Protection of Association's Lien. With the approval of the Board of Directors, the Association may protect its lien for Assessments against any Condominium Unit by submitting a bid at any sale held for delinquent taxes payable with respect to the Condominium Unit.

Section 8.15 Failures to Assess. The omission or failure of the Board to fix the Assessment amounts or rates or to deliver or mail to each Owner an Assessment notice will not be deemed a waiver, modification, or release of any Owner from the obligation to pay Assessments. In such event, each Owner will continue to pay Annual Assessments on the same basis as for the last year for which an Assessment was made until a new Assessment is made, at which time any shortfalls in collections may be assessed retroactively by the Association in accordance with any budget procedures as may be required by the Act.

ARTICLE IX. MAINTENANCE RESPONSIBILITY

Section 9.01 Owner's Rights and Duties with Respect to Interiors. Except as may be provided in the purchase and sale agreement or other conveyancing documents executed by Declarant in connection with sales to initial purchasers of the Condominium Units, each Owner shall have the exclusive right and duty to maintain and repair the interior surfaces of the walls, floors, ceilings, and doors forming the boundaries of such Owner's Individual Air Space Unit and all walls, floors, ceilings, and doors within such boundaries, including without limitation painting of interior surfaces. At an Owner's option, an Owner may paint, tile, wax, paper, or otherwise decorate or redecorate the Condominium Unit.

Section 9.02 Responsibility of the Owner. The Owner at the Owner's expense shall maintain and keep in repair the interior of the Condominium Unit, including the fixtures and utilities located in the Condominium Unit to the extent current repair shall be necessary in order to avoid damaging other Condominium Units or the Common Elements. All fixtures, equipment, and utilities installed and included in an Individual Air Space Unit commencing at a point where the fixtures, equipment and utilities enter the Individual Air Space Unit shall be maintained and kept in repair by the Owner of that Unit. An Owner shall not allow any action or work that will impair the structural soundness of the improvements, impair the proper functioning of the utilities, heating, electrical, mechanical, ventilation, or plumbing systems or integrity of the Building, or impair any easement or hereditament. An Owner shall not be responsible for repair occasioned by casualty occurring outside an Individual Air Space Unit, unless such casualty is due to the act or negligence of the Owner, or guests, invitees, or tenants of such Owner, as provided in Section 7.02

above. An Owner is responsible for all repair resulting from a casualty occurring within, or affecting the inside of, an Individual Air Space Unit. No Owner shall alter any Common Elements without the prior written consent of the Association.

Section 9.03 Responsibility of the Association. The Association, without the requirement of approval of the Owners, shall maintain and keep in good repair, replace, and improve, as a Common Expense, all the Project not required in this Declaration to be maintained and kept in good repair by an Owner or by Declarant.

ARTICLE X. CONVEYANCES AND TAXATION OF CONDOMINIUM UNITS

Section 10.01 Contracts to Convey Entered into Prior to Recording of Condominium Plat and Declaration. A contract or other agreement for the sale of a Condominium Unit entered into prior to the filing for record of the Condominium Plat and this Declaration in the office of the Clerk and Recorder of Campbell County, Wyoming, may legally describe such Condominium Unit in substantially the manner set forth in Section 10.02 below and may indicate that the Condominium Plat and this Declaration are to be recorded.

Section 10.02 Contracts to Convey and Conveyances Subsequent to Recording of Condominium Plat and Declaration. Subsequent to the recording of the Condominium Plat and this Declaration, contracts to convey, instruments of conveyance of Condominium Units, and every other instrument affecting title to a Condominium Unit shall be in substantially the following form with such omissions, insertions, recitals of fact, or other provisions as may be required by the circumstances or appropriate to conform to the requirements of any governmental authority or any usage or requirement of law with respect thereto:

Condominium Unit _____, Terrace on Beaver Park Condominiums, in accordance with and subject to the Declaration for Terrace on Beaver Park Condominiums recorded _____ at Reception No. _____ and as further defined and described on the Condominium Plat of the Terrace on Beaver Park Condominiums Phase _____, recorded _____ in Plat Book at Page _____.

County of Campbell.

State of Wyoming.

Section 10.03 Conveyance Deemed to Describe an Undivided Interest in Common Elements. Every instrument of conveyance, Mortgage, or other instrument affecting the title to a Condominium Unit which legally describes the Unit substantially in the manner set forth in Section 10.02 above shall be construed to describe the Individual Air Space Unit, together with the undivided interest in the Common Elements appurtenant to it, and together with all fixtures and improvements contained in it (unless any such fixtures or improvements shall be Common Elements), and to incorporate all the rights incident to ownership of a Condominium Unit and all the limitations of ownership as described in the covenants, conditions, restrictions, easements, reservations, rights-of-way, and other provisions contained in this Declaration, including the easement of enjoyment to use the Common Elements.

Section 10.04 Separate Tax Assessments. Upon the recording of this Declaration and the recording of the Condominium Plat of record in Campbell County, Wyoming, Declarant shall deliver a written notice to the Assessor of Campbell County, Wyoming, as provided by law, which notice shall set forth the descriptions of the Condominium Units, including the interest in the Common Elements appurtenant to the Unit, so that thereafter all taxes, assessments, and other charges by the State or any governmental or political subdivision or any special improvement district or any other taxing agent or assessing authority shall be assessed against and collected on each Condominium Unit, each of which shall be carried on the tax records as a separate and distinct parcel for that purpose. For the purpose of such assessment against the Condominium Units, valuation of the Common Elements

shall be apportioned among the Units in proportion to the fractional interest in the Common Elements appurtenant to such Units.

The lien for taxes assessed to the Owner or Owners of a Condominium Unit shall be confined to his Individual Air Space Unit and to his appurtenant undivided interest in the Common Elements. No forfeiture or sale of any Condominium Unit for delinquent taxes, assessment, or other governmental charge shall divest or in any way affect the title to any other Condominium Unit.

ARTICLE XI. MECHANICS' LIENS

Section 11.01 Mechanics' Liens. Subsequent to the filing of the Plat and recording of this Declaration, no labor performed or materials furnished for use and incorporated in any Condominium Unit with the consent of or at the request of the Owner of the Unit or the Owner's agent, contractor or subcontractor shall be the basis for the filing of a lien against a Condominium Unit of any other Owner not expressly consenting to or requesting the same, or against any interest in the Common Elements except as to the undivided interest therein appurtenant to the Individual Air Space Unit of the Owner for whom such labor shall have been performed or such materials shall have been furnished. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against any liability or loss arising from the claim of any mechanic's lien for labor performed or for materials furnished in work on such Owner's Condominium Unit against the Condominium Unit of another Owner or against the Common Elements, or any part thereof.

Section 11.02 Enforcement by the Association. At its own initiative or upon the written request of any Owner (if the Association determines that further action by the Association is proper) the Association shall enforce the indemnity provided by the provisions of Section 11.01 above by collecting from the Owner of the Condominium Unit on which the labor was performed or materials furnished the amount necessary to discharge by bond or otherwise any such mechanic's lien, including all costs and reasonable attorney's fees incidental to the lien, and obtain a release of such lien. In the event that the Owner of the Condominium Unit on which the labor was performed or materials furnished refuses or fails to so indemnify within seven days after the Association shall have given notice to such Owner of the total amount of the claim, or any portions thereof from time to time, then the failure to so indemnify shall be a default by such Owner under the provisions of this Section 11.02, and such amount to be indemnified shall automatically become a Default Assessment determined and levied against such Condominium Unit, and enforceable by the Association in accordance with Article VIII above.

ARTICLE XII. USE RESTRICTIONS

Section 12.01 Use of Condominium Units. All Condominium Units shall be used for dwelling purposes only, and not more than two individuals multiplied by the number of bedrooms in such Unit may reside within a Unit. Owners of the Condominium Units may rent or lease such Units to others for the purposes allowed under this Declaration and may use the Units for home occupations which do not cause unreasonable disturbance to other Owners and which are permitted by applicable zoning codes.

Section 12.02 Conveyance of Condominium Units. All Condominium Units, whether or not the instrument of conveyance or assignment shall refer to this Declaration, shall be subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way, and other provisions contained in this Declaration, as the same may be amended from time to time.

Section 12.03 Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements by any Owner without the prior written approval of

the Association. Nothing shall be altered on, constructed in, or removed from the Common Elements by any Owner without the prior written approval of the Association.

Section 12.04 Prohibition of Increases in Insurable Risks and Certain Activities. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements, or any part thereof, which would result in the cancellation of the insurance on all or any part of the Project or in an increase in the rate of the insurance on all or any part of the Project over what the Association, but for such activity, would pay, without the prior written approval of the Association. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements which would be in violation of any statute, rule, ordinance, regulation, permit, or other imposed requirement of any governmental body. No damage to or waste of the Common Elements shall be committed by any Owner, or by any member of the Owner's family, or by any guest, invitee, or contract purchaser of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him, the members of his family, or his guests, invitees, tenants or contract purchasers. Failure to so indemnify shall be a default by such Owner under this Section, and such amount to be indemnified shall automatically become a Default Assessment determined and levied against such Condominium Unit. At its own initiative or upon the written request of any Owner (and if the Association determines that further action by the Association is proper), the Association shall enforce the foregoing indemnity as a Default Assessment as provided in Article VIII above.

Section 12.05 Structural Alterations and Exterior Appearance. No structural alterations to any Condominium Unit or any Common Element shall be made or caused to be made by any Owner without the prior written approval of the Association and without compliance with Article XX below. No structural alterations may be made to any windows or doors, and no patio or balcony area may be enclosed.

Section 12.06 Signs and Exterior Decorations. No signs of any kind shall be displayed to the public view on or from any portion of a Unit without first obtaining the written approval of the Association, except (i) during the Special Declarant Rights Period, signs of Declarant or its affiliates or assigns and (ii) signs required by law are all allowed without the consent of the Association. Except with respect to signs of the Declarant or its affiliates or assigns, the size, number, design and location of such signs requiring approval shall also be approved by the Board. No exterior decorations that are visible for public view front outside the Unit will be allowed without first obtaining the written approval of the Association.

Section 12.07 Animals and Pets. No animals of any kind shall be kept, raised or bred on any portion of the Project, except not more than (i) two dogs, (ii) two cats or (iii) other interior confined household pets may be kept by an Owner. The rules and regulations may regulate, permit or prohibit the kind, number, and size of such pets from time to time.

- (a) **Containment.** Household pets, such as dogs and cats, must be contained in a Unit or on the deck, patio or adjacent yard area that is assigned to a Unit as a Limited Common Element. Such pets may not be permitted to run at large at any time.
- (b) **Leashes.** Pedestrians within the Property who are accompanied by pets permitted under this Declaration must have the pets under the pedestrians' direct control by use of a leash not to exceed 10 feet in length.
- (c) **Noise.** Owners of pets on the Property will be required to take all steps necessary to control excessive barking or other disturbances caused by their pets.

Section 12.08 Trash. No trash, ashes, building materials, firewood or other unsightly items should be thrown, dumped or stored on any land or area within the Property, except as designated by the Association. There shall be no burning or other disposal of refuse out of doors. Each Owner shall provide suitable receptacles for the temporary storage of refuse within the Unit.

Section 12.09 Window Coverings. The exterior window of each Unit shall have window coverings, the backside of which (i.e. the side of the window covering facing the window pane and visible from the outside of the Building) will be of an off-white, white or natural tone muted color.

Section 12.10 Construction Rules and Regulations. All Owners and contractors shall comply with the rules and regulations regulating construction activities. Such regulations may affect, without limitation, the following: trash and debris removal; restoration of damaged property; conduct and behavior of contractors, subcontractors and Owners' representatives on the Property at any time; and fire protection.

Section 12.11 Compliance with Laws. Subject to the rights of reasonable contest, each Owner shall promptly comply with the provisions of all applicable laws, regulations, ordinances, and other governmental or quasi-governmental regulations with respect to all or any portion of the Property. Further, no Owner shall dispose or allow any person under the Owner's control or direction to release, discharge or emit from the Property or dispose of any material on the Property that is designated as hazardous or toxic under any federal, state or local law, ordinance or regulation.

Section 12.12 No Outside Clotheslines. No laundry or wash shall be dried or hung outside any Individual Air Space Unit.

Section 12.13 Antennas. No exterior radio, television, microwave or other antenna or antenna dish or signal capture and distribution device ("Antenna") shall be permitted outside any Individual Air Space Unit, except as may be permitted by federal or state law notwithstanding the provisions of this sentence. With respect to any such Antenna, no Owner may affix any such Antenna to the Common Elements without the prior written approval of the Association in accordance with reasonable guidelines established by the Association from time to time. The Association may require professional installation and shall not permit the installation of any such Antenna if such installation might be anticipated to lead to damage to Common Elements. Such Association guidelines shall permit tripod mounted antenna dishes no greater than 18 inches in diameter on balconies and shall permit such antenna dishes to be attached to railings on balconies by methods approved by the Association. Declarant or the Association may install one or more exterior radio, television, microwave or other antenna or antenna dish or signal capture and distribution device for the Project.

Section 12.14 Outside Burning. There shall be no exterior fires, except barbecues. No Owner shall permit any condition upon a Unit which creates a fire hazard or is in violation of fire prevention regulations.

Section 12.15 Nuisance. No obnoxious or offensive activity shall be carried on within the Property, nor shall anything be done or permitted which shall constitute a public nuisance. No noise or other nuisance shall be permitted to exist or operate upon the Property so as to be offensive or detrimental to any other part of the Property or its occupants.

Section 12.16 Balconies and Patios. No property of any kind, including without limitation, bicycles and trash containers, may be stored on the balconies or patios of Units. Notwithstanding the foregoing, lawn furniture, barbecue grills and plants may be stored on balconies or patios of Units.

Section 12.17 Leasing. An Owner shall have the right to lease the Unit, subject to the condition that the Owner shall be liable for any violation of the Project Documents committed by the Owner's tenant, without prejudice to the Owner's right to collect any sums paid by the Owner on behalf of the tenant. Any lease of a Unit must be in writing, must be for an initial term of not less than six months, and must be subject to the requirements of the Project Documents. Supplementing Section 12.07, no tenant will be permitted to bring pets to the Project.

Section 12.18 Vehicles and Equipment. No recreational or business vehicles and equipment, including but not limited to motor homes, camper unit attached or detached, horse trailer or other trailer, boat, ATV's, tractors, or truck (other than one ton or smaller van or pickup truck without a camper unit) may be stored or parked, except for loading or unloading and for less than 24 hours, in any street, driveway, or other common area. Standard truck shells

or caps attached to pickups that do not exceed the height of the cab are permitted. However, vehicles and equipment that can be and are stored completely within attached garages and are not used for living purposes will not be in violation hereof. Periodic movement of the vehicle for the sole purpose of circumventing this standard shall not qualify the vehicle for exception from this standard. Inoperable vehicles of any kind cannot be repaired, constructed or allowed to remain on any portion of the Premises. Vehicles with expired license plates, flat tires, etc., are considered inoperable. The Association may tow any vehicle if it is in violation of any City or County regulation or the Declaration or rules and regulations. The Board may adopt and enforce additional rules and regulations regarding vehicles and parking, and those rules and regulations shall have the same force and effect as these restrictions.

Section 12.19 Enforcement. The Association, or the Board acting on behalf of the Association, may take such action, as it deems advisable to enforce these Covenants as provided in this Declaration. In addition, the Association and the Board shall have a right of entry on any part of the Property for the purposes of enforcing this Article, and any costs incurred by the Association or the Board in connection with such enforcement which remain unpaid 30 days after the Association has given notice of the cost to the Owner and otherwise complied with the Act shall be subject to interest at the Default Rate from the date of the advance by the Association or the Board through the date of payment in full by the Owner, and shall be treated as a Default Assessment enforceable as provided in Article VII.

ARTICLE XIII. PROPERTY RIGHTS OF OWNERS

Section 13.01 Owner's Easements of Access and Enjoyment. Every Owner has a perpetual non-exclusive easement for use and enjoyment of the General Common Elements, which easement is appurtenant to and shall pass with the title to every Condominium Unit, subject to the following provisions.

Section 13.02 Delegation of Use. Any Owner may delegate his right of enjoyment of the Common Elements to the members of his family, his tenants, guests, licensees and invitees, but only in accordance with the applicable rules of the Association and the other Project Documents.

Section 13.03 Easements of Record and of Use. The Property will be subject to all easements shown on the recorded Plat and to any other easement of record or of use as of the date of recordation of this Declaration.

Section 13.04 Emergency Access Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance, and other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

Section 13.05 Easements for Encroachments. The Project, and all portions of it, are subject to easements hereby created for encroachments (so long as such encroachments exist) between Condominium Units and the Common Elements as follows:

- (a) In favor of all Owners so that they shall have no legal liability when any part of the Common Elements encroaches upon an Individual Air Space Unit;
- (b) In favor of each Owner of each Unit so that the Owner shall have no legal liability when any part of his Individual Air Space Unit encroaches upon the Common Elements or upon another Individual Air Space Unit;
- (c) In favor of all Owners, the Association, and the Owner of any encroaching Individual Air Space Unit for the maintenance and repair of such encroachments.

Encroachments referred to in this Section 13.05 include, but are not limited to, encroachments caused by error or variance from the original plans in the construction of the Building or any Condominium Unit constructed

on the Property, by error in the Condominium Plat, by settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of any part of the Project. Such encroachments shall not be considered to be encumbrances upon any part of the Project.

Section 13.06 Easements of Access for Repair, Maintenance, and Emergencies. Some of the Common Elements are or may be located within the Individual Air Space Units or may be conveniently accessible only through the Individual Air Space Units. The Owners of other Individual Air Space Units and the Association shall have the irrevocable right, to be exercised by the Association as the Owners' agent, to have access to each Individual Air Space Unit and to all Common Elements from time to time during such reasonable hours as may be necessary for the maintenance, repair, removal, or replacement of any of the Common Elements therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Elements or to any Individual Air Space Unit. Subject to the provisions of Section 7.02 above, damage to the interior of any part of an Individual Air Space Unit resulting from the maintenance, repair, emergency repair, removal, or replacement of any of the Common Elements or as a result of emergency repair within another Individual Air Space Unit at the instance of the Association or of Owners shall be a Common Expense.

Section 13.07 Combination of Units. The Owner of a Unit may acquire title to the adjacent Unit and combine the two Units into one Unit, subject to the requirements of the Association, the Act, Section 21.04 below and other applicable laws and regulations of the locale in which the Project is located. Every agreement and recorded instrument for the combination of Units will make adequate provision for the preservation of easements previously established with respect to the Units. Further, the voting rights, allocated interests and liability for payment of Assessments related to such Units will not be adjusted or reallocated.

Section 13.08 Partition or Subdivision of Units. A Unit may be partitioned or subdivided subject to the requirements of the Association, the Act, Section 21.04 below and other applicable laws and regulations of the locale in which the Project is located.

ARTICLE XIV. SPECIAL DECLARANT RIGHTS AND ADDITIONAL RESERVED RIGHTS

Section 14.01 General Provisions. Until the expiration of the Special Declarant Rights Period, Declarant will have the following Special Declarant Rights with respect to all of the Property:

- (a) Construction and Completion of Project. The right to construct and complete the Project;
- (b) Construction and Completion of Project. The right to exercise all "development rights," as defined from time to time in the Act (and so referred to here as "Development Rights") with respect to all of the Property, including without limitation the right or combination of rights hereby reserved by Declarant, as follows:
 - (i) The right to create Condominium Units and Common Elements, including General Common Elements and Limited Common Elements on the Property, including the Expansion Property, subject to the limitations of the Act.
 - (ii) The right to subdivide Condominium Units and convert Condominium Units into Common Elements on any part of the Property and the right to convert General Common Elements into Limited Common Elements and the right to convert limited Common Elements into General Common Elements, in all cases including the Expansion Property, subject to the limitations of the Act.
 - (iii) The right to sell unsold Units to third-party purchasers and collect and retain all proceeds therefrom, including without limitation proceeds relating to the right to use certain Limited Common Elements, such as parking spaces and storage spaces.

- (iv) The right to annex all or part of the Expansion Property to the Project, in accordance with Article XXV.
- (v) The right to withdraw real estate, whether contained within the Property initially subject to this Declaration or within the Expansion Property, from the Project, as provided in Article XXV.
- (c) Sales Activities. Subject to any requirements imposed by Campbell County, the right to maintain sales offices, management offices, up to (three) signs advertising the Project and model Condominium Units in the Project, whether initially subject to this Declaration, or within the Expansion Property. The offices, model Units and signs will be of sizes and styles determined by Declarant, and may be relocated by Declarant from time to time. At all times, the offices, model Units and signs will remain the property of Declarant and may be removed from the Project by Declarant at any time during or promptly after the expiration of the Special Declarant Rights Period.
- (d) Easements. The right to use easements through the Common Elements on the Property, including the Expansion Property, for the purpose of making improvements on the Property and the Expansion Property.
- (e) Association Directors And Officers. The right to appoint any officer or director of the Association, as provided in this Declaration or the Bylaws, but subject to the limitations of the Act.

Section 14.02 Order of Exercise of Declarant's Rights. Declarant makes no representations and gives no assurances regarding the legal description or the boundaries of any phase of the Expansion Property or the order in which the phases of the Expansion Property may be developed or incorporated in the Project. The fact that Declarant may exercise one or more of Declarant's Development Rights or other Special Declarant Rights on one portion of the Property (including the Expansion Property) will not operate to require Declarant to exercise a Development Right or other Special Declarant Right with respect to any other portion of the Property (including the Expansion Property).

Section 14.03 Supplemental Provisions Regarding Declarant's Rights. Without limiting the generality of the foregoing, certain of these Special Declarant Rights are explained more fully in this Article below. Further, Declarant reserves the right to amend this Declaration and any Plat in connection with the exercise of any Development Rights or any other Special Declarant Rights to the extent permitted by the Act, and Declarant also reserves the additional rights retained for the benefit of Declarant in this Article and in other provisions of this Declaration.

Section 14.04 Utility Easements. Declarant hereby reserves for itself and its successors and assigns a general easement upon, across, over, in, and under the Property for ingress and egress and for installation, replacement, repair and maintenance of all utilities, including but not limited to water, sewer, gas, telephone, and electrical, cable and other communications systems and indoor sprinkler systems. By virtue of this easement, it shall be expressly permissible and proper for the companies providing such services to install and maintain necessary equipment, wires, circuits, and conduits under and over the Property. No water, sewer, gas, telephone, electrical, communications, sprinkler systems or other utility or service lines, systems or facilities may be installed or relocated on the surface of the Property unless approved by Declarant prior to the expiration of the Special Declarant Rights Period, or by the Association after such expiration. These items may be temporarily installed above ground during construction, if approved by Declarant, or after the Special Declarant Rights Period, if approved by the Association, subject to the requirements, if any, of Campbell County or any other authority having jurisdiction over the Property.

Section 14.05 Drainage and Irrigation Easements. Declarant reserves for itself and its successors, and assigns, and for the Association, and its officers, agents, employees, and successors and assigns, an easement to enter on, across, over, in and under any portion of the Property for the purpose of modifying the grade of any drainage channels on the Property to improve the drainage of water. Declarant also reserves the right to use or delegate the use of any irrigation ditches existing on the Property on the date this Declaration is recorded, and Declarant reserves for itself and its successors and assigns the right to construct, access and maintain additional irrigation ditches and

lines on the Property for the maintenance of the Common Elements and for such other purposes as Declarant may from time to time deem appropriate.

Section 14.06 General Provisions. Any entity using these general easements provided under Section 14.04 and 14.05 above shall use its reasonable efforts to install and maintain the easements for utilities, drainage, or irrigation ditches without disturbing the uses of the Owners, the Association and Declarant; shall prosecute its installation, and maintenance activities as promptly as reasonably possible; and in the case of utility work, shall restore the surface to its original condition as soon as possible after completion of its work. Should any entity furnishing a service covered by these general easements request a specific easement by separate recordable document, either Declarant or the Association shall have, and are hereby given the right and authority to grant such easement upon, across, over, or under any part or all of the Property without conflicting with the terms of this Declaration. This general easement shall in no way affect, avoid, extinguish, or modify any other recorded easement affecting the Property.

Section 14.07 Declarant's Rights Incident to Construction. Declarant, for itself and its successors and assigns, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under, and across the Common Elements, together with the right to store materials on the Common Elements and to make such other use of the Common Elements as may be reasonably necessary or incident to the construction of Units on the Property. However, no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment, or access to the Project by the Owners.

Section 14.08 Reservation for Construction. Declarant hereby reserves for itself and its successors and assigns and for Owners of the Project a perpetual easement and right-of-way over, upon, and across the Property for construction, utilities, drainage, and ingress and egress. The location of these easements and rights-of-way may be made certain by Declarant and the Association by instruments recorded in Campbell County, Wyoming. Declarant further reserves the right to establish from time to time, by dedication or otherwise, utility and other easements, reservations, exceptions and exclusions necessary or convenient for the development, use and operation of any other property of Declarant, as long as such action does not hamper the enjoyment of the Project by the Owners.

Section 14.09 Reservation for Expansion. Declarant hereby reserves to itself and for Owners in all future phases of the Project easements and rights-of-way over, upon, and across the Property for construction, utilities, drainage, and ingress to and egress from the Expansion Property, and for use of the Common Elements, if any. The location of these easements and rights-of-way may be made certain by Declarant by instruments recorded in Campbell County, Wyoming.

Section 14.10 Reservation of Easements, Exceptions, and Exclusions. Declarant reserves for itself, its successors and assigns, and hereby grants to the Association, the concurrent right to establish from time to time, by declaration or otherwise, utility and other easements, permits, or licenses over the Common Elements, for purposes including but not limited to streets, paths, walkways, drainage, recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions, and exclusions equitably serving the interests of the Owners and the Association.

Section 14.11 Maintenance Easement. An easement is hereby reserved to Declarant, and granted to the Association and any member of the Board of Directors or the Manager, and their respective officers, agents, employees, and assigns, upon, across, over, in, and under the Property and a right to make such use of the Property as may be necessary or appropriate to make emergency repairs or to perform the duties and functions which they are obligated or permitted to perform pursuant to the Project Documents, including the right to enter upon any Condominium Unit for the purpose of performing maintenance of the Common Elements.

Section 14.12 Right of Declarant and Association to Own Units and to Use Common Elements. An easement is hereby reserved by Declarant for itself and its successors and assigns and granted to the Association and its officers, agents, employees, successors and assigns to maintain offices, storage areas, conference areas, and recreational areas for use by the Association within the General Common Elements, subject to all rules and regulations established under this Declaration. The Association shall also have the right (but not the obligation) to purchase and own any Condominium Unit for the purpose of maintaining an office for the Association or for any other use which the

Association determines is consistent with the operation of the Project. The costs and carrying charges incurred by the Association in purchasing and owning any such Condominium Unit shall be part of the Common Expenses.

Section 14.13 Remodeling Easement. Declarant, for itself and its successors and assigns, including Owners, retains a right and easement in and about the Building for the construction and installation of any duct work, additional plumbing, or other additional services or utilities in the Common Elements in connection with the improvement or alteration of any Condominium Unit, including the right of access to such areas of the Common Elements as is reasonably necessary to accomplish such improvements. In the event of a dispute among Owners with respect to the scope of the easement reserved in this Section, the decision of the Board of Directors shall be final.

Section 14.14 HVAC Equipment Access. Declarant reserves for itself and its successors and assigns, including Owners, a right and easement in and about the Building for Declarant and Owners to locate on the Common Elements as provided in this Section furnaces, compressors, and similar HVAC equipment owned by such Declarant or Owner and serving such Owners Unit exclusively, including all utility lines, flues, and ductwork associated with such equipment (collectively, "HVAC Equipment"). Such right and easement includes the right to access the HVAC Equipment for purposes of repair, maintenance, ongoing operations, and replacement. The location of such easement shall be determined by the location of the HVAC Equipment as originally installed by Declarant. Such location may be relocated or expanded by the act of the Association upon the reasonable request of Owner. The HVAC Equipment located in such easement area shall be owned by the Owner, and the Owner shall have the sole responsibility for maintaining, repairing, and replacing the HVAC Equipment. Responsibility for property damage insurance with respect to the HVAC Equipment shall be determined under Section 15.04 below.

Section 14.15 General Reservations. Declarant reserves for itself and its successors and assigns, including the Association, after the expiration of the Special Declarant Rights Period, (a) the right to dedicate any access roads and streets serving the Property for and to public use, to grant road easements with respect thereto and to allow such street or road to be used by owners of adjacent land; and (b) the right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance, or regulation of parking and/or recreational facilities, which may or may not be a part of the Property for the benefit of the Owners, and/or the Association.

Section 14.16 Easements Deemed Created. Any and all conveyances made by Declarant to the Association or any Owner shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants.

ARTICLE XV. INSURANCE

Section 15.01 Authority to Purchase. Except as provided in Section 15.13 below, all insurance policies relating to the Property shall be purchased by the Board of Directors or its duly authorized agent. The Board of Directors, the Manager and Declarant shall not be liable for failure to obtain any coverage required by this Article or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage from reputable insurance companies, or if such coverage is available only at demonstrably unreasonable cost.

Section 15.02 Notice to Owners. The Board of Directors shall promptly furnish to each Owner written notice of materially adverse changes in, cancellation or termination of, insurance coverages obtained on behalf of the Association under this Article, such notice to be delivered to all Owners by such methods as required by the Act. The notice (which may be issued in the form of a sub policy relating to a master policy, if the Board of Directors obtains a master policy) shall specify the insurance coverage in effect on the Owner's Condominium Unit.

Section 15.03 General Insurance Provisions. All such insurance coverage obtained in accordance with this Article shall conform to any minimum requirements of the Act, and, to the extent not inconsistent with the Act, the following provisions.

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- (a) As long as Declarant owns any Condominium Unit, Declarant shall be protected by all such policies in the same manner as any Owner. The coverage provided to Declarant under the insurance policies obtained in compliance with this Article shall not be deemed to protect or be for the benefit of any general contractor engaged by Declarant, nor shall such coverage be deemed to protect Declarant for (or waive any rights with respect to) warranty claims against Declarant as the developer of the Project.
- (b) Depending on the area within the Property (whether Common Elements or one or more Condominium Units) damaged or destroyed and covered by an insurance claim submitted on behalf of the Association, the deductible amount, if any, on any insurance policy purchased by the Board of Directors may be treated as a Common Expense payable from Annual Assessments or Special Assessments allocable to all of the Condominium Units or to only some of the Condominium Units, if the claims or damages arise from the negligence of particular Owners, or if the repairs benefit only particular Owners, or as an item to be paid from working capital reserves established by the Board of Directors. The Association may enforce payment of any amount due from an individual Owner toward the deductible in accordance with Sections 8.06 and 8.07 above. Except as otherwise set forth in this Article, the maximum deductible amount shall be the lesser of \$10,000 or one percent of the policy face amount.
- (c) Except as otherwise provided in this Declaration, insurance premiums for the insurance coverage obtained by the Board of Directors pursuant to this Article shall be a Common Expense to be paid by regular Annual Assessments. In accordance with Section 8.03(b) above, the Board of Directors shall make appropriate allocations of the cost of any insurance carried by the Association for the benefit of a particular Owner.

Section 15.04 Property Damage Insurance. The Association shall obtain and maintain in full force and effect property damage insurance on all insurable improvements located on or constituting part of the Property (including without limitation, the Common Elements, the individual Air Space Units, heating and cooling equipment, together with, unless the Board of Directors directs otherwise, the fixtures, equipment and other personal property initially installed in the Individual Air Space Units and replacements thereof up to the value of those initially installed by Declarant, but not including furniture, wall coverings, improvements, additions or other personal property supplied or installed by Owners), together with all fixtures, building service equipment and common personal property and supplies of the Association, and heating equipment and other service machinery contained therein and covering the interests of the Owners and their Mortgagees, as their interests may appear. The insurance shall be carried in an amount equal to full insurable replacement value (i.e. 100% of the current "replacement cost" exclusive of land, foundation, excavation, depreciation on personal property and other items normally excluded from coverage), and shall include a replacement cost endorsement and an agreed amount endorsement waiving the requirement of coinsurance. Such insurance shall afford protection against at least the following:

- (a) Loss or damage caused by fire and other hazards covered by the standard extended coverage endorsement with the standard "all-risk" endorsement including but not limited to sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage;
- (b) If the Project has central heating or cooling or the Common Elements contain a steam boiler, a broad form policy of repair and replacement steam boiler and machinery insurance (or endorsement) in the lesser of (i) the amount of the insurable value of the building housing the boiler, or (ii) \$2,000,000 (or such other greater amount as the Board deems advisable);
- (c) Such other risks as shall customarily be covered with respect to projects similar in construction, location and use to the Project. The Board shall obtain property damage insurance covering any personal property owned by the Association.

Section 15.05 Provisions Common to Property Damage Insurance. In contracting for the policy or policies of insurance obtained pursuant to Section 15.04 above, the Board of Directors shall make reasonable efforts to secure coverage, if the Board deems such coverage advisable, which provides the following endorsements (or equivalent): (a) "cost of demolition;" (b) "contingent liability from operation of building laws or codes" (building ordinance or

law endorsement); (c) "increased cost of construction"; (d) "agreed amount" or elimination of co-insurance clause, and (e) "inflation guard" (if available).

Prior to obtaining any policy of property damage insurance or any renewal thereof, and at such other intervals as the Board of Directors may deem advisable (but in any event, at least once every three years), the Board of Directors shall obtain an appraisal from a general contractor or such other source as the Board may determine, of the then current replacement cost of the property (exclusive of the land, excavations, foundations and other items normally excluded from such coverage) subject to insurance carried by the Association, without deduction for depreciation, for the purpose of determining the amount of property damage insurance to be secured pursuant to this Article.

A certificate evidencing coverage under the policy of property damage insurance, together with proof of payment of premiums and any notice issued under Section 15.02 above, shall be delivered by the insurer to the Association and upon request, to any Owner or Mortgagee. The Mortgagee of a Condominium Unit shall also be entitled to receive upon request a certificate confirming the renewal of any existing property damage insurance at least 10 days before the expiration of the then current policy, and to receive notice promptly of any event giving rise to a claim under such policy arising from damage to such Condominium Unit.

Section 15.06 Liability Insurance. The Association shall obtain and maintain in full force and effect commercial general liability insurance (including bodily injury, libel, slander, false arrest and invasion of privacy coverage) and property damage insurance with such limits as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, the Association, the Manager, and the employees and agents of the Association and the Manager against any liability to the public or the Owners (and their guests, invitees, tenants, agents and employees) arising out of or incident to the ownership, existence, operation, management, maintenance or use of the Common Elements and any other areas under the control of the Association. Declarant shall be included as an additional insured in Declarant's capacity as an Owner or Director. The Owners shall be included as additional insureds, but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Elements. The insurance shall cover claims of one or more insured parties against other insured parties.

Such comprehensive policy of public liability insurance shall include the following:

- (a) Coverage for contractual liability, liability for non-owned and hired automobiles, and, if applicable, bailee's liability, garagekeeper's liability, host liquor liability, employer's liability, and such other risks as shall customarily be covered with respect to projects similar to the Project in construction, location, and use.
- (b) A cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to an action against another insured.
- (c) A "severability of interest" endorsement which shall preclude the insurer from denying liability coverage to an Owner because of the negligent acts of the Association or another Owner.

The Board of Directors shall review the coverage limits at least once every two years, but, generally, the Board shall carry such amounts of insurance usually required by private institutional mortgage lenders on projects similar to the Project and in no event shall such coverage be less than \$1,000,000 for all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained in an amount not less than \$2,000,000.

At the election of the Board of Directors, the Board may also contract for commercial General liability insurance covering each Owner with respect to the ownership and use of the Condominium Units, as necessary or convenient to allow the Board, the Manager and the Association to perform their respective duties in connection with the Common Elements. Notice of such coverage shall be given to the Owners as necessary to keep the Owners currently informed.

Section 15.07 Fidelity Insurance. Blanket fidelity insurance shall be maintained by the Association to protect against dishonest acts on the part of its officers, Directors, trustees, and employees and on the part of all others who handle or are responsible for handling the Funds belonging to or administered by the Association, regardless of whether such person receives compensation for services. Such insurance shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of employees, or similar terms or expressions. Such insurance will be not less than (in the aggregate) three months' current Assessments plus reserves, as calculated from the current budget of the Association, on all Units in the Project. In addition, if responsibility for handling funds is delegated to a Manager, such insurance shall be obtained by the Manager for the Manager and its officers, employees, and agents, as applicable, and shall contain the same coverages that are provided under the fidelity insurance obtained by the Association.

Section 15.08 Flood Insurance. If any habitable structure on the Property or any part of the Projects improvements is located in a Special Flood Hazard Area which is designated A, AE, AH, AO, AI-30, A-99, V, VE or V I-30 on a Flood Insurance Rate Plat, the Association shall obtain a "master" or "blanket" policy of flood insurance in an amount equal to 100% of the insurable value of the Common Elements and each Building in the Project in which Individual Air Space Units are located or the maximum coverage available under the appropriate National Flood Insurance Administration program. The Building coverage should equal 100% of the insurable value of the Building, including machinery and equipment that are part of the Building. The contents coverage must include 100% of the insurable value of all contents, including any machinery and equipment that are not part of the Building, but which are Common Elements or owned by the Association. The maximum deductible amount shall be the lesser of \$5,000 or one percent of the policy face amount. Funds to cover this deductible amount should be included in the Association's reserve account.

Section 15.09 Provisions Common to Property Damage Insurance Liability Insurance Fidelity Insurance and Flood Insurance. Any insurance coverage obtained by the Association under the provisions of this Article above shall be subject to the following provisions and limitations:

- (a) The named insured under any such policies shall include Declarant, until all the Condominium Units have been conveyed, and the Association, as attorney-in-fact for the use and benefit of the Owners, or the authorized representative of the Association (including any trustee with whom the Association may enter into an insurance trust agreement, or any successor trustee, each of which is sometimes referred to in this Declaration as the "Insurance Trustee" and such Insurance Trustee will be recognized by an insurer providing insurance pursuant to this Article XV) who shall have exclusive authority to negotiate losses and receive payments under such policies, and the "loss payable" clause should designate the Association or the Insurance Trustee, if any, who will act as trustee for each Owner and the holder of each Unit's Mortgage.
- (b) Each Owner shall be an insured person with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association.
- (c) In no event shall the insurance coverage obtained and maintained pursuant to this Article be brought into contribution with insurance purchased by the Owners or their Mortgagees.
- (d) The policies shall provide that coverage shall not be prejudiced by (i) any act or neglect of any Owner (including an Owner's family, tenants, servants, agents, invitees and guests) when such act or neglect is not within the control of the Association; or (ii) any act or neglect or failure of the Association to comply with any warranty or condition with regard to any portion of the Property over which the Association has no control; or (iii) conduct of any kind on the part of an Owner (including the Owner's family, tenants, servants, agents, invitees and guests) or any Director, officer, employee or Manager of the Association, without prior demand to the Association and a reasonable opportunity to cure the matter.
- (e) The policies shall contain the standard mortgage clause commonly accepted by private institutional mortgage investors in the area in which the Property is located, and provide that coverage may not be cancelled in the middle or at the end of any policy year or other period of coverage or substantially modified or reduced (including cancellation for nonpayment of premiums) without at least 30 days' prior

written notice mailed to the Association and to each Owner and First Mortgagees to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

- (f) The policies shall contain a waiver of subrogation by the insurer as to any and all claims against Declarant, the Board of Directors, the Association, the Manager, and any Owner or their respective agents, employees, or tenants, and in the case of Owners, members of their households, and of any defenses based upon co-insurance.
- (g) The policies described in this Article shall provide that any "no other insurance" clause shall expressly exclude individual Owners' policies from its operation so that the physical damage policy or policies purchased by the Board shall be deemed primary coverage, and any individual Owners' policies shall be deemed excess coverage.

Section 15.10 Personal Liability Insurance of Officers and Directors. To the extent obtainable at a reasonable cost, appropriate officers' and directors' personal liability insurance shall be maintained by the Association to protect the officers and Directors from personal liability in relation to their duties and responsibilities in acting as such officers and Directors on behalf of the Association.

Section 15.11 Workmen's Compensation Insurance. The Association shall obtain workmen's compensation or similar insurance with respect to its employees, if any, in the amounts and forms as may now or hereafter be required by law.

Section 15.12 Other Insurance. The Association may obtain insurance against such other insurable risks of a similar or dissimilar nature, as it deems appropriate with respect to the Associations responsibilities and duties.

Section 15.13 Insurance Obtained by Owners. It shall be the responsibility of each Owner, at such Owner's expense, to maintain property damage insurance on such Owner's personal property and furnishings (including without limitation such Owner's personal property stored in any Limited Common Element allocated to the Owner's Unit) and public liability insurance covering such Owner's Individual Air Space Unit. In addition, an Owner may obtain such other and additional insurance coverage on and in relation to the Owner's Condominium Unit as the Owner, in the Owner's sole discretion, shall conclude to be desirable. However, no such insurance coverage obtained by the Owner shall operate to decrease the amount which the Board of Directors, on behalf of all Owners, may realize under any policy maintained by the Board or otherwise affect any insurance coverage obtained by the Association or cause the diminution or termination of that insurance coverage. An Owner shall be liable to the Association for the amount of any such diminution of insurance proceeds to the Association resulting from insurance coverage maintained by the Owner, and the Association shall be entitled to collect the amount of the diminution from the Owner as if the amount were a Default Assessment, with the understanding that the Association may impose and foreclose a lien for the payment due. Any insurance obtained by an Owner shall include a provision waiving the particular insurance company's right of subrogation against the Association and other Owners, including Declarant, should Declarant be the Owner of any Condominium Unit.

The Board of Directors may require an Owner who purchases additional insurance coverage for the Owner's Condominium Unit (other than coverage for the Owner's personal property) to file copies of such policies with the Association within 30 days after purchase of the coverage to eliminate potential conflicts with any master policy carried by the Association.

ARTICLE XVI. ASSOCIATION AS ATTORNEY-IN-FACT

Each Owner hereby irrevocably appoints the Association as the Owner's true and lawful attorney-in-fact in such Owner's name, place and stead for the purposes of dealing with the Project upon its damage or destruction as provided in Article XVII, or a complete or partial taking as provided in Article XIX below. In addition, the

Association, or any Insurance Trustee or substitute Insurance Trustee designated by the Association, is hereby appointed as attorney-in-fact under this Declaration for the purpose of purchasing and maintaining insurance under Article XV above and to represent the Owners in any condemnation proceeding under Article XIX below including: the collection and appropriate disposition of the proceeds of such insurance or any condemnation award; the negotiation of losses and the execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association, or any Insurance Trustee, shall hold or otherwise properly dispose of any insurance proceeds in trust for the Owners and their Mortgagees, as their interests may appear. Acceptance by a grantee of a deed or other instrument of conveyance from Declarant or any other Owner conveying any portion of the Property shall constitute appointment of the Association as the grantee's attorney-in-fact, and the Association shall have full authorization, right, and power to make, execute, and deliver any contract, assignment, deed, waiver, or other instrument with respect to the interest of any Owner which may be necessary to exercise the powers granted to the Association as attorney-in-fact.

ARTICLE XVII. DAMAGE OR DESTRUCTION

Section 17.01 The Role of the Board of Directors. Except as provided in Section 17.06, in the event of damage to or destruction of all or part of any Condominium Unit, Common Elements, or other property covered by insurance written in the name of the Association under Article XV, the Board of Directors shall arrange for and supervise the prompt repair and restoration of the damaged areas of the Project, including, without limitation, the floor coverings, fixtures, and appliances initially installed therein by Declarant, and replacement thereof installed by the Owners up to the value of those initially installed by Declarant, but not including any furniture, furnishings, fixtures, equipment, or other personal property supplied or installed by the Owners in the Condominium Units unless covered by insurance obtained by the Association. Notwithstanding the foregoing, each Owner shall have the right to supervise the redecorating of his Unit.

Section 17.02 Estimate of Damage or Destruction. As soon as practicable after an event causing damage to or destruction of any part of the Project, unless such damage or destruction shall be minor, the Board of Directors shall obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction of that part of the Project damaged or destroyed. "Repair and reconstruction" as used in this Article shall mean restoring the damaged or destroyed part of the Project to substantially the same condition in which it existed immediately prior to the damage or destruction, with each Individual Air Space Unit and the Common Elements having substantially the same vertical and horizontal boundaries as before.

Section 17.03 Repair and Reconstruction. As soon as practical after the damage occurs and any required estimates have been obtained, the Association shall diligently pursue to completion the repair and reconstruction of that part of the Project damaged or destroyed. As attorney-in-fact for the Owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction, and no consent or other action by any Owner shall be necessary. Assessments of the Association shall not be abated during the period of insurance adjustments and repair and reconstruction.

Section 17.04 Funds for Repair and Reconstruction. Subject to the provisions of Section 17.06 below, the proceeds received by the Association from any hazard insurance carried by the Association shall be used for the purpose of repair and reconstruction. If the proceeds of the Association's insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Association may, pursuant to Section 8.05 above, levy, assess, and collect in advance from the Owners a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction. The cost of repair and reconstruction in excess of insurance proceeds and reserves is a Common Expense.

Section 17.05 Disbursement of Funds for Repair and Reconstruction. The insurance proceeds held by the Association and the amounts received from the Special Assessments provided for above, constitute a fund for the payment of the costs of repair and reconstruction after casualty. Such fund shall be applied by the Association as attorney-in-fact for such reconstruction, and the improvements shall be promptly repaired and reconstructed. The Association shall have full authority, right, and power, as attorney-in-fact to cause the repair and restoration of the improvements. It shall be deemed that the first money disbursed in payment for the costs of repair and

reconstruction shall be made from insurance proceeds, and the balance from the Special Assessments. If there is a balance remaining after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made as Special Assessments, or if no Special Assessments were made, then in proportionate shares on the basis of the allocation to the Owners of Common Expenses under Section 8.03(b) above, first to the Mortgagees and then to the Owners, as their interests appear.

Section 17.06 Decision Not to Rebuild. Any portion of the Project for which insurance is required pursuant to the provisions of this Declaration or the Act which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- (i) The project is terminated pursuant to Article XVIII below and the Act;
- (ii) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;
- (iii) Owners representing at least 80% of votes in the Association vote not to repair and reconstruct the Project, including (a) the vote of every Owner of a Condominium Unit or assigned Limited Common Element that will not be rebuilt, (b) during the Special Declarant Rights Period, the vote of Declarant, (c) the vote of at least 51% of Eligible Mortgage Holders and (d) any other votes required by the Act; or
- (iv) Prior to the conveyance of a Unit to a person other than the Declarant, the holder of a deed of trust or mortgage on the damaged portion of the Project rightfully demands all or a substantial part of the insurance proceeds.

If the entire Project is not repaired or replaced, the insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Project, and, except to the extent that other persons will be distributees, the insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt must be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were allocated, and to lienholders, as their interests may appear, and the remainder of the proceeds must be distributed to all the Unit Owners and lienholders, as their interests may appear, in proportion to the Common Element interests of all the Units, as set forth on Exhibit B.

Section 17.07 Repairs. All repairs and reconstruction contemplated by this Article XVII shall be performed substantially in accordance with this Declaration, the Plat, and the original plans and specifications for the Project, unless other action is approved by the Association in accordance with the requirements of this Declaration and the other Project Documents.

Section 17.08 Notice of Damage or Destruction to First Mortgagees. In the event that any portion of the Project encompassing more than one Individual Air Space Unit is substantially damaged or destroyed by fire or other casualty, then written notice of the damage or destruction shall be given by the Association to each Owner and First Mortgagee of the affected Units within a reasonable time following the event of casualty damage.

ARTICLE XVIII. TERMINATION OF PROJECT

Section 18.01 Adoption of Termination Agreement. Except in the case of a taking of all of the Units by eminent domain, the Project may be terminated by the agreement of Owners of Units to which at least 67% of the votes in the Association are allocated, which termination proposal must have the approval of at least 67% of the First Mortgagees of record at the time of the adoption of such plan. The approval of a First Mortgagee will be assumed when an Eligible Mortgage Holder fails to submit a written response to the proposed termination within 30 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested. The agreement of Owners to terminate must be evidenced by their execution of a termination agreement or ratifications thereof in the same manner as a deed, by the requisite number of Owners. The termination agreement must specify a date after which the agreement will be void unless it is recorded before that

date. The termination agreement and all ratifications thereof must be recorded in Campbell County, Wyoming, and is effective only upon recordation.

Section 18.02 Sale of the Property. The termination agreement may provide that all of the Common Elements and Units of the Project must be sold following termination. If, pursuant to the agreement, any real estate in the Project is to be sold following termination, the termination agreement must set forth the minimum terms of sale. Subject to the provisions of the termination agreement, the Association, on behalf of the Owners, may contract for the sale of real estate in the Project following termination, but the contract is not binding on the Owners until approved pursuant to Section 18.01 above. If any real estate is to be sold following termination, title to that real estate, upon termination, vests in the Association as trustee for the holders of all interests in the Units. Thereafter, the Association has all the powers necessary and appropriate to effect the sale. Until the sale has been concluded and the proceeds thereof distributed, the Association continues in existence with all the powers it had before termination. Proceeds of the sale must be distributed to Owners and lienholders as their interests may appear in accordance with Section 18.04 below, taking into account the value of property owned or distributed that is not sold so as to preserve the proportionate interests of each Owner with respect to all property cumulatively. Following termination of the Project, the proceeds of any sale of the Property, together with the assets of the Association, are held by the Association as trustee for the Owners and holders of liens on the Units as their interests may appear. Creditors of the Association who obtain a lien and duly record it in Campbell County, Wyoming, are to be treated as if they had perfected liens on the Units immediately before termination or when the lien is obtained and recorded, whichever is later. Unless otherwise specified in the termination agreement, as long as the Association holds title to the Property, each Owner and the Owner's successors in interest have an exclusive right to occupancy of the portion of the Property that formerly constituted the Unit. During the period of that occupancy, each Owner and the Owner's successors in interest remain liable for all Assessments and other obligations imposed on Owners by the Declaration.

Section 18.03 Status of Property Not Sold. Title to the Units not to be sold following termination vests in the Owners upon termination as tenants in common in fractional interests that maintain, after taking into account the fair market value of property owned and the proceeds of property sold, their respective interests as provided in Section 18.04 below with respect to all property appraised under Section 18.04 below, and liens on the Units shift accordingly. While the tenancy in common exists, each Owner and the Owner's successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted such Unit.

Section 18.04 Interests of the Owners. The respective interests of the Owners are as follows:

- (a) Except as provided in Section 18.04(b) below, the respective interests of Owners are the combined fair market values of their Units, allocated interests, and Limited Common Elements, immediately before the termination, as determined by one or more independent appraisers selected by the Association. The decision of the independent appraisers shall be distributed to the Owners and becomes final unless disapproved within 30 days after distribution by Owners of Units to which 25% of the votes in the Association are allocated. The proportion of any Owner's interest to that of all Owners is determined by dividing the fair market value of that Owner's Unit and its allocated interests by the total fair market values of all the Units and their allocated interests.
- (b) If any Unit or any Limited Common Element is destroyed to the extent that an appraisal of the fair market value thereof prior to destruction cannot be made, the interests of all Unit Owners are their respective Common Element interests immediately before the termination.

ARTICLE XIX. CONDEMNATION

Section 19.01 Consequences of Condemnation. If, at any time or times during the continuance of the Project pursuant to this Declaration, all or any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu or in avoidance of condemnation, then all compensation, damages, or other proceeds of condemnation, the sum of which is referred to as the "condemnation award" below, shall be payable to the Association, and the provisions of this Article XIX shall apply.

Section 19.02 Complete Taking. In the event that the entire Project is taken or condemned or sold or otherwise disposed of in lieu or in avoidance of condemnation, the condominium ownership pursuant to this Declaration shall terminate. The condemnation award shall be paid to the Association for the use and benefit of the Owners and the Mortgagees as their interests may appear. Such award shall be apportioned among the Owners and the Mortgagees on the basis of the undivided interest in the Common Elements appurtenant to the Unit in which such Owners and Mortgagees have an interest; provided, however, that if a standard different from the value of the Project as a whole is employed to measure the condemnation award in the negotiation, judicial decree, or otherwise, then in determining such apportionment the same standard shall be employed. The Association shall, as soon as practical, determine the share of the condemnation award to which each Owner and Mortgagee is entitled in accordance with each Owners allocated interest in the Common Elements, and such shares shall be paid first to the Mortgagees and then to the Owners, as their interests appear.

Section 19.03 Partial Taking. Except as the Owners may otherwise agree pursuant to Article XVIII above, in the event that less than the entire Project is taken or condemned or sold or otherwise disposed of in lieu or in avoidance of condemnation, the condominium ownership under this Declaration shall not terminate. Each Owner (and Mortgagee holding an interest in such Owner's Unit) shall be entitled to a share of the condemnation award to be determined under the following provisions. The condemnation award shall be paid to the Association for the use and benefit of the Owners and the Mortgagees as their interests may appear. As soon as practical, the Association shall reasonably and in good faith allocate the condemnation award between compensation, damages, or other proceeds, and shall apportion the amounts so allocated among the Owners, as follows:

- (a) Subject to Section 19.03(c) below, the total amount allocated to a taking of or injury to the Common Elements shall be apportioned among Owners and their Mortgagees on the basis of each Owner's undivided interest in the Common Elements, and any portion of the award attributable to the acquisition of a Limited Common Element must be equally divided among the Owners of the Units to which the Limited Common Element was allocated at the time of acquisition;
- (b) The total amount allocated to severance damages shall be apportioned to the Owners and Mortgagees of those Condominium Units which were not taken or condemned;
- (c) The respective amounts allocated to the taking of or injury to a particular Condominium Unit or to improvements an Owner has made within the Owners own Condominium Unit (including compensation to the Owner for the Unit and its allocated interest in the Common Elements whether or not the Common Elements are acquired) shall be apportioned to the Owner and Mortgagees of that particular Condominium Unit involved; and
- (d) The total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable under the circumstances.

If an allocation of the condemnation award is already established in negotiation, judicial decree, or otherwise, then in allocating the condemnation award the Association shall employ such allocation. Distribution of apportioned proceeds shall be made by checks payable jointly to the respective Owners and their respective Mortgagees.

Section 19.04 Reorganization. In the event a partial taking results in the taking of an Individual Air Space Unit, the Owners thereof shall automatically cease to be members of the Association, and their ownership interests in the Common Elements shall terminate and vest in the Owners of the remaining Condominium Units. Thereafter, subject to the provisions of the Act, the Association shall reallocate the ownership, voting rights, and Assessment ratios determined in accordance with this Declaration and the Act, according to the same principles employed in this Declaration at its inception and as required under the Act and the Board of Directors of the Association shall amend this Declaration accordingly.

Section 19.05 Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by the procedures contained in Article XVII above.

Section 19.06 Notice of Condemnation. In the event that any portion of the Project shall be made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then timely written notice of such condemnation shall be given by the Association to each Owner and First Mortgagee.

ARTICLE XX. ARCHITECTURAL CONTROL

Section 20.01 Rights With Respect to Remodeling and Construction. Owners of all Units may make no exterior or interior addition to or change or alteration to a Condominium Unit until the plans and specifications showing the nature, kind, shape, height, color, materials, and location of the same shall have been submitted to and approved in writing by the Board of Directors of the Association. The Board may exercise its discretion when considering a request under this Article XX.

Section 20.02 Purpose and General Authority. The Board shall review, study and either approve or reject proposed improvements in the Unit, all in compliance with this Declaration and as further set forth in the rules and regulations the Board may establish from time to time to govern its proceedings. No improvement shall be erected, placed, reconstructed, replaced, repaired or otherwise altered, nor shall any construction, repair or reconstruction be commenced until plans for the improvements shall have been approved by the Board; provided, however, that minor cosmetic improvements (such as painting of interior walls or wallpapering) that are not visible from the outside of the Building, that do not affect any of the General Common Elements or the Limited Common Elements, and that do not cause any noise or other disturbance may be undertaken without such approval. All improvements shall be constructed only in accordance with approved plans.

Section 20.03 Board Discretion. The Board shall exercise reasonable efforts to provide that all improvements conform and harmonize with the Project as to design, quality and type of construction, seals, materials, color, and location in the Unit, and the schemes and aesthetic considerations set forth in the Project Documents. The actions of the Board in the exercise of its discretion by its approval or disapproval of plans and other information submitted to it, or with respect to any other matter before it, shall be conclusive and binding on all interested parties.

Section 20.04 Expenses. Except as provided in this Section below, all expenses of the Board shall be paid by the Association and shall constitute a Common Expense. The Board shall have the right to charge a fee for each application submitted to it for review, in an amount which may be established by the Board from time to time, and such fees shall be collected by the Board and remitted to the Association to help defray the expenses of the Board's operation.

Section 20.05 Other Requirements. Compliance with the Board's process is not a substitute for compliance with Campbell County building, zoning and subdivision regulations, and each Owner is responsible for obtaining all approvals, licenses and permits as may be required prior to commencing construction of any improvements.

Section 20.06 Limitation on Liability. The Board shall use its judgment in accepting or disapproving all plans and specifications submitted to it. Neither the Board nor any individual Board member shall be liable to any person for any official act of the Board in connection with submitted plans and specifications except to the extent the Board or any individual Board member acted with malice or wrongful intent. Approval by the Board does not necessarily assure approval by the appropriate governmental board or commission for Campbell County. Notwithstanding that the Board has approved plans and specifications, neither the Board nor any of its members shall be responsible or liable to any Owner or contractor with respect to any loss, liability, claim or expense which may arise by reason of such approval of the construction of the improvements. Neither the Board nor any agent thereof, nor Declarant, nor any of its partners, employees, agents or consultants shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of the Project Documents, nor for any structural or other defects in any work done according to such plans and specifications. In all events the Board shall be defended and indemnified by the Association in any such suit or proceeding which may arise by reason of the Board's decision. The Association, however, shall not be obligated to indemnify each member of the Board to the extent any such member of the Board is adjudged to be liable for negligence or misconduct in the performance of his duty as a member of the Board, unless and then only to the extent that the court in which such action or suit

may be brought determines upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expense as such court shall deem proper.

Section 20.07 Enforcement and Inspection. Any member or authorized consultant of the Board, or any authorized officer, Director, employee or agent of the Association may enter upon any Unit at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect improvements constructed or under construction in the Unit to determine whether the improvements have been or are being built in compliance with the Project Documents and the plans and specifications approved by the Board.

Section 20.08 Deemed Nuisances. Every violation of these Covenants is hereby declared to be and to constitute a nuisance, and every public or private remedy allowed by such violation by law or equity against a Member shall be applicable. Without limiting the generality of the foregoing, these Covenants may be enforced as provided below:

- (a) The Board may adopt a schedule of fines for failure to abide by the Board's rules and regulations, including fines for failure to obtain any required approval from the Board.
- (b) Subject to the requirements of the Bylaws, the Association, upon request of the Board and after reasonable notice to the offender and, if different, to the Owner, may enter upon any Unit at any reasonable time after notice to the Owner, without being deemed guilty of trespass, and remove any improvement constructed, reconstructed, refinished, altered or maintained in violation of these Covenants. The Owner of the improvement shall immediately reimburse the Association for all expenses incurred in connection with such removal. If the Owner fails to reimburse the Association within 30 days after the Association gives the Owner notice of the expenses, the sum owed to the Association shall bear interest at the Default Rate from the date of the advance by the Association through the date of reimbursement in full, and all such sums and interest shall be a Default Assessment enforceable as provided in Article VIII.

Section 20.09 Continuity of Construction. All improvements commenced on the Property shall be prosecuted diligently to completion and shall be completed within six months after commencement, unless an exception is granted in writing by the Board. If an improvement is commenced and construction is then abandoned for more than 30 days, or if construction is not completed within the required six-month period, then after notice and opportunity for hearing as provided in the Bylaws, the Association may impose a fine in an amount established from time to time by the Board to be charged against the Owner of the Unit until construction is resumed, or the improvement is completed, as applicable, unless the Owner can prove to the satisfaction of the Board of Directors that such abandonment is for circumstances (other than the Owner's failure or refusal to pay money) beyond the Owner's control. Such charges shall be a Default Assessment and lien as provided in Article VIII.

ARTICLE XXI. MORTGAGEE PROTECTIONS

Section 21.01 Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain Mortgages. This Article is supplemental to, and not in substitution for, any other provisions of this Declaration, but in the case of any conflict, this Article shall control.

Section 21.02 Percentage of Eligible Mortgage Holders. Wherever in this Declaration the approval or consent of a specified percentage of Eligible Mortgage Holders is required, it shall mean the approval or consent of Eligible Mortgage Holders under Mortgages encumbering Condominium Units which in the aggregate have allocated to them such specified percentage of votes in the Association when compared to the total allocated to all Condominium Units then subject to Mortgages held by Eligible Mortgage Holders.

Section 21.03 Notice of Actions. The Association shall give prompt written notice to each Eligible Mortgage Holder of the following:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Project or the Common Elements or any Condominium Unit in which an interest is held by the Eligible Mortgage Holder.
- (b) Any delinquency which remains uncured for 60 days in the payment of Assessments by an Owner whose Condominium Unit is encumbered by a Mortgage held by such Eligible Mortgage Holder.
- (c) Any lapse, cancellation, or material modification of any insurance policy or fidelity insurance maintained by the Association.
- (d) Any proposed action which would require the consent of Eligible Mortgage Holders as required in Section 21.04 below.
- (e) Any judgment rendered against the Association.

Section 21.04 Consent Required.

- (a) Documents Changes. No amendment of any material provision of this Declaration described in this Section 21.04 may be effective without the vote of at least 67% of the Owners in the Association (subject to Section 24.03 below) and the approval in writing of at least 51% of the Eligible Mortgage Holders. "Material" provisions include any provision affecting the following:
 - (i) Assessments (if such amendment will increase the then existing amount of Assessments by more than 25%), Assessment liens, or the subordination or priority of Assessment liens.
 - (ii) Voting rights.
 - (iii) Reductions in reserves for maintenance, repair and replacement of the Common Elements.
 - (iv) Responsibility for maintenance and repairs.
 - (v) Rights to use the Common Elements.
 - (vi) Reallocation of interests in the Common Elements or rights to their use, except that when Limited Common Elements are reallocated by agreement between Owners, only those Owners and the Eligible Mortgage Holders having an interest in such Units must approve such action.
 - (vii) Definitions of boundaries of Units.
 - (viii) Insurance or fidelity bonds.
 - (ix) Imposition of any restrictions on an Owner's right to sell, lease or transfer his Condominium Unit.
 - (x) Restoration or repair of the Property after hazard damage or partial condemnation in a manner other than that specified in this Declaration.
 - (xi) Termination of this Declaration after the occurrence of substantial destruction or condemnation.
 - (xii) Conversion of Units into Common Elements or conversion of Common Elements into Units.

- (xiii) A decision by the Association to establish self management if professional management had been required by the Project Documents or by an Eligible Mortgage Holder.
- (xiv) Expansion or contraction of the Project, or the addition, annexation or withdrawal of property to or from the Project, except as provided in Article XXV below.
- (xv) The benefits of Eligible Mortgage Holders.
- (b) Actions. The Association may not take any of the following actions, except as such rights have been specifically reserved by Declarant under the provisions of this Declaration, without the approval of at least 67% of the Owners in the Association (subject to Section 24.03 below) and the approval in writing of at least 51% of the Eligible Mortgage Holders:
 - (i) Conveyance or encumbrance of the Common Elements (provided, however, that the granting of easements for public utilities, for construction and maintenance of roads within the Project, or for other public purposes not inconsistent with the use of the Common Elements by the Owners shall not be deemed a transfer within the meaning of this clause).
 - (ii) Restoration or repair of the Property (after hazard damage or partial condemnation) in a manner other than that specified in this Declaration.
 - (iii) Termination of this Declaration for reasons other than substantial destruction or condemnation, as permitted with the approval percentages specified in Articles XVII and XVIII above.
 - (iv) Merger of the Project with any other common interest community.
 - (v) The granting of easements, leases, licenses or concessions through or over the Common Elements (excluding, however, any such grants for public utilities or other public purposes not inconsistent with the use of the Common Elements by the Owners).
 - (vi) The assignment of the future income of the Association, including its right to receive Assessments.
 - (vii) Any action not to repair or replace the Common Elements except as permitted under Articles XVII and XVIII above.

Section 21.05 Notice of Objection. Unless an Eligible Mortgage Holder provides the Secretary of the Association with written notice of its objection, if any, to any proposed amendment or action outlined above within 30 days following the receipt of notice delivered by certified or registered mail, return receipt requested, of such proposed amendment or action, the Eligible Mortgage Holder shall be deemed conclusively to have approved the proposed amendment or action.

Section 21.06 First Mortgagees' Rights.

- (a) Payment of Taxes and Insurance. First Mortgagees, jointly or singly, may pay taxes or other charges which are in default and which may or have become a charge against any of the Common Elements, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Elements. First Mortgagees making such payments shall be owed immediate reimbursement from the Association.
- (b) Payment of Assessments. Eligible Mortgage Holders shall be entitled to cure any delinquency of the Owner of the Condominium Unit encumbered by the Eligible Mortgage Holder in the payment of Assessments of which the Eligible Mortgage Holder has received notice under Section 21.03 above. In that event, the

Eligible Mortgage Holder shall be entitled to obtain a release from the lien imposed or perfected by reason of such delinquency.

Section 21.07 Title Taken by First Mortgagees. Any First Mortgagee who obtains title to the Condominium Unit pursuant to the remedies provided in the First Mortgage, including foreclosure of the First Mortgage, shall be liable for all Assessments due and payable as of the date title to the Condominium Unit vests in the First Mortgagee under the statutes of Wyoming governing foreclosures. Except as provided in the Act, such First Mortgagee shall not be liable for any unpaid dues and charges attributable to the Condominium Unit which accrue prior to the date such title vests in the First Mortgagee.

ARTICLE XXII. ENFORCEMENT OF COVENANTS

Section 22.01 Violations Deemed Nuisance. Every violation of this Declaration or any other of the Project Documents is deemed to be a nuisance and is subject to all the remedies provided for the abatement or correction of the violation. In addition, all public and private remedies allowed at law or equity against anyone in violation of these covenants will be available.

Section 22.02 Compliance. Each Owner or other occupant of any part of the Property will comply with the provisions of the Project Documents as the same may be amended from time to time.

Section 22.03 Failure to Comply. Failure to comply with the Project Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Reasonable notice and an opportunity for a hearing as provided in the Bylaws will be given to the delinquent party prior to commencing any legal proceedings.

Section 22.04 Who May Enforce. Any action to enforce the Project Documents may be brought by Declarant, the Board or the Manager in the name of the Association on behalf of the Owners, or any aggrieved Owners. Such an action may be brought against the Declarant, the Board, the Manager, the Association or any Owner.

Section 22.05 Remedies. In addition to the remedies set forth above in this Article, any violation of the Project Documents shall give to the Board, the Manager or Declarant, on behalf of the Owners, the right to enter upon the offending premises or take appropriate peaceful action to abate, remove, modify or replace, at the expense of the offending Owner, any structure, thing or condition that exist thereon contrary to the interest of the Owners and meaning of the Project Documents. If the offense occurs in any easement, walkway, Common Elements or the like, the cure shall be at the expense of the Owner or other person responsible for the offending condition.

Section 22.06 Nonexclusive Remedies. All the remedies set forth herein are cumulative and not exclusive.

Section 22.07 No Waiver. The failure of the Board of Directors, Declarant, the Manager, or any aggrieved Owner to enforce the Project Documents will not be deemed a waiver of the right to do so for any subsequent violations or of the right to enforce any other part of the Project Documents at any future time.

Section 22.08 No Liability. No member of the Board of Directors, the Declarant, the Manager or any Owner will be liable to any other Owner for the failure to enforce any of the Project Documents at any time.

Section 22.09 Recovery of Costs. If legal assistance is obtained to enforce any of the provisions of the Project Documents, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Project Documents or the restraint of violations of the Project Documents, the prevailing party will be entitled to recover all costs incurred by it in such action, including reasonable attorneys' fees (and legal assistants' fees) as may be incurred, or if suit is brought, as may be determined by the court.

ARTICLE XXIII. RESOLUTION OF DISPUTES

If any dispute or question arises between Members or between Members and the Association or relating to the interpretation, performance or nonperformance, violation, or enforcement of the Project Documents, such dispute or violation may be subject to a hearing and determination by the Board in accordance with the procedures set forth in the Bylaws and may be submitted to mediation by either party to the controversy prior to the commencement of any legal proceeding. The mediation agreement, if one is reached, may be presented to the court as a stipulation. Either party to the mediation may terminate the mediation process without prejudice. If either party subsequently violates such a stipulation, the other party may apply immediately to the court for relief

ARTICLE XXIV. DURATION OF THESE COVENANTS AND AMENDMENT

Section 24.01 Term. This Declaration and any amendments or supplements hereto will remain in effect from the date of recordation until the 21st anniversary of the date this Declaration is first recorded in the office of the Clerk and Recorder of Campbell County, Wyoming.

Hereafter these Covenants will be automatically extended for successive periods of 10 years each, unless otherwise terminated or modified as provided below.

Section 24.02 Amendment. This Declaration, or any provision of it, may be terminated, extended, modified or amended, or revoked as to the whole or any portion of the Property, as allowed and provided in the Act, and upon compliance with Article XXI above, as appropriate. Amendments made pursuant to this Section will inure to the benefit of and be binding upon all Owners, their families, tenants, guests, invitees and employees, and their respective heirs, successors, and assigns. A certificate of a licensed abstract or title company showing record ownership of the Property and a certificate of the Secretary of the Association documenting votes held and voting rights exercised on the basis of such ownership records will be evidence of such ownership and voting representation for the purposes of any such amendment. Declarant may amend the Declaration or the Plat to correct clerical, typographical, or technical errors. Declarant may amend this Declaration to comply with the requirements, standards, or guidelines of recognized secondary mortgage markets, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or the Federal National Mortgage Association.

Section 24.03 Declarant's Approval. Notwithstanding the provisions of Section 24.02, (i) no termination, extension, modification, amendment or restatement of this Declaration will be effective in any event during the Period of Declarant Control, unless the written approval of Declarant is first obtained; and (ii) no termination, extension, modification, amendment or restatement of this Declaration may be made during the Special Declarant Rights Period to impair any of the Special Declarant Rights or Declarant's other rights under Article XIV or this Article XXIV unless the written approval of Declarant is first obtained.

Section 24.04 Notice of Amendment. Except with respect to amendments that do not affect all of the Owners or amendments that the Declarant may make unilaterally as allowed in the Act or in this Declaration, no amendment or revocation of this Declaration will be effective unless a written notice of the proposed amendment is sent to every Owner reasonably in advance of any action taken or purported to be taken and such Owner has been given the opportunity to vote or give its consent thereto.

Section 24.05 Effective on Recording. Any modification, amendment or revocation made in accordance with this Declaration will be immediately effective when signed by either the Declarant, with respect to matters for which the Declarant can act alone to amend the Declaration under the Act, or the officer of the Association authorized to sign such documents and upon recording such document in the real estate records of Campbell County, Wyoming.

ARTICLE XXV. EXPANSION AND WITHDRAWAL

Section 25.01 Reservation of Right to Expand. Declarant reserves the right, but shall not be obligated, to expand the effect of this Declaration to include all or part of the Expansion Property. The consent of the existing Owners and Mortgagees shall not be required for any such expansion, and Declarant may proceed with such expansion

without limitation at its sole option. Declarant shall have the unilateral right to transfer to any other person this right to expand by an instrument duly recorded. Declarant shall pay all taxes and other governmental assessments relating to the Expansion Property as long as Declarant is the owner of such property. The right to expand granted under this Section shall expire seven years after the recordation of this Declaration.

Section 25.02 Incorporation of Additional Expansion Property. Declarant also reserves the right to incorporate into the Property real property that is not part of the Expansion Property, subject to the limitations of the Act.

Section 25.03 Declaration of Annexation. Such expansion may be accomplished by recording a Declaration of Annexation and one or more supplemental Plats in the records of the Clerk and Recorder of Campbell County, Wyoming, on or before the expiration of the Period of Declarant Control. The Declaration of Annexation shall describe the real property to be expanded, submit it to the covenants, conditions, and restrictions contained in this Declaration, the changed percentage interests of the Owners, together with a supplemental Condominium Plat or Plats containing the same information with respect to the new buildings as was required on the original Condominium Plats with respect to the initial buildings. The expansion may be accomplished in stages by successive supplements or in one supplemental expansion. All intended improvements located on land to be annexed to the Property, as part of the Project must be substantially completed prior to expansion. The effective date of such expansion shall be the later of the dates of recordation of the Declaration of Annexation and the supplemental Condominium Plat. Such date shall be used for the purpose of determining when the definitions shall be expanded pursuant to Section 25.04 below; when the fractional undivided interests in the Common Elements shall change, as provided in Section 25.06 below; when the Owner's pro rata share of Common Expenses shall change, as provided in Section 25.07 below; and when the votes allocated to the Units added to the Project shall be effective, as provided in Section 25.08 below. Such Declaration of Annexation shall not require the consent of Owner.

Section 25.04 Expansion of Definitions. In the event of such expansion, the definitions used in this Declaration shall be expanded automatically to encompass and refer to the Project as so expanded. For example, "Condominium Unit" shall mean the Condominium Units described in this Declaration plus any additional Condominium Units added by a Declaration of Annexation, and reference to this Declaration shall mean this Declaration as so supplemented. All conveyances of Condominium Units shall be effective to transfer rights in the Project as expanded, by use of the form of description set forth in Article X above, with additional references to the supplement(s) to this Declaration and the supplemental Condominium Plat(s). The recordation in the records of Campbell County, Wyoming, of a supplemental Condominium Plat or Plats incident to any expansion shall operate automatically to grant, transfer, and convey to the Owners of Condominium Units as they existed before such expansion the respective undivided interests in the new Common Elements added to the Project as the result of such expansion, as set forth in the Declaration of Annexation accomplishing such expansion, and to convey from such owners of Condominium Units as they existed before such expansion a portion of the Common Elements of the Project as previously constituted, so that each Owner shall own that percentage of the Common Elements in the expanded Condominium Project as provided in Section 25.06 below and as set forth in the Declaration of Annexation accomplishing such expansion. Such recordation shall also operate to vest in any then Mortgagee of any Condominium Unit in the Project as it existed before such an expansion a security interest in the undivided interest so acquired by the Owner of the Condominium Unit encumbering the new Common Elements added to the Project as the result of such expansion.

Section 25.05 Declaration Operative on New Buildings. The new buildings shall be subject to all of the terms and conditions of this Declaration and of any Declaration of Annexation, and the Condominium Units therein shall be subject to the condominium regime with all the incidents pertaining thereto as specified in this Declaration, upon placing the supplemental Condominium Plat(s) and Declaration of Annexation of public record in the real estate records of Campbell County, Wyoming.

Section 25.06 Fractional Undivided Interests in Common Elements; Disposition of Remainder of Common Elements. Each Owners undivided interest in the Common Elements of the Project, as expanded from time to time, shall be determined as provided in Section 3.02, above. At the time or times that the Declarant records any Declaration of Annexation, the undivided interests of the Owners of each Condominium Unit in the Common Elements as of that time shall be attached as an exhibit to such supplement.

Section 25.07 Assessments. Following expansion, each Owner shall be liable and each Condominium Unit shall be subject to a lien for Common Expenses and for Annual Assessments and Special Assessments as provided in Article VIII above in proportion to the respective undivided interests in the Common Elements appurtenant to the Units as set forth in an exhibit to the Declaration of Annexation documenting the expansion. Owners of Condominium Units in any expansion portion of the Project shall become liable for Assessments upon the purchase of their Units.

Section 25.08 Voting. Upon the effective date of any expansion as explained in Section 25.03 above, one vote shall be allocated to each Unit added to the Project through expansion. The votes which were allocated to Owners of Condominium Units prior to the expansion and the percentages of Owners constituting a quorum and a majority necessary to take action on behalf of the Association shall not change, but the relative voting power of such previous Owners shall necessarily be reduced to the proportion expressed by the fraction with the numerator equal to the Unit or Units owned by the Owner, and the denominator equal to the total number of Units in the Project, as expanded.

Section 25.09 Easement Across Common Elements and Easements of Enjoyment. The Owners of each Condominium Unit now or hereafter included in the Project are hereby granted a perpetual easement and right-of-way for access to such Condominium Unit over, upon, and across the Common Elements in the expanded Project.

Section 25.10 Withdrawal of Property. Declarant reserves the right to withdraw from the jurisdiction of this Declaration any parcel of the Property (including the Expansion Property), provided, however, that no portion of any real estate incorporated into the Property by Declaration of Annexation may be withdrawn after a Unit in that phase of the Expansion Property as been conveyed to a purchaser.

ARTICLE XXVI. MISCELLANEOUS PROVISIONS

Section 26.01 Severability. This Declaration, to the extent possible, will be construed or reformed so as to give validity to all of its provisions. Any provision of this Declaration found to be prohibited by law or unenforceable will be ineffective to the extent of such prohibition or unenforceability without invalidating any other part hereof.

Section 26.02 Construction. In interpreting words in this Declaration, unless the context will otherwise provide or require, the singular will include the plural, the plural will include the singular, and the use of any gender will include all genders.

Section 26.03 Headings. The headings are included only for purposes of convenient reference, and they will not affect the meaning or interpretation of this Declaration.

Section 26.04 Waiver. No failure on the part of the Association or the Board to give notice of default or to exercise or to delay in exercising any right or remedy will operate as a waiver, except as specifically provided above in the event the Board fails to respond to certain requests. No waiver will be effective unless it is in writing and signed by the President or Vice President of the Board on behalf of the Association.

Section 26.05 Limitation of Liability. Neither the Association nor any officer or member of the Board will be liable to any party for any action or for any failure to act with respect to any matter arising by, through or under the Project Documents if the action or failure to act was made in good faith. The Association will indemnify all of the officers and Board members with respect to any act taken in their official capacity to the extent provided in this Declaration and by law and in the Articles of Incorporation and Bylaws.

Section 26.06 Conflicts Between Documents. In case of conflict between this Declaration and the Articles of Incorporation or the Bylaws, this Declaration will control. In case of conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation will control.

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Section 26.07 Assignment. Subject to the requirements and limitations of the Act, Declarant may assign all or any part of the Special Declarant Rights or any of Declarant's other rights and reservations hereunder to any successor who takes title to all or part of the Property in a bulk purchase for the purpose of development and sale. Such successor will be identified, the particular rights being assigned will be specified, and, to the extent required, concomitant obligations will be expressly assumed by such successor, all in a written instrument duly recorded in the records of the Clerk and Recorder of Campbell County, Wyoming.

Section 26.08 Limit on Timesharing. No Owner of any Condominium Unit shall offer or sell any interest in such Condominium Unit under a "timesharing" or "interval ownership" plan, or any similar plan.

Section 26.09 Counterparts. This Declaration and the required approvals and joinders to it, may be executed in two or more counterparts which when taken together shall evidence the agreement of Declarant and all such parties approving or joining in this Declaration.

Terrace on Beaver Park LLC,
a Wyoming Limited Liability Corporation

Attest: Dennis R. Lawrence
Dennis R. Lawrence
Its: Managing Member

By: Kelly C. Lawrence
Kelly C. Lawrence
Its: Managing Member

STATE OF WYOMING)
COUNTY OF Johnson) ss.

The foregoing instrument was acknowledged before me this 4th day of December, 2001, by Kelly C. Lawrence as Managing Member and Dennis R. Lawrence as Managing Member of Terrace on Beaver Park LLC, a Wyoming Limited Liability Corporation.

WITNESS my hand and official seal

My commission expires:



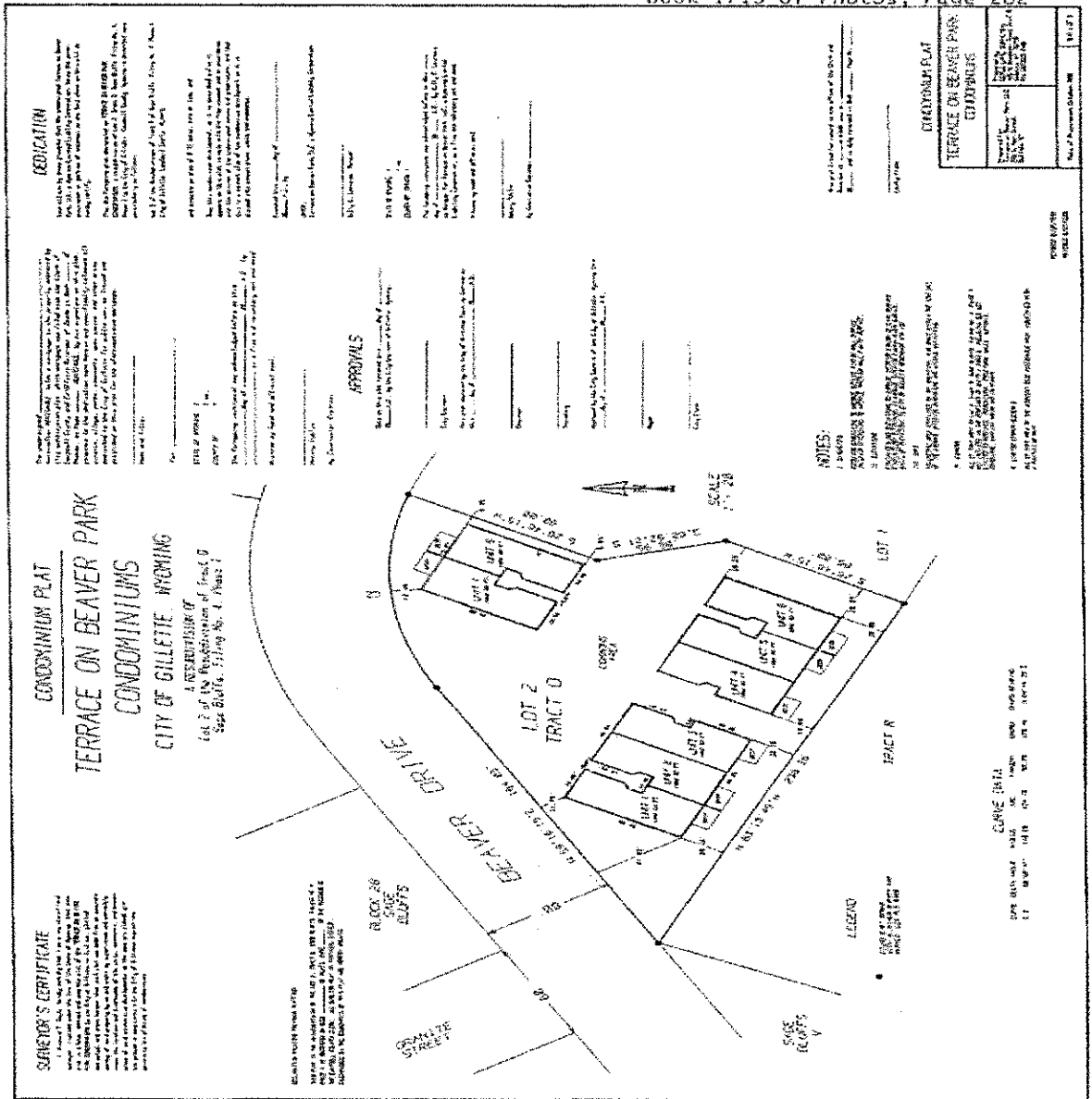
Lynne M. Michelena
Notary Public

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EXHIBIT A
CONDOMINIUM PLAT

SEE ATTACHED SHEETS 1-3

A-1



EDUCATION

The proposed development is located in the City of Gillette, Wyoming. The City of Gillette is a home rule municipality and is subject to the provisions of the Wyoming Home Rule Constitution. The City of Gillette is a member of the Wyoming Home Rule Association. The City of Gillette is a member of the Wyoming Home Rule Association. The City of Gillette is a member of the Wyoming Home Rule Association.

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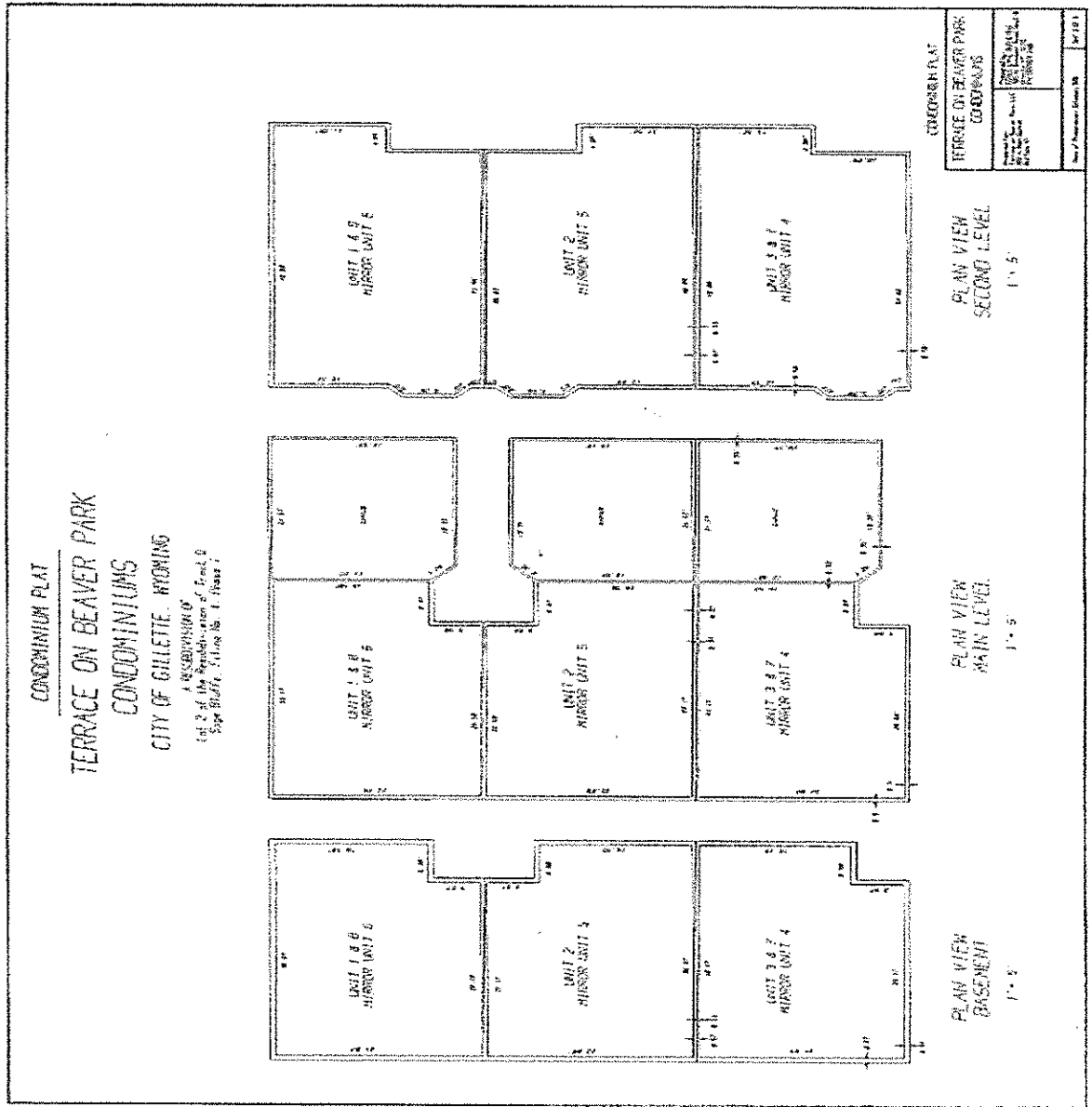
APPROVALS

The proposed development has been approved by the City of Gillette, Wyoming. The City of Gillette is a home rule municipality and is subject to the provisions of the Wyoming Home Rule Constitution. The City of Gillette is a member of the Wyoming Home Rule Association. The City of Gillette is a member of the Wyoming Home Rule Association. The City of Gillette is a member of the Wyoming Home Rule Association.

NOTES

1. SEE PLAN FOR UNIT DIMENSIONS.
2. SEE PLAN FOR UNIT DIMENSIONS.
3. SEE PLAN FOR UNIT DIMENSIONS.
4. SEE PLAN FOR UNIT DIMENSIONS.
5. SEE PLAN FOR UNIT DIMENSIONS.

CONDOMINIUM PLAN	
TERRACE ON BEAVER PARK CONDOMINIUMS	
OWNER:	DEVELOPER:
DATE:	SCALE:
No. of Pages: 10	



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EXHIBIT B

EXPANSION PROPERTY

A resubdivision of Lot ² 8, Tract Q, Sage Bluffs, Filing No. 4, Phase I to the City of Gillette,
Campbell County, State of Wyoming.

B-1

EXHIBIT C - MAINTENANCE LIST

The following is a listing of the items within the Project, the maintenance, repair and replacement duty for which Owners and the Association are responsible in accordance with Article IX of the Declaration.

COMPONENT(S)	OWNER	ASSOC.
Appliances-Built-in	X	
Appliances - Free Standing	X	
Bearing Walls, Non-bearing Walls, Studs, Frames, TieDowns, other structural items		X
Carpeting - in Units	X	
Carport/Driveway/Parking Space-Concrete and Asphalt Surfaces		X
Caulking-Exterior		X
Caulking - Interior	X	
Common Area Improvements		X
Crawl Spaces in Attic (including personal contents)	X	
Doorbell - Exterior Components/Button Switch	X	
Doorbell Interior Components	X	
Doors-Entry-Frame & Door		X
Doors-Entry-Locks and Hardware	X	
Doors-Entry-Painting-Exterior Surface		X
Doors - Entry - Painting - Interior Surface	X	
Doors - Entry - Weather Stripping/Waterproofing	X	
Doors - Interior	X	
Doors, Screen/Storm/Security	X	
Doors, Sliding Glass	X	
Doors, Sliding Glass Frame and Tracks	X	
Doors, Sliding Glass - Screen	X	

COMPONENT(S)	OWNER	ASSOC.
Drainage Systems (e.g. ditches, catch basins)		X
Drains - Bathtubs, Showers, Sinks	X	
Drains - Curb		X
Drains - Yards		X
Dryer Vents - Cleaning (Personal)	X	
Dryer Vents - Repair (Personal)	X	
Drywall - Damage Repairs (e.g. cracks, inside minor localized water damage, dents, holes, etc.)	X	
Drywall - Interior - Replace	X	
Electrical Panel/Circuit Breakers/Interior	X	
Electrical Switches, Sockets, Wall Plates - Interior	X	
Electrical Wiring - Interior	X	
Exhaust Fans	X	
Exterior Building Surfaces		X
Exterior Faucets, Handles, Washers		X
Exterior Lighting Fixtures (Common Area)		X
Fences-Common Area		X
Fireplace - Chimney - Exterior and Spark Arrestor	X	
Fireplace - Chimney Flue	X	
Fireplace - Chimney - Interior - Cleaning	X	
Fireplace - Ceramic Tile Surround	X	
Fireplace - Mantlepiece, Trim and Facing	X	
Floor Coverings - Carpet, Linoleum, Tile and Vinyl	X	
Front Entry Landings - Surface		X
Garage - Unit Systems	X	
Garage Door Openers	X	

COMPONENT(S)	OWNER	ASSOC.
Garage Door - Replacement	X	
Garbage Disposal	X	
Gas Lines - Below Ground		X
Glass	X	
Gutters & Downspouts (except extensions added by Owner)		X
Hose Bibs		X
Insulation		X
Landscaping		X
Lighting Fixtures - Common Areas		X
Lighting Fixtures - Inside Units	X	
Lighting Fixtures - Outside - Front	X	
Lighting Fixtures - Outside - Patio	X	
Linoleum Flooring - Units	X	
Owner Installed Improvement	X	
Painting - Interior	X	
Parking Lot including Visitor Parking Spaces		X
Patio Deck Membranes/Waterproofing	X	
Patio Deck Railings - Painting (Outside Surfaces)	X	
Patio Deck Railings - Painting (Inside Surfaces)	X	
Patio Deck Railings - Replacement		X
Patio Painting/Staining	X	
Plumbing Fixtures - Interior (Toilets/Tubs/Sinks/Faucets, etc.)	X	
Plumbing Lines - Inside Unit, if not located behind or within walls, floors or ceilings	X	
Plumbing Lines - Located within floors, behind or within walls or ceilings, and in Common Area		X
Roof Decking		X

COMPONENT(S)	OWNER	ASSOC.
Roof Flashing		X
Roof - Owner Installed Laundry Vent	X	
Roof Shingles/Tiles		X
Roof Underlayment		X
Roof Vents		X
Sewer Backups		X
Sewer Lines - Common Use		X
Sewer Lines - Single Use		X
Sidewalks- Common Areas		X
Sidewalks - Entry		X
Slab (Excluding Patio Slabs)		X
Sliding Patio Door Flashing/Waterproofing		X
Sliding Patio Door Frames & Tracks		X
Sliding Patio Door Hardware	X	
Sliding Patio Doors, Glass	X	
Spraying for Household Pests (Ants, Fleas, etc.)	X	
Spraying for Landscaping Pests		X
Streets		X
Siding Repair & Replacement		X
Toilet - Wax Ring	X	
Toilets - Fixture & Components	X	
Trim - Exterior - Maintenance & Replacement		X
Trim - Exterior - Painting		X
Wallpaper/ Paneling	X	
Water Heater-Individual	X	

COMPONENT(S)	OWNER	ASSOC.
Water Lines - Inside Unit, if not located behind or within walls or ceilings, and in Common Area	X	
Water Lines - Located within floors, behind or within walls or ceilings, and in Common Area		X
Window and Door Glass	X	
Window and Slider Screens	X	
Window Flashing/Waterproofing	X	
Window Frames	X	
Window Hardware	X	
Wiring-CableTV		X
Wiring - Electrical - From Breaker into Unit Interior	X	
Wiring - Electrical - From Outside to Breaker in Unit		X
Wiring - Telephone	X	

STATE OF WYOMING }
 Campbell County } ss
 Filed for record this 11th day of December, A.D., 2001 at 10:50 o'clock A.M. and recorded in Book 1715
 of Photos on page 237-290 fees \$ 112.00
Gwen Saunders By Shirley Hackett
 County Clerk and Ex-Officio Register of Deeds Deputy

RECORDED
 ABSTRACTED
 INDEXED
 CHECKED