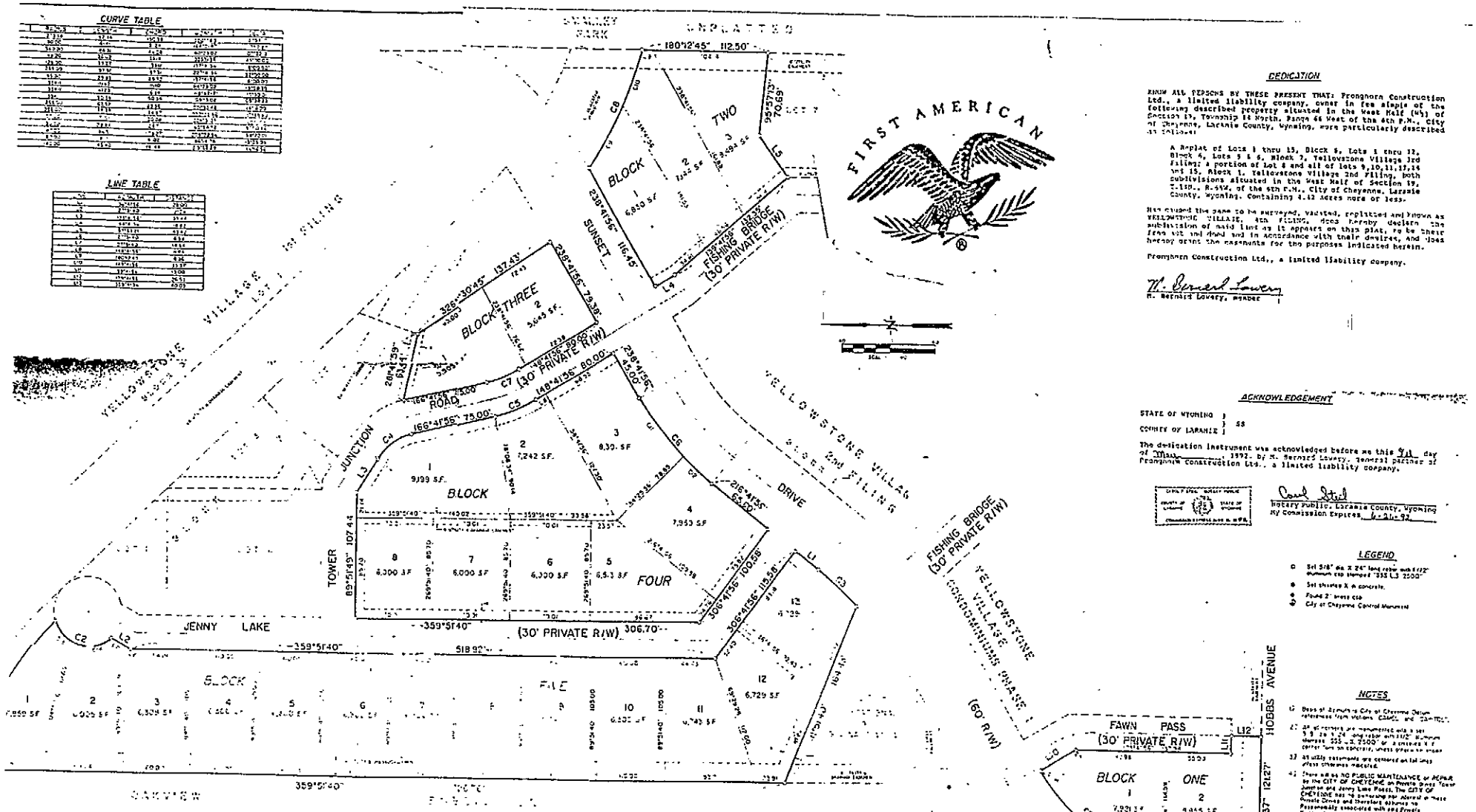
First American Title™

These documents are provided by First American Title as a courtesy to you. Should you have any questions regarding these documents, please contact your Realtor or a Real Estate Attorney.

Please be advised that any provision contained in this document, or in a document that is attached, linked, or referenced in this document, that under applicable law illegally discriminates against a class of individuals based upon personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or any other legally protected class, is illegal and unenforceable.

245 Storey Boulevard
Cheyenne, WY 82009
307-635-1181



DEDICATION

KNOW ALL PERSONS BY THESE PRESENT THAT: Prongnorn Construction Ltd., a limited liability company, owner in fee simple of the following described property situated in the West Half (W½) of Section 19, Township 14 North, Range 66 West of the 6th P.M., City of Cheyenne, Laramie County, Wyoming, more particularly described as follows:

A Replat of Lots 1 thru 15, Block 5, Lots 1 thru 12, Block 6, Lots 5 & 6, Block 7, Yellowstone Village 3rd Filing; a portion of Lot 8 and all of lots 9,10,11,12,14 and 15, Block 1, Yellowstone Village 2nd Filing, both subdivisions situated in the West Half of Section 19, T.14N., R.66W. of the 6th P.M., City of Cheyenne, Laramie County, Wyoming. Containing 4.42 Acres more or less.

Has caused the same to be surveyed, vacated, replatted and known as YELLOWSTONE VILLAGE, 4th FILING. does hereby declare the subdivision of said land as it appears on this plat, to be their free act and deed and in accordance with their desires, and does hereby grant the easements for the purposes indicated herein.

Prongnorn Construction Ltd., a limited liability company.

H. Bernard Lowery, member

ACKNOWLEDGEMENT

STATE OF WYOMING)
) SS
COUNTY OF LARAMIE)

The dedication instrument was acknowledged before me this 9th day of May, 1992, by H. Bernard Lowery, General partner of Prongnorn Construction Ltd., a limited liability company.

Notary Public, Laramie County, Wyoming
My Commission Expires 6-24-92

LEGEND

- Set 5/8" dia X 24" long rebar with 1½" aluminum cap stamped "PLS L3 2500"
- Set chiseled X in concrete.
- Found 2" brass cap
- City of Cheyenne Control Monument

NOTES

1) Basis of Bearings is City of Cheyenne Datum, references from Monuments [illegible] and [illegible].
2) All structures are monumented with a set 5/8" dia X 24" long rebar with 1½" aluminum cap stamped "PLS L3 2500" or a chiseled X in concrete, unless otherwise shown.
3) All utility easements are centered on lot lines unless otherwise indicated.
4) There will be NO PUBLIC MAINTENANCE or REPAIR by the CITY OF CHEYENNE on Private Drives Fawn Pass and Jenny Lake Place. The CITY OF CHEYENNE has no ownership or interest in these Private Drives and therefore assumes no responsibility associated with the Private Rights-of-Way shown on this plat.
5) Private Drive street restoration costs and snow and sewer main maintenance are to be responsibility of the appropriate Homeowners Association.

VACATION STATEMENT

APPROVALS

Approved by the Cheyenne-Laramie County Regional Planning Commission this 20th day of April, 1992.

Development Director

Approved by the City Council of Cheyenne, Wyoming, this 11th day of May, 1992.

Mayor — Attest: City Clerk

CERTIFICATE OF SURVEYOR

I, [illegible], Registered Professional Land Surveyor in the State of Wyoming, hereby certify that this plat is [illegible] [illegible] the [illegible] and [illegible] of the [illegible]

VICINITY MAP	AZIMUTH	FILING RECORD
		Reception # 130 745

YELLOWSTONE VILLAGE 4th. FILING

A REPLAT OF LOTS 1 THRU 15, BLOCK 5, LOTS 1 THRU 9, BLOCK 6 & LOTS 5 & 6, BLOCK 7, YELLOWSTONE VILLAGE 3rd FILING, A PORTION OF LOT 8 & ALL OF LOTS 9, 10, 11, 12, 14 & 15, BLOCK 1, YELLOWSTONE VILLAGE 2nd FILING, BOTH SUBDIVISIONS SITUATED IN THE WEST 1/2 OF SECTION 19, T14N, R66W, OF THE 6th P.M., CITY OF CHEYENNE, LARAMIE COUNTY, WYOMING

STEIL SURVEYING SERVICES

DECLARATION OF PROTECTIVE COVENANTS

The State of Wyoming)
) ss.
County of Laramie)

This instrument was filed on the 5 day of June A. D. 1940 at 2:35 o'clock P. M. and duly recorded in Book 385 on page 110.

VERNER M. FRANSON
County Clerk & Ex-Officio Register of Deeds
By- - - - -Deputy

DECLARATION OF PROTECTIVE COVENANTS

KNOW ALL MEN BY THESE PRESENTS: That George J. Carroll and George H. Hobbs, of Cheyenne, Laramie County, Wyoming, the present owners of all lots in Yellowstone Addition, Laramie County, Wyoming, do hereby covenant and agree that all of said lots are held subject to and with the restrictions, conditions, covenants and charges contained herein, and they do hereby jointly and severally covenant and agree any and all persons to whom any of said lots may be sold shall take and hold the same subject to the following covenants and restrictions, and shall be required to comply with and keep all of the same:

Any residence erected upon any lot or lots shall cost not less than $5000.00 when completed.

No buildings shall be located on any lot nearer than thirty feet to the front lot line.

No lot or building shall be sold or mortgaged to or occupied by any person not of the Caucasian race.

Any violation of these covenants and restrictions may be restrained and enjoined by an action instituted by any owner of any lot lying within said addition.

IN WITNESS WHEREOF, we have hereunto set our hands this 31st day of May, 1940.

GEORGE J. CARROLL

Witness:

GEORGE H. HOBBS

BARD FERRALL
WALTER W. GEIGER

THE STATE OF WYOMING)
) ss.
COUNTY OF LARAMIE)

On this 31st day of May, 1940 before me personally appeared George J. Carroll and George H. Hobbs, to me known to be the persons described in and who executed the foregoing instrument, and each acknowledged that he executed the same as his free act and deed.

Given under my hand and notarial seal this 31st day of May, 1940.

WALTER W. GEIGER
Notary Public

WALTER W. GEIGER
NOTARY PUBLIC
LARAMIE COUNTY
WYOMING

My Commission expires September 14, 1[illegible]

Restrictions indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin are illegal to the extent such covenants violate 42 USC 3604

[illegible] restrictions violate 42 USC 3604(c).

FIRST AMERICAN

George J. Carroll, George H. Hobbs and J. D. Ziemer and Carroll A. Ziemer, husband and wife

to

The Public

* DECLARATION OF PROTECTIVE COVENANTS

* Filed May 29, 1953 at 10:17 A. M.

* Book 534, Page 435

Recites: WHEREAS, George J. Carroll, George H. Hobbs and J. D. Ziemer and Carroll A. Ziemer, husband and wife, are the owners of Yellowstone Addition located in the NW¼SW¼ of Section 19, Township 14 North, Range 66 West of the 6th P.M., Laramie County, Wyoming, and

WHEREAS, they desire to establish in said Addition an exclusive residential district wherein the construction and use of dwelling houses shall conform to certain minimum requirements, and each home owner, in consideration of his compliance with such requirements, shall be protected against violation thereof by any other home owner;

NOW, THEREFORE, in consideration of the premises the undersigned do hereby impose upon Blocks 1, 2, 3 and 4 of Yellowstone Addition, Laramie County, Wyoming, the following protective covenants and restrictions, to-wit:

1. Upon all lots in Blocks 1, 2, 3 and 4, Yellowstone Addition, Laramie County, Wyoming, no structure shall be erected, altered, placed or permitted to remain on any residential building lot, other than one detached single-family dwelling, or one semi-detached single-family dwelling, not to exceed one and one-half stories in height, and a private garage for not more than three cars.

2. No building shall be erected, placed or altered on any building plot in said Addition until the building plans, specifications and plot plan showing the location of such building have been approved in writing as to conformity and harmony of external design with existing structures in the subdivision, and as to location of the building with respect to topography and finished ground elevation, by a committee composed of George J. Carroll, George H. Hobbs and Carroll A. Ziemer, or by a representative designated by a majority of the members of said committee. In the event of death or resignation of any member of said committee, the remaining members shall have full authority to appoint an additional committee member to fill said vacancy, who shall be a property owner in said Addition. Said committee, either the survivors or the committee with the newly appointed member, shall have full authority to approve or disapprove such design and location within 30 days after said plans and said specifications have been submitted to it or, in any event, if no suit to enjoin the erection of such building or the making of such alterations has been commenced prior to the completion thereof, such approval will not be required and this covenant will be deemed to have been fully complied with. Neither the members of such committee, nor its designated representatives, shall be entitled to any compensation for services performed pursuant to this covenant. The powers and duties of such committee, and of its designated representative, shall cease on and after June 1, 1963. Thereafter, the approval described in this covenant shall not be required unless, prior to said date and effective thereon, a written instrument shall be executed by the then record owners of a majority of the lots in this subdivision and duly recorded, appointing a representative or representatives, who shall thereafter exercise the same powers previously exercised by said committee.

3. No building shall be located nearer to the front lot line or nearer to the side street line than the building setback line shown on the recorded plat. In any event, no building shall be located on any residential plot nearer than 25 feet to the front lot line nor nearer than 10 feet to any side street line, nor nearer than 5 feet to any side lot line. No building shall be located on any of said lots nearer than 25 feet to the front line on either abutting street. No building except a detached garage or other out-building located 75 feet or more from the front lot line shall be located nearer than 3 feet to any side lot line.

4. No residential structure shall be erected or placed on any building plot, which plot has an area of less than 6000 square feet or a width of less than 60 feet at the front building setback line.

5. No store, shop, repair shop, storage or repair garage, restaurant, dance hall or other public place of amusement, or any similar business or commercial enterprise shall be carried on or conducted upon any lots in said addition, nor shall any thing be done on any of said lots which may be an annoyance or nuisance to the neighborhood.

6. No trailer, basement, tent, shack, garage, barn or other outbuilding erected in the tract shall at any time be used as a residence temporarily or permanently, nor shall any structure of a temporary character be used as a residence.

7. No dwelling costing less than $10,000.00 according to cost analysis of the Federal Housing Administration as of June 1, 1953, shall be permitted on any lot in the tract. The ground floor area of the main structure, exclusive of one-story open porches and garages, shall not be less than 850 square feet in the case of one-story structure, no less than 700 square feet in the one and one-half story structure.

8. Yard fences may extend only from the rear of any lot to the rear of the house thereon, and there shall be no front yard fencing.

9. No noxious or offensive activity or trade shall be carried on upon any lot in said Addition.

10. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until June 1, 1978, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless by vote of a majority of the then owners of the lots it is agreed to change said covenants in whole or in part.

11. If the parties hereto, or any of them, or their heirs, or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any real property situated in said development or subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from so doing or to recover damages or other dues for such violation.

12. Invalidation of any one of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

Book 534, Page 435 - Page 3.

Witness:
James O. Wilson

Signed: George J. Carroll
George H. Hobbs
J. D. Ziemer
Carroll A. Ziemer

Acknowledged May 27, 1953, by George J. Carroll, George H. Hobbs, and J. D. Ziemer and Carroll A. Ziemer, before James O. Wilson, a Notary Public in Laramie County, Wyoming. (Notarial Seal) Commission expires August 3,1954.

029593 COPY TO ASSESSOR 90.75

LARAMIE COUNTY
CHEYENNE, WY.
'87 JUN 4 AM 10 44

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

YELLOWSTONE VILLAGE SINGLE FAMILY HOMES

Restrictions indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin are hereby deleted to the extent such restrictions violate 42 USC 3604(c).

BOOK 1247

TABLE OF CONTENTS

		Page
ARTICLE I.	RECITALS	1
ARTICLE II.	DEFINITIONS	1
Section 2.1.	Association	1
Section 2.2.	Board of Directors	2
Section 2.3.	Building	2
Section 2.4.	Common Area	2
Section 2.5.	Common Area Improvements	2
Section 2.6.	Common Expense	2
Section 2.7.	Declarant	2
Section 2.8.	Declaration	2
Section 2.9.	Dwelling Unit	3
Section 2.10.	First Mortgage	3
Section 2.11.	First Mortgagee	3
Section 2.12.	Lot	3
Section 2.13.	Lot Improvement	3
Section 2.14.	Member	3
Section 2.15.	Mortgage	3
Section 2.16.	Mortgagee	3
Section 2.17.	Owner	3
Section 2.18.	Participating Builder	4
Section 2.19.	Properties and Project	4
Section 2.20.	Subdivision Plat	4
ARTICLE III.	PROPERTY RIGHTS	4
Section 3.1.	Owners' Easements of Enjoyment	4
Section 3.2.	Delegation of Use	5
Section 3.3.	Title Common Area and Improvements Thereon	5
ARTICLE IV.	EASEMENTS	5
Section 4.1.	Easements for Encroachments	5
Section 4.2.	Zero Lot Line Maintenance Easement	5
ARTICLE V.	THE ASSOCIATION	6
Section 5.1.	The Association	6
Section 5.2.	Membership	6
Section 5.3.	Classes of Membership and Voting Rights	6
Section 5.4.	Transfer	7
Section 5.5.	Powers	7
Section 5.6.	Examination of Books and Records	8

ARTICLE VI. CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION..... 8

Section 6.1. Common Areas..... 8
Section 6.2. Miscellaneous Services..... 9
Section 6.3. Professional Management..... 9
Section 6.4. Common Area Use..... 9
Section 6.5. Fences and Walls..... 10
Section 6.6. Maintenance of Individual Lots..... 10
Section 6.7. Identity of Board of Directors..... 10
Section 6.8. Rights of Action..... 10

ARTICLE VII. ASSESSMENTS..... 10

Section 7.1. Obligation..... 12
Section 7.2. Maximum Annual Assessment..... 12
Section 7.3. Uniform Rate of Assessment..... 12
Section 7.4. time for Payment of Assessments..... 12
Section 7.5. Special Assessments for Capital Improvements.... 13
Section 7.6. Special Assessment Veto..... 13
Section 7.7. Assessment Lien..... 13
Section 7.8. Personal Obligation..... 14
Section 7.9. Notice to First Mortgagee..... 14
Section 7.10. Statement of Status of Assessment Payment..... 14
Section 7.11. Personal Liability of Purchaser for Assessments. 15
Section 7.12. Working Capital and Assessment Reserves..... 15
Section 7.13. First Mortgagee-Foreclosure-Liability for Unpaid Assessments..... 15
Section 7.14. Association's Right of Acceleration Upon Default..... 16

ARTICLE VIII. RESTRICTIVE COVENANTS AND OBLIGATIONS USE OF DWELLING UNITS..... 16

Section 8.1. Residential..... 16
Section 8.2. Sales Facilities of Declarant..... 16
Section 8.3. Right of Association to Own Units and to Use Common Areas..... 16
Section 8.4. Compliance With Law..... 17
Section 8.5. Rules and Regulations..... 17
Section 8.6. No Other Business..... 17
Section 8.7. Miscellaneous Use Restrictions..... 17

ARTICLE IX. ARCHITECTURAL CONTROL COMMITTEE..... 19

Section 9.1. Membership..... 19
Section 9.2. Evidence of Action..... 20
Section 9.3. Duties..... 20

Section 9.4. Approval of Plans..... 20
Section 9.5. Reserved Right of Declarant..... 21
Section 9.6. Binding Agreement to Pay Legal Costs..... 21
Section 9.7. Variance..... 21
Section 9.8. Minor Violations of Setback Restrictions..... 22

ARTICLE X. INSURANCE.....22

Section 10.1. Comprehensive General Liability and Property Insurance..... 22
Section 10.2. Fire and Hazard Insurance..... 23
Section 10.3. No Individual First Insurance on Common Areas... 23
Section 10.4. Owner's Personal Liability and Property Insurance..... 23
Section 10.5. Fidelity Insurance Coverage..... 24
Section 10.6. Other Insurance..... 24
Section 10.7. Attorney in Fact..... 24
Section 10.8. Proceeds..... 24
Section 10.9. Notice of Cancellation or Modification..... 24
Section 10.10. Annual Review of Policies..... 24
Section 10.11. Deductibles..... 25
Section 10.12. Directors' and Officers' Liability Insurance... 25
Section 10.13. Waivers..... 25

ARTICLE XI. CASUALTY..... 25

Section 11.1. Association as Agent and Attorney in Fact..... 25
Section 11.2. General Authority of Association..... 25
Section 11.3. Notices and Cost Estimates..... 26
Section 11.4. Insurance Proceeds Sufficient to Repair..... 26
Section 11.5. Insurance Proceeds Insufficient to Repair..... 26

ARTICLE XII. CONDEMNATION..... 26

Section 12.1. Consequences of Condemnation..... 26
Section 12.2. Proceeds and Notices..... 26

ARTICLE XIII. GENERAL RESERVATIONS..... 26

Section 13.1. Reservation of Easements, Exceptions, and Exclusions..... 26
Section 13.2. Rights of Declarant and Participating Builders Incident to Construction..... 27

ARTICLE XIV. ENLARGEMENT OF PROJECT (ANNEXATION)..... 27

Section 14.1. Special Rights Reserved to Declarant: Enlargement of Project..... 27
Section 14.2. Assessments and Voting Rights..... 28
Section 14.3. Future Improvements..... 28

ARTICLE XV. PRE-EXISTING RESERVATIONS, RESTRICTIONS, EASEMENTS AND COVENANTS..... 28

Section 15.1. County of Laramie..... 29
Section 15.2. Other Recorded Documents..... 29

ARTICLE XVI. REVOCATION OR AMENDMENT OF DECLARATION..... 29

Section 16.1. Revocation..... 29
Section 16.2. Duration and Amendment..... 29
Section 16.3. Amendments to Conform to VA, FHA, FNMA or FHLMC Requirements..... 29
Section 16.4. Technical Amendments..... 29

ARTICLE XVII. MISCELLANEOUS PROVISIONS..... 30

Section 17.1. Mailing Address..... 30
Section 17.2. Compliance with Provisions..... 30
Section 17.3. Severability..... 30
Section 17.4. Terminology..... 30
Section 17.5. State Law..... 30
Section 17.6. Declarant's Rights Transferable..... 30
Section 17.7. Registration of First Mortgagees..... 30
Section 17.8. Approval by First Mortgagees..... 31
Section 17.9. Case of Conflict..... 31

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

YELLOWSTONE VILLAGE SINGLE FAMILY HOMES

ARTICLE I. RECITALS

PREMIERE BUILDERS, INC., a Wyoming corporation (the "Declarant"), as the owner of certain real property subject to this Declaration, located in Laramie County, Wyoming, and more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the "Properties"), which Properties consist of 58 individual Lots to be improved and sold, and related Common Areas and Common Area Improvements as set forth on Subdivision Plat filed or to be filed, hereby makes the following grants, submissions, and declarations:

Declarant desires to provide for the preservation and enhancement of property values, and opportunities in the Properties, contributing to the personal and general health, safety and welfare of residents and for the maintenance of the Common Area and Improvements, and to this end desires to subject the Properties, together with such additions as may hereafter be made thereto, to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said Properties and each Owner thereof.

DECLARATION

NOW, THEREFORE, Declarant declares that the Properties and such additions as may hereafter be made, is, are and shall be held, transferred, sold, conveyed and occupied subject to the following uniform covenants, conditions, restrictions, easements, charges and liens which shall run with the real property and be binding on all persons having or acquiring any right, title or interest in the Properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of, be binding upon, and be enforceable by Declarant, its successors in interest, each Owner and his successors in interest, and the Yellowstone Village Single Family Association, Inc., and its successors in interest.

ARTICLE II. DEFINITIONS

The following terms shall have the following meanings when used, unless the context otherwise requires:

Section 2.1. Association. "Association" shall mean and include Yellowstone Village Single Family Association, Inc., a Wyoming nonprofit corporation, its successors and assigns.

Section 2.2. Board of Directors. "Board of Directors" or "Board" shall mean and include the governing body of the Association as provided in this Declaration, the Articles of Incorporation and the By-Laws thereof.

Section 2.3. Building. "Building" shall mean and include any building constructed on the Properties.

Section 2.4. Common Area. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described in Exhibit B.

Section 2.5. Common Area Improvements. "Common Area Improvements" shall mean and refer to any and all improvements located in, under, or upon the Common Area, as originally developed and constructed by Declarant or as later added by the Association, which Common Area Improvements may include recreational facilities, perimeter fences, any non-dedicated and private roadways, all as may be located upon the Common Area described herein.

Section 2.6. Common Expense. "Common Expense" shall mean and refer to:

A. Expenses of administration, operation or management, repair, maintenance or replacement of the Common Areas of the Project;

B. Expenses declared Common Expenses by the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association;

C. All sums lawfully assessed against the Lots by the Board of Directors of the Association;

D. Expenses determined to be Common Expenses by the Association; and

E. Expenses as are provided in any management agreement applicable to the Properties.

Section 2.7. Declarant. "Declarant" shall mean and include Premiere Builders, Inc., a Wyoming corporation, its successors and assigns, if such successors and assigns should acquire all Lots owned by Declarant for the purpose of development and sale and a notice of assignment of Declarant's rights hereunder is recorded with the Clerk and Recorder of Laramie County specifying the assignee of Declarant's rights.

Section 2.8. Declaration. "Declaration" shall mean and include this instrument together with any and all supplements and/or amendments

hereto recorded in the Office of the Clerk and Recorder of the County of Laramie, State of Wyoming.

Section 2.9. Dwelling Unit. "Dwelling Unit" shall mean and refer to the improvements located upon any Lot built for single family occupancy as a residence.

Section 2.10. First Mortgage. "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust or other security instrument recorded in the records of the office of the Clerk and Recorder of the County of Laramie, Wyoming, encumbering any Lot having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments). "First Mortgage" shall also mean and refer to any executory land sales contract wherein the Administrator of Veterans Affairs, an Officer of the United States of America, is the seller, whether such contract is recorded or not, and whether such contract is owned by the said Administrator or has been assigned by the said Administrator and is owned by the Administrator's assignee, or a remote assignee, and the land records in the Office of the Clerk and Recorder of the County of Laramie, Wyoming, show the said Administrator as having the record title to the Lot.

Section 2.11. First Mortgagee. "First Mortgagee" shall mean and include the holder or beneficiary of any recorded First Mortgage.

Section 2.12. Lot. "Lot" shall mean and refer to any plot of land shown upon any recorded Subdivision Plat of the Properties, with the exception of the Common Area.

Section 2.13. Lot Improvement. "Lot Improvement" shall mean and refer to any improvements located upon a Lot in addition to a Dwelling Unit, as above defined, as such improvements were originally installed by the Declarant or later approved for installation by the Association and intended for use in connection with the ownership of such Lot.

Section 2.14. Member. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration. "Member" and "Owner" (as hereinafter defined) may be used interchangeably herein, unless the context provides otherwise.

Section 2.15. Mortgage. "Mortgage" shall mean and include any recorded mortgage, deed of trust or other security instrument by which a Lot or any part thereof is encumbered.

Section 2.16. Mortgagee. "Mortgagee" shall mean and include a beneficiary under a Mortgage.

Section 2.17. Owner. "Owner" shall mean and include any person or entity, including the Declarant, at any time owning a Lot. The term "Owner" shall not refer to any Mortgagee as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure, or any proceeding

in lieu of foreclosure. The terms "Owner" and "Member" (as hereinabove defined) may be used interchangeably herein, unless the context provides otherwise.

Section 2.18. Participating Builder. "Participating Builder" shall mean an Owner other than Declarant which acquires a portion of the Properties from Declarant for the purpose of reselling or leasing the Residences or Commercial Areas thereon which is designated in writing by Declarant as a Participating Builder by instrument duly recorded in the Laramie County, Wyoming land records.

Section 2.19. Properties and Project. "Properties" and "Project" shall mean and refer to that certain real property described on Exhibit A, and any additions thereto pursuant to Article XIV hereof.

Section 2.20. Subdivision Plat. The "Subdivision Plat" or "Plat" shall mean and refer to the Subdivision Plat which was properly submitted to and approved by the county or other governmental entity having jurisdiction over the approval of such Plat, which Plat shall include a survey of the Properties, the Lots, and the Common Areas, and shall have been properly recorded in the county in which the Properties are located following the approval thereof by the proper governmental entity.

ARTICLE III. PROPERTY RIGHTS

Section 3.1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Association to limit the number of guests or Members, to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

B. The right of the Association to suspend the voting rights and right to use of any Common Area and Common Area Improvements by a Member for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed 60 days for any and each infraction of its published Rules and Regulations;

C. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by 67% of the membership agreeing to such dedication or transfer has been recorded; and

D. The right of the Association, in accordance with these Declarations and its Articles and By-Laws, to borrow money for the purpose of improving the Common Area, or the existing Common Area Improvements, and in aid thereof, to mortgage or encumber said

FIRST AMERICAN

property, and the rights of such Mortgagee in said Properties shall be subordinate to the rights of the Owners hereunder.

E. The right of the Association to enter into a long-term agreement with Yellowstone Village Association, Inc. for the joint use of certain Common Area Improvements, including without limitation, the cabana/club house and tennis court, upon the agreement of Yellowstone Village Association, Inc. to participate in an equitable fashion in the costs of maintaining said Common Area Improvements.

Section 3.2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and Common Area Improvements to the members of his family, his tenants, invitees, or contract purchasers who reside on the Properties.

Section 3.3. Title to Common Area and Improvements Thereon. The Declarant hereby covenants for itself, its successors and assigns, that upon recordation hereof, it will convey fee simple title in the Common Area and Common Area Improvements to the Association, free and clear of all liens and encumbrances, except general taxes for the current and subsequent years and subject to easements, rights-of-way, covenants, conditions, exceptions and reservations of record. Prior to the conveyance of any Lots included in additional lands, any Common Areas or Common Area Improvements added to the Properties at a later time as provided elsewhere herein shall be transferred to the Association free and clear of all liens and encumbrances except general taxes for the current and subsequent years and subject to easements, rights-of-way, covenants, conditions, exceptions and reservations of record.

ARTICLE IV. EASEMENTS

Section 4.1. Easements for Encroachments. If any portion of the Common Area, or Common Area Improvements thereon, now or hereafter, encroaches upon any Lot, or if any Lot or Lot Improvements thereon, now or hereafter, encroaches upon any other Lot or upon any portion of the Common Area, as a result of the construction of the Buildings or other Improvements, or if any such encroachments shall occur hereafter as a result of settling or shifting of any Building or other Improvements or for any other reason, a valid easement shall be deemed to exist for the encroachment and for the maintenance of the same shall exist so long as the Building or other Improvements shall exist. In the event any Dwelling Unit, Lot Improvement, or adjoining Common Area Improvement, shall be partially or totally destroyed or taken as a result of condemnation or eminent domain proceedings and then rebuilt at the same location, encroachments due to this rebuilding shall be permitted, and valid easements for such encroachment and the maintenance thereof shall exist so long as the Building or other Improvements shall stand. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Lot.

Section 4.2. Maintenance Easement. Each Owner shall have an easement on, over and across the Lots directly adjacent

FIRST AMERICAN

to the Lot owned by such owner for purposes of the reasonable and necessary care and maintenance of the improvements on such Owner's Lot. In order to maintain the improvements and utilities on one Lot, it is necessary to enter upon the adjacent Lot. This easement shall be strictly limited to entries upon adjacent Lots for maintenance purposes. In the event that maintenance or repairs are necessary, the Owner benefiting from the repairs shall bear the costs, including, but not limited to landscape restoration of adjoining Lots, should the costs not be paid, then the cost of maintenance or repairs shall be added to and become a part of the Assessment to which such Lot is subject under Article VII.

ARTICLE V. THE ASSOCIATION

Section 5.1. The Association. The administration of the Project shall be governed by this Declaration, the Articles of Incorporation, and the By-Laws of the Yellowstone Village Single Family Association, Inc., a Wyoming nonprofit corporation.

Section 5.2. Membership. An Owner of a Lot shall automatically become a Member of the Association and shall remain a Member for the period of the Owner's Lot ownership. If title to a Lot is held by more than one person, the membership related to that Lot shall be shared by all such persons in the same proportion of interests and by the same type of tenancy in which the title of the Lot is held. An Owner shall be entitled to one membership for each Lot owned. Each membership shall be appurtenant to the Lot and shall be transferred automatically by conveyance of the Lot. No person or entity other than an Owner may be a Member of the Association, but the rights of membership may be assigned to a Mortgagee as further security for loans secured by a Mortgage of a Lot.

Section 5.3. Classes of Membership and Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners with the exception of the Declarant and they shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Members shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The then existing Class B memberships shall be converted to Class A membership on the happening of either of the following events, whichever occurs first:

(i) Within four (4) months after the date the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(ii) December 31, 1993.

(iii) On a date certain set forth in written notice from the Declarant to the Secretary of the Association of its intent to

terminate this reserved right as of such date; provided, however, that in the event there is more than one Declarant, such notice must be signed by all such Declarants.

Notwithstanding the foregoing voting rights, Declarant hereby reserves the right to appoint the Board of Directors of the Association for the period of Class B Membership. The Board of Directors shall have such powers and duties and shall serve for such terms of office as are set forth in the Articles of Incorporation and By-Laws of the Association.

Section 5.4. Transfer. Except as otherwise expressly stated herein, any of the rights, interests and obligations of the Association set forth or reserved herein may not be transferred or assigned to any other person or entity. No such transfer or assignment shall relieve the Association of any of the obligations set forth herein. No such transfer or assignment shall revoke or change any of the rights or obligations of any Owners as set forth herein.

Section 5.5. Powers. The Association shall be granted all of the powers necessary to govern, manage, maintain, repair, administer, and regulate the Project and to perform all of the duties required of it. Notwithstanding the above, unless 67% of the First Mortgagees of Lots, who have registered pursuant to Section 17.7 below (based upon one (1) vote for each First Mortgage owned or held), have given their prior written approval as provided in Section 17.8 below, and the Owners to which 67% of the votes in each class of membership are allocated have given their prior written approval, the Association shall not be empowered or entitled to:

A. By act or omission, seek to abandon or terminate the Project or dissolve the Association;

B. Partition or subdivide any Lot;

C. By act or omission, seek to abandon, partition, subdivide, encumber, mortgage, sell or transfer the Common Area or any Common Area Improvements thereon (the granting of easements for public utilities including cable television, for other public purposes consistent with the intended uses of such Common Areas by the Association, and the entry into an agreement with Yellowstone Village Association, Inc., as contemplated by Section 3.1 E hereof, shall not be deemed a transfer within the meaning of this clause);

D. Use hazard insurance proceeds for loss to the Common Area Improvements for other than the repair, replacement, or reconstruction of such Common Area Improvements;

E. Merge or consolidate with another project or association, except for such provisions as may otherwise be provided herein relating to the annexation of additional lands to the Properties;

F. Except as may result from the exercise of the annexation provisions otherwise herein, change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

G. Change the voting rights or the extent of rights and easements of each Owner in and to the Common Areas and Common Area Improvements thereon;

H. By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or exterior appearance of Dwelling Units, or the maintenance or upkeep of the Common Areas; or

I. Fail to maintain fire, vandalism, and malicious mischief and extended coverage on insurable Common Area Improvements on a current replacement cost basis in an amount not less than 100% of the insurable value(based on current replacement costs).

Section 5.6. Examination of Books and Records. All Owners, First Mortgagees, insurers or guarantors of a First Mortgage of a Lot in the Project shall, upon request, be entitled to:

A. Inspect the books and records of the Association during normal business hours;

B. Receive a copy of a financial statement of the Association for the preceding fiscal year at no charge;

C. Written notice of all meetings of the Association and be permitted to designate a representative to attend all of such meetings; and

D. Current copies of this Declaration, By-Laws, Articles of Incorporation and any Rules and Regulations concerning the Project, provided that reasonable copying charges are advanced to the Association by the party requesting copies.

If requested by a holder, insurer or guarantor of a First Mortgage in writing, an audited financial statement for the immediately preceding fiscal year will be provided free of charge to the party so requesting, if available. If an unaudited financial statement is unavailable, then one shall be prepared and furnished within a reasonable time following such request.

ARTICLE VI. CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 6.1. Common Areas. The Association, subject to the rights of Owners with respect to their individual Lots, shall be responsible for the exclusive management and control of the Common Areas and Common Area Improvements (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive

and sanitary condition. The cost of such management operation, maintenance, and repair by the Association shall be borne as provided in Article VII.

Section 6.2. Miscellaneous Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. The Association may arrange with others to furnish lighting, heating, water, trash collection, snow removal, building and grounds maintenance, sewer service, firewood, and other services as appropriate to the Project. During the period Declarant is in control, any contracts or leases entered into shall contain a right of termination, without cause, which is exercisable without penalty at any time after transfer of control, upon not more than 90 days notice to the other party thereto; however, such right of termination need not be present in those contracts and leases wherein the subject matter is an essential service and where long term contracts are required. The cost of such services shall be borne as provided in Article VII.

Section 6.3. Professional Management. The Association may obtain and pay for services of a professional "Management Contractor" to manage its affairs, or any part thereof, to the extent it deems advisable, whether such services are in lieu of, or supplemental to, the services described under Section 6.2 above. During the period when the Declarant is in control, any management contracts entered into by the Association with respect to such professional management of the Properties, and any contracts that such professional management shall enter into on behalf of the Association, may not be for a term not to exceed one (1) year, and must contain a provision allowing either party to cancel the contract with or without cause, and without a payment of a termination fee or penalty, upon 30 days prior written notice. Further, and in connection with the Association's right to contract for management and personnel, whether on-site or off-site in nature, the Association shall have the right to limit the use of portions of the Common Areas for purposes of maintenance and storage facilities, management office facilities, management housing facilities to the extent allowable, and other such purposes as deemed desirable and necessary by the Association for the purposes of management and maintenance of the Properties. Said professional Management Contractor shall be an independent contractor and neither the contractor, nor any of its employees, shall be considered as employees of the Association.

Section 6.4. Common Area Use. All Common Areas and Common Area Improvements described in Sections 2.4 and 2.5 of this Declaration are dedicated to the common use and enjoyment of the Owners for general recreation, pedestrian traffic, vehicular traffic, green area, and

other such uses common to all the Owners as determined by the Association, pursuant to the covenants, provisions, and restrictions contained herein, or as further defined in the Association By-Laws and any Rules and Regulations promulgated by the Association, and subject to the rights of use of Yellowstone Village Association, Inc. and its members, pursuant to the agreement contemplated by Section 3.1 E hereof.

Section 6.5. Fences and Walls. No fences, hedges or walls shall be erected or maintained upon said Lots except such as are installed in accordance with the initial construction of the Buildings located thereon, or as may be approved by the Association's Architectural Control Committee or its designated representatives, nor may such fences, hedges, or walls which shall be installed as part of the initial construction be removed, transferred, or altered in any manner, except as approved by the Architectural Control Committee or its designated representative.

Section 6.6. Maintenance of Individual Lots. The ownership of the Lots, together with Dwelling Units in existing Lot Improvements, shall be evidenced by a Deed to such Lot, together with the Improvements thereon. Maintenance, upkeep, and repairs of the Lot shall be the sole responsibility of the individual Owners thereof.

Section 6.7. Identity of Board of Directors. From time to time, but not less than annually, there shall be mailed by the Association to each Owner a notice containing the names and addresses of the members of the Board of Directors, and the Management Contractor, if there is one.

Section 6.8. Rights of Action. The Association, and aggrieved Owner(s), shall have an appropriate right of action against Owner(s) for failure to comply with the provisions of this Declaration or with decisions of the Association made pursuant to this Declaration; and an Owner(s) shall have similar rights of action against the Association.

ARTICLE VII. ASSESSMENTS

Section 7.1. Obligation. All Owners (except Declarant and Participating Builders, whose obligation is described below) shall be obligated to pay the estimated assessments imposed by the Board of Directors to meet the Common Expenses of maintenance, operation and management of the Property. The Board may establish any reasonable system for collection periodically of Common Expenses, in advance or arrears as deemed desirable. Initially, the assessment for the estimated Common Expenses on an annual basis shall be payable annually in advance on the first day of each calendar year. In the event a Lot is sold to a non-Declarant purchaser during the year, the annual assessment shall be prorated to the closing date and paid at closing, together with the working capital deposit required by Section 7.12 hereof. Assessments made shall be based upon the estimated cash requirements as the Board shall from time to time determine to be paid by all of the Owners. Estimated expenses shall include the cost of maintenance and

operation of the Common Areas, expenses of management, taxes and special assessments, unless separately assessed, insurance premiums for insurance coverage as required herein or as deemed desirable or necessary by the Board, landscaping, care of grounds, wages, legal and accounting fees, management fees, expenses and liabilities incurred by the Board or Management Contractor under or by reason of this Declaration, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or surplus fund for the maintenance or replacement of those Common Area Improvements which must be maintained or replaced on a periodic basis as well as other costs and expenses relating to the Common Areas and the purposes and responsibilities of the Association. The omission or failure of the Board to fix the assessments for any assessment period shall not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. The Board shall have the right, but not the obligation, to make pro-rata refunds of any assessments in excess of the actual expenses incurred after the end of the fiscal year.

Notwithstanding anything to the contrary contained in this Declaration, the rate of annual and special assessments set for the Lots owned by Declarant and/or Participating Builders which are neither leased, nor rented, nor otherwise residentially occupied shall be fixed at one-quarter (1/4) of the assessment rate for the other Lots. In the event that, prior to the termination of Class B Membership, assessments for annual common expenses, exclusive of those amounts held by the Association for an adequate reserve fund and for working capital, fail to equal or exceed the actual expenses incurred by the Association during any particular annual assessment period because of such partial Declarant and/or Participating Builder assessment, then Declarant and all Participating Builders shall collectively pay a sufficient amount, up to the amount of full parity on such assessment, to the Association to meet any such shortfall so long as (a) written notice must be given by the Association within 60 days following the termination of the then current fiscal year of the Association at the time of the termination of Class B Membership; but in no event more than one (1) year following the termination of such Class B Membership, and (b) Declarant and all Participating Builders shall have no obligation for any such shortfall caused by expenditures for capital improvements, or by any decrease in assessments, including without limitation, the levying of any assessment in an amount less than the maximum for any common expense assessment period, which amount is established subsequent to the termination of Class B Membership, unless the same has previously been approved in writing by Declarant; provided, however, that at the time any Lot owned by Declarant and/or a Participating Builder is leased, rented or otherwise residentially occupied, that Lot shall be assessed at the uniform rate of assessment for privately owned Lots. In the event there are any Participating Builders or there is more than one Declarant, then, subject to the conditions hereinabove stated, each such Declarant and/or Participating Builder shall pay a pro rata share of the amount necessary to meet each such shortfall in Association assessments, up to the amount of full parity on such assessments, such

pro rata share to be based on the amount of assessments due at such lesser rate for Lots owned by each Declarant and Participating Builder, compared with the amount of assessments due at such lesser rate from the Declarant and all Participating Builders during the applicable annual assessment period.

Section 7.2. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Three Hundred Dollars ($300.00) per Lot.

A. Without a vote of the membership, from and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Board of Directors may only increase the maximum annual assessment by an amount of 10% of the maximum assessment for the previous year.

B. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by an amount in excess of 10% by a vote of 67% of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

C. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 7.3. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots, with the exception of Declarant's and Participating Builder's limited exemption, and may be collected on an annual or more frequent basis, as determined by the Board of Directors.

Section 7.4. Time For Payment of Assessments. Assessments shall be due and payable within 15 days after written notice of the amount thereof shall have been mailed to the registered mailing address of the respective Owner of a Lot. Each assessment shall bear interest at the rate of 21% per annum from the date it becomes due and payable if not paid within 15 days after such date, and there shall be a Twenty Dollar ($20.00) late charge for each installment of assessment payment that is delinquent. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Lot for such assessment, but the date when payment shall become due in such case shall be deferred to a date 15 days after the due dates indicated in notice properly sent. The Association may elect to have the annual assessments paid annually or monthly, or such other periodic basis deemed desirable by the Association; and a default in the payment of any one installment of the annual assessment shall additionally give the Association the right to accelerate the remaining amount of annual assessment as immediately due and payable, as further referenced hereinafter.

Section 7.5. Special Assessments For Capital Improvements. In addition to the annual assessments authorized by this Article, the Board of Directors may levy in any assessment year a special assessment payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expense or purchase incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing the expense authorized by other Sections hereof which shall make specific references to this Article or as set forth in the preceding sentence. Any amounts assessed pursuant hereto shall be assessed to Owners at a uniform rate. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners and no payment shall be due less than 30 days after such notice shall have been mailed to the registered mailing address of the respective Owner. A special assessment shall bear interest at the rate of 21% per annum from the date it becomes due and payable, if not paid within 30 days after such date, and there shall be a reasonable late charge as set by the Board of Directors.

Section 7.6. Special Assessment Veto. Notwithstanding the provisions contained in Section 7.5 above, written notice of any special assessment approved by the Board of Directors shall be sent to all Owners immediately following such adoption. Such written notice shall be sent to the registered mailing address of each Owner, and shall become effective 30 days from and after the date of certificate of mailing of such notices to Owners by the Secretary of the Association; provided, however, that the Owners shall have the right to veto such special assessment approved by the Board of Directors by proper written notice of 67% of the Class A Members, indicating specific objection to the special assessment and delivered to the Secretary of the Association prior to the end of the 30 day notice period referenced above. In the event such percentage of Owners should specifically object to the special assessment as indicated above and within the time frames required, then such special assessment shall be deemed defeated. Any further adoption of such special assessment by the Board of Directors shall require the same procedure to be followed as referenced above, or pursuant to a special meeting of the Association called for the purpose of approving such special assessment, which approval shall require 67% of the Class A members present in person or by proxy at such meeting, provided a quorum (as defined in the By-Laws) is present. The provision of this Section 7.6 regarding a special assessment veto shall only be in effect if there is a Class B membership as per Section 5.3 hereinabove.

Section 7.7. Assessment Lien. All sums assessed but unpaid for the share of Common Expenses or special assessments chargeable to any Lot, including any fees, late charges, fines or interest, shall constitute a lien on such Lot superior to all other liens and encumbrances except (a) tax and special assessment liens on the Lot in favor of a

taxing authority and (b) all sums unpaid on a First Mortgage of record, including all unpaid obligatory sums as may be provided by such encumbrance. To evidence the lien as herein permitted, the Board of Directors may, but shall not be required to, prepare a written notice setting forth the amount of such unpaid indebtedness, the amount of accrued penalty thereon, the name of the Owner, and a description of the Lot and record the same in the Office of the Clerk and Recorder of the County of Laramie, Wyoming. Such lien for assessment shall attach from the due date of the assessment. The lien may be enforced by foreclosure of the defaulting Owner's Lot by the Association in the manner for foreclosing a mortgage on real property upon recording of a notice for claim thereof. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid assessments, any penalties thereon, the costs and expense of such proceedings, the costs and expense for filing the notice of the claim and lien, and all reasonable attorneys' fees in connection therewith.

The Association shall have the power to bind on a Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Any Mortgagee holding a Mortgage on a Lot may pay any unpaid assessment payable with respect to such Lot and any and all costs and expenses with respect thereto, and the lien on such Lot for the amounts paid shall have the same priority as the lien of the Mortgage. The lien for assessments referred to herein shall be at all times subordinate to the lien of any First Mortgage held by a First Mortgagee. By accepting a deed to a Lot, each Owner shall thereby waive and release any and all rights and claims said Owner may have in and to the Lot as a homestead exemption or any other exemption.

Section 7.8. Personal Obligation. The amount of any assessment chargeable against any Lot shall be a personal and individual debt of the Owner thereof. No owner may become exempt from liability for the assessment by abandonment or waiver of the use or enjoyment of any of the Common Areas or Common Area Improvements. Suit to recover a money judgment for unpaid Common Expenses plus interest and expenses, including attorney fees, shall be maintainable without foreclosing or waiving the assessment lien provided herein.

Section 7.9. Notice to First Mortgagee. If requested in writing, the Association shall report to the First Mortgagee of a Lot any default hereunder or unpaid assessments remaining in default or unpaid or uncured for longer than 60 days.

Section 7.10. Statement of Status of Assessment Payment. Upon payment of a reasonable fee of not less than Twenty-five Dollars ($25.00) (except for First Mortgagees who shall be exempt from such fee) and upon the written request of any Owner, Mortgagee, prospective Mortgagee, or prospective purchaser of a Lot, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Lots. Unless such request shall be complied with within 20 days after receipt of said request by the Association, and if the request was properly addressed and sent by

certified or registered mail, then all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a Mortgagee which acquired its interest subsequent to requesting such statement. If the request is made by a prospective purchaser, the lien for the unpaid assessment shall be released automatically if the statement is not furnished within the 20 day period herein; provided thereafter, an additional written request is made by such purchaser, and the submission of the additional request is properly addressed and evidenced by a certified or registered mail receipt and the request is not complied with within ten (10) days and the purchaser subsequently acquires the Lot.

Section 7.11. Personal Liability of Purchaser For Assessments. A purchaser of a Lot shall not be personally liable for unpaid assessments against the Lot up to the time of conveyance to purchaser.

Section 7.12. Working Capital and Assessment Reserves. Each Owner originally purchasing a Lot from the Declarant shall be required to deposit and maintain continuously with the Association an amount equal to one-sixth (1/6) of the amount of the first annual assessment, such reserve amount to be held without interest accruing to the Owner, which sum shall be used by the Association or Management Contractor as a working capital fund. This amount may be recovered by a Seller from a purchase; at the time of resale. After the expiration of Class B membership, in the event the Board decides there is and will be sufficient working capital without this fund, and the reserve for repair and replacement of the Common Elements is equal to or greater than the amount of the working capital fund, then this amount may be returned to each current owner. Such advance payment shall not relieve an Owner from making the regular monthly installment payment of the Annual Common Assessment as the same becomes due, nor shall the Association be required to deduct from such advance payment sums due for Common Assessments by an Owner prior to instituting any proceedings against the Lot owner for delinquent Common Assessments.

The Association shall establish an adequate reserve fund for the maintenance, repair and replacement of the Common Areas and Common Area Improvements maintained by the Association. This reserve fund shall be maintained through regular installments of Common Assessments.

Section 7.13. First Mortgagee-Foreclosure-Liability for Unpaid Assessments. Each First Mortgagee of a Lot within the Project who obtains title to the Lot pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage, or any purchaser at foreclosure sale, will take the Lot free of any claims for unpaid assessments and charges against the Lot which accrue prior to the time such First Mortgagee or purchaser at foreclosure sale obtains title to the Lot, but shall not relieve the First Mortgagee or purchaser from liability for, or lien from, any assessments made thereafter. Any unpaid assessment, which was rendered uncollectible by the effect of this Section, may be reallocated and assessed to all Lots as a Common Expense.

Section 7.14. Association's Right of Acceleration Upon Default. In addition to the other remedies provided for the Association upon the default of an Owner in the payment of an annual assessment, special assessment, or any installment thereof, and in the event an Owner shall default in the payment of any installment of an annual or special assessment, then the Association shall have the immediate right of acceleration of the total amount of such annual or special assessment as remains outstanding at the time of such installment default. This right of acceleration in the event of installment default shall apply whether the Association pursues the obligation personally against the Owner or through foreclosure of the Owner's Lot, as provided hereinabove.

ARTICLE VIII. RESTRICTIVE COVENANTS AND OBLIGATIONS USE OF DWELLING UNITS

Section 8.1. Residential. The Lots are hereby restricted to residential use and uses related to the convenience and enjoyment of such residential use. No Buildings or structures shall be moved from other locations onto the Lots or Common Area; and no Common Area Improvements other than those originally planned and/or installed by Declarant shall be erected or constructed on the Common Area upon any Lot unless approved by the Architectural Control Committee or designated representative. No garage, barn, or other out-building shall be used or permitted to be kept or stored on any portion of the Lots or Common Areas at any time, either temporarily or permanently, unless otherwise provided for herein.

Section 8.2. Sales Facilities of Declarant. Notwithstanding any provision in Section 8.1, Declarant and Participating Builders, their agents, employees and contractors shall be permitted to maintain during the period of construction and sale of the buildings in the Project upon such portion of the Property as Declarant or Participating Builders may choose, such facilities as in the sole opinion of the Declarant or Participating Builders may be reasonably required, convenient, or incidental to the construction, sale or rental of Lots and Dwelling Units including, but without limitation, a business office, construction and storage area, signs, model Dwelling Units, sales offices, construction and sales trailers, parking areas and lighting, and temporary parking facilities for all employees of Declarant and Participating Builders and all prospective tenants or purchasers of Declarant and Participating Builders; provided, however, said right shall terminate no later than December 31, 1993 and provided further, that such use shall not interfere in any way with the right of ingress or egress to any privately owned Dwelling Unit and the use and enjoyment thereof as a private residence, nor the right of ingress or egress to the Common Area and Improvements thereon, nor the use thereof for recreation or other proper purposes by the Owners and the Members, agents and officers of the Association.

Section 8.3. Right of Association to Own Units and to Use Common Areas. Notwithstanding any provision contained herein to the contrary,

the Association shall have the right, but not the obligation, to purchase and own any Dwelling Unit for the purpose of maintaining an office for the Association, for storage, recreation, or conference area or any other use which the Association determines is reasonable.

Section 8.4. Compliance With Law. No improper or unlawful use shall be permitted or made of the Properties or any part thereof. All valid laws, ordinances, and regulations of all governmental bodies having jurisdiction over the Project shall be observed.

Section 8.5. Rules and Regulations. Rules and Regulations may be adopted by the Board of Directors concerning and governing the use of the Common Areas and Common Area Improvements, provided such Rules and Regulations shall be furnished to Owners prior to the time they are adopted and that Owners be notified as provided in the By-Laws of the Association that the Board of Directors will consider adoption of the Rules and Regulations so that Owners will have an opportunity to be heard or furnish input regarding the adoption and so that such Rules and Regulations shall be uniform and nondiscriminatory. After adoption, a copy of such Rules and Regulations shall be provided to all Owners. The Association may also adopt a fine system to impose monetary penalties for such infractions, or take judicial action against any Owner to enforce compliance with such Rules, Regulations, or other obligations including injunctive relief or to obtain damages for noncompliance, all to the extent permitted by law. The Board of Directors may adopt and publish a fine schedule which shall list fines which shall be imposed for violations of this Declaration, By-Laws, Articles and any Rules and Regulations.

Section 8.6. No Other Business. No other business activity of any kind shall be conducted in any Dwelling Unit or on the Project, except that permitted by the Association or otherwise provided herein.

Section 8.7. Miscellaneous Use Restrictions:

A. Antennas. Except for any which may, at Declarant's option, be erected by Declarant's designated representative, no exterior radio or television antenna, aerial, satellite dish, or other type of radio or television receiving system shall be erected or maintained without the prior written approval of the Architectural Committee.

B. Transmitters. No electronic or radio transmitter of any kind other than garage door openers shall be located or operated in or on any Improvements or on any Lot without the prior written approval of the Architectural Committee.

C. Repair of Buildings. No Improvement upon any Lot shall be permitted to fall into disrepair, and each such Improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner before the surfacing becomes weatherbeaten or worn off. Materials which are customarily left unfinished, such as cedar stockade fences, are permitted so long as in

the opinion of the Architectural Committee they have not become unsightly.

D. Reconstruction of Buildings. Any improvement which may be destroyed in whole or in part by fire, hail, windstorm or any other cause or act of God, shall be rebuilt or all debris removed so as not to render any such property or any portion thereof, in the opinion of the Board, unsanitary, unsightly, offensive or detrimental to any other property or to its occupants.

E. Nuisances. No noise or other nuisance shall be permitted to exist or operate upon any Lot so as to be, in the opinion of the Board, offensive or detrimental to any other property or its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any Lot without the prior written approval of the Board. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any Lot and no odors shall be permitted to arise therefrom so as to render any such property or any portion thereof, in the opinion of the Board, unsanitary, unsightly, offensive or detrimental to any other property or to its occupants.

F. Unsightly Articles. No unsightly article shall be permitted to remain on any Lot so as to be visible from adjoining property or public or private thoroughfares. Without limiting the generality of the foregoing, trailers, mobile homes, recreation vehicles, graders, trucks other than pickups used solely for the private and non-business use of the residents of a dwelling, boats, tractors, campers, wagons, buses, sleighs, motorcycles, motor scooters, snowmobiles, snow removal equipment, garden and maintenance equipment, and all commercial and business vehicles shall be kept at all times, except when in actual use, in the garage. No lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap shall be kept, stored or allowed to accumulate on any property.

G. Signs. No sign of any kind shall be displayed to the public view on any Lot; provided, however, that signs of reasonable size not to exceed five square feet may be displayed on or from a residence advertising the residence for sale or lease. Signs used for sale, administration and directional purposes by Declarant during development of Yellowstone Village Single Family Homes will be permitted.

H. Single-Family Use Only. No lot and no residence on any Lot shall be used for any purpose other than for one single-family residence. However, nothing in this Declaration shall prevent the rental of a Lot by the Owner thereof for residential purposes. No commune, co-operative or similar type living arrangement shall be permitted on any Lot.

I. Hazardous Activities. No activities shall be conducted on any Lot and no Improvements constructed on any Lot which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Lot, and no open fires shall be lighted or permitted on any Lot except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

J. Garage Sales. No garage, patio, porch or lawn sale shall be held on any Lot, except that the Owner of any Lot may conduct such a sale if the items sold are only his own furniture and furnishings, not acquired for purposes of resale; if such sale is held at such time and in such manner as not to disturb any other resident of the area; and if such sale is held in full compliance with all applicable governmental ordinances, statutes, resolutions, rules and regulations, on an infrequent, occasional basis.

K. New Construction. All Dwelling Units shall be of new construction and no existing or prefabricated Dwelling Unit shall be moved onto any Lot. No other building (including but not limited to playhouses and storage sheds) may be moved onto a Lot without the prior written approval of the Architectural Committee.

L. Storage of Building Materials. No building materials shall be stored on any Lot except temporarily during continuous construction of an Improvement or its approved alteration or improvement.

M. Temporary Structures. No trailer, mobile home, tent or shack or other temporary building, improvement or structure shall be placed upon any property, except that temporary structures necessary for storage of tools and equipment and for office space for architects, builders and foreman during actual construction may be maintained by Declarant, or by an Owner with the prior approval of Architectural Control Committee, such approval to include the nature, size and location of such structure.

N. Landscaping on Lots. Lots within the Properties, or any additions thereto, shall be fully landscaped (front, side, and rear) by the Owner within nine months after the initial occupancy of the residents on the Lot. The Lot Owner shall maintain such landscaping in an attractive condition. [For purposes of this subsection, initial occupancy shall mean the date of conveyance of the Lot from the builder to a third party purchaser.]

ARTICLE IX. ARCHITECTURAL CONTROL COMMITTEE

Section 9.1. Membership.

A. The Board of Directors may appoint an Architectural Control Committee (hereinafter referred to as the "Committee") which may be composed of three (3) or more members. In the event no such

appointment is made, then the Board of Directors shall constitute the Architectural Control Committee and shall have all of the duties and responsibilities of said Committee as set forth herein.

B. In the event of death, disability, or resignation of any member of the Committee, the Board of Directors shall have full authority to designate a successor or successors.

C. An affidavit executed by a majority of the members of the Committee, and recorded in the office of the Clerk and Recorder of Laramie County, Wyoming shall be sufficient evidence of the membership and of the other recitals therein contained.

Section 9.2. Evidence of Action. The Committee's approval or disapproval as required in these covenants shall be in writing, as indicated by the signatures of a majority of the Committee. The Committee shall not be required to maintain records of plans submitted. Approval by the Committee shall be conclusive evidence of compliance with these covenants provided that the improvements are constructed in substantial compliance with the plans as approved. In the event the Committee fails to approve or disapprove a proposal within 30 days after plans and specifications have been submitted to it and the submission is evidenced by a certified or registered mail receipt; or, in any event, if no suit to enjoin the proposed construction has been commenced within one (1) year after the proposed construction had begun and became apparent, such approval will not be required, and the related covenants shall be deemed to have been complied with fully.

Section 9.3. Duties. The Committee shall act upon and approve or disapprove any and all matters to be submitted to the Committee pursuant to any of the provisions of this Declaration and shall have all duties and powers as are hereinafter provided and set forth. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed, nor shall the Committee or any member thereof be liable, in any manner, for any action or failure of action done in good faith arising out of their service on the Committee.

Section 9.4. Approval of Plans.

A. All plans and specifications in connection with the construction of any residence, fence, wall, driveway, or other structure, and in connection with any exterior maintenance and remodeling of any residence or other structure, including, but not limited to, changing the initial color of the residence, or any alteration of any wall, fence, or driveway shall be submitted to the Committee or its designee, and prior written approval shall be required.

B. Before any construction or alteration begins, plans and specifications showing the nature, kind, shape, height, materials and location, the exterior design, the exterior materials to be used, the color scheme, the site plan, a topographic survey, the location of the

driveway and plans for the proper drainage of the Lot with respect to adjacent Lots must be submitted to the Committee for its prior written approval.

C. In passing upon such plans, specifications and other requirements, the Committee may take into consideration whether the proposed residence or other structure or alteration and the materials of which it is to be built are reasonably suitable for the Lot upon which the residence or other structure or alteration is to be erected, the harmony thereof with the surroundings, and the effect of the residence or other structure or alteration as planned on the outlook from adjacent or neighboring property. The Committee shall, in the exercise of its judgment and determination, use reason and good faith.

D. No residence, fence, wall, driveway, structure, alteration of any kind, which has not received such prior written approval by the Committee and which does not fully comply with such approved plans and specifications, shall be erected, constructed, placed, or maintained upon any Lot. No changes or deviations in and from such plans and specifications as so approved shall be made without the prior written consent of the Committee. The Committee shall not be responsible for any structural defects in such plans or specifications or in any building or structure erected according to such plans and specifications.

Section 9.5. Reserved Right of Declarant. Notwithstanding the above provisions, and until the Declarant has conveyed its last Lot to a purchaser, Declarant shall have the right, and said right is hereby specifically reserved unto Declarant, to appoint the members of such Architectural Control Committee and to fill any vacancies therein created. (This Section supersedes the authority granted in Section 9.1 above.)

Section 9.6. Binding Agreement to Pay Legal Costs. In the event that an Owner shall dispute the determination of the Architectural Control Committee and files a lawsuit to overrule, vacate or otherwise mitigate the effect of any determination of the Committee, or if an Owner(s) fails to submit for approval any action as required by Section 9.4 and the Committee or any Owner brings an action to enforce these provisions; then the Owner(s) and the Association are hereby bound to the agreement that any and all costs, including reasonable attorney fees, associated with the institution and defense of such a suit, shall, to the extent permitted by a court of competent jurisdiction, be paid to the prevailing party by the losing party.

Section 9.7. Variance. The Architectural Control Committee may grant reasonable variances or adjustments from any conditions or restrictions imposed by this Declaration. Such variances or adjustments shall only be granted if it is not material, detrimental or injurious to the other property of improvements to the neighborhood, and shall not defeat the general intent and purpose hereof.

Section 9.8. Minor Violations of Setback Restrictions. If, upon erection of any Dwelling Unit upon any of the Lots which are subject to these restrictions, it is disclosed by survey that a minor violation and infringement of setback lines has occurred, such violation and infringement shall be deemed waived by the Owners of the Lots immediately adjoining the Lot upon which the violation and infringement occurs, and such waivers shall be binding upon all other Owners who are subject to this Declaration. Nothing herein contained shall prevent the maintenance of suit for any other violation of the restrictions contained in this Declaration. A "minor violation" for the purpose of this Section is a violation of not more than 30 inches beyond required setback lines or Lot lines. This provision shall only apply to the original structures and shall not be applicable to any alterations or repairs to such structures.

ARTICLE X. INSURANCE

Section 10.1. Comprehensive General Liability and Property Insurance. Comprehensive general liability and property damage insurance shall be purchased by the Board of Directors and shall be maintained in force at all times, the premiums thereon to be paid by the Association as a Common Expense. If Declarant pays the premium, it shall be entitled to reimbursement from the Association. The insurance shall be carried with reputable companies authorized to do business in the State of Wyoming, in such amounts as the Board may determine; the insurance carrier should have a current rating by Best's Insurance Reports of VI or better, or a financial rating of Class VI and a general policyholder's rating of at least A. If the insurer does not meet this rating requirement, the insurer must be reinsured by a company that does have a current rating by Best's Insurance Reports of VI or better.

A comprehensive policy of general liability insurance including broad form comprehensive or general liability insurance shall be in force for a minimum amount of One Million Dollars ($1,000,000.00) per occurrence, covering all claims for bodily injury and/or property damage arising out of a single occurrence, such coverage to include protection against liability for non-owned and hired automobiles, liability for property of others, and, if applicable, host liquor liability and other risks which are customarily covered with projects similar in construction, location, and use. The policy or policies shall name as insured all of the Owners and the Association. Declarant shall be named as an additional insured on such policy or policies until such time as Declarant shall have conveyed all the Dwelling Units in the Project. The policy or policies shall insure against loss arising from perils in the Common Areas and in any other areas which the Association has a maintenance responsibility and shall include contractual liability coverage to protect against such liabilities as may arise under the contractual exposures of the Association or the Board of Directors.

The policy or policies shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying a

claim of an Owner or the Association because of negligent acts of the Association or other Owners.

Section 10.2. Fire and Hazard Insurance. Fire and hazard insurance shall be purchased by the Board of Directors and shall thereafter be maintained in force at all times, the premiums thereon to be paid by the Association as a Common Expense, such policy to cover all Common Area Improvements. The policy or policies shall be of a master or blanket type with a standard all risk endorsement, and insure against loss from perils therein including coverage on all of the Improvements in the Common Areas, except such as may be separately insured, and except land, foundation, excavation and other items normally excluded from coverage. Such policy or policies shall contain extended coverage, vandalism, and malicious mischief endorsements. The Improvements to be insured under this clause shall be continually insured to value, and the policy or policies shall contain replacement cost insurance. If reasonably available, the policy or policies shall contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild. The policy or policies shall name as insured the Association, and the Declarant. The policy or policies shall also cover personal property owned by the Association or in common by the Owners, their tenants, invitees or agents, and shall further contain a waiver of subrogation rights by the carrier as to negligent Owners. If Declarant pays the premium for said policy or policies, it shall be entitled to reimbursement from the Association.

The insurance shall be carried with reputable companies authorized to do business in the State of Wyoming, in such amounts as the Board may determine. The insurance carrier should have a current rating by Best's Insurance Reports of VI or better or a financial rating of Class VI and a general policyholder's rating of at least A. If the insurer does not meet this rating requirement, the insurer must be reinsured by a company that does have a current rating by Best's Insurance reports of VI or better.

Section 10.3. No Individual Fire Insurance on Common Areas. The blanket policy or policies to be carried by the Association and referenced under Section 10.2 above must provide that it is primary over any policy or policies separately carried by an individual Lot Owner and that the proceeds of the individual policy or policies carried by such Owner shall only be used to the extent that the proceeds of the insurance carried by the Association are insufficient to cover any losses to the Common Areas.

Section 10.4. Owner's Personal Liability and Property Insurance. An Owner may carry such property, fire and personal liability insurance as such Owner may desire. It is understood that the Association policies described herein will provide no insurance coverage for the Lots or the improvements situate thereon.

Section 10.5. Fidelity Insurance Coverage. The Association shall provide for fidelity coverage against dishonest acts on the part of the Officers, Directors, Management Contractors, employees or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection, which is in no event less than 1.5 (one and one-half) times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any person or persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

Section 10.6. Other Insurance. The Board of Directors may purchase and maintain in force as a Common Expense, debris removal insurance, plate or other glass insurance, fidelity bonds, and other insurance or bonds that it deems necessary. The Board shall purchase and maintain workmen's compensation insurance to the extent that the same shall be required by law respecting employees of the Association. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood and liability insurance, and a fidelity bond, meeting the insurance and fidelity bond requirements for such project established by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and Government National Mortgage Association, so long as any are a Mortgagee or Owner of a Lot within the Properties, except to the extent such coverage is not available or has been waived in writing by either or all of the above.

Section 10.7. Attorney in Fact. The Association is hereby appointed the attorney in fact for all Owners to negotiate loss adjustment on the policy or policies carried by the Association under this Article X.

Section 10.8. Proceeds. The Association shall receive the proceeds of any casualty insurance payments received on the policies obtained and maintained pursuant to this Article. To the extent that repairs and reconstruction are required herein and there is a determination that the Properties shall not be rebuilt, the proceeds shall be distributed in the manner provided in Article XI regarding casualty damage or destruction.

Section 10.9. Notice of Cancellation or Modification. The policy and/or policies required by Sections 10.1, 10.2 and 10.5 must provide that they cannot be cancelled or substantially modified, by any party, without at least ten (10) days prior written notice to the Association, and to each holder of a First Mortgage which has requested in writing that it be listed as a scheduled holder of a First Mortgage in the insurance policy.

Section 10.10. Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors to

FIRST AMERICAN

ascertain whether the coverages contained in the policies are sufficient for the upcoming year, whether any necessary repairs or replacements of the property which occurred in the preceding year were covered by insurance, and that all possible insurance claims have been filed.

Section 10.11. Deductibles. No insurance policy applicable to either fire or extended coverage shall contain a deductible clause which exceeds the greater of:

A. $500.00; or

B. One percent (1%) of the face amount of the policy.

If an Owner, who by negligent or willful act, causes damage to the Common Area or other Properties which are insured as a Common Expense, then said Owner shall bear the whole cost of the deductible required in the blanket insurance policy for the Association on the Common Area and other such Properties. An Owner shall be responsible for any action of members of his family, his tenants or his guests which cause damage to said Common Areas or other Properties.

Section 10.12. Directors' and Officers' Liability Insurance. The Association shall maintain adequate liability coverage to protect against any negligent act upon the part of the Directors or Officers of the Association.

Section 10.13. Waivers. All such policies of insurance shall contain waivers of subrogation and waivers of any defense based on an invalidity arising out of the acts of a Member of the Association.

ARTICLE XI. CASUALTY

Section 11.1. Association As Agent and Attorney In Fact. All of the owners irrevocably constitute and appoint the Association as their true and lawful agent and attorney in fact in their name, place and stead for the purposes of dealing with the Property upon its damage, destruction, obsolescence and/or condemnation as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute appointment of the Association as agent and attorney in fact as herein provided.

Section 11.2. General Authority of Association. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and construction of the Common Area Improvements as used in this Article means restoring Project to substantially the same condition in which it existed prior to damage. The proceeds of any insurance collected shall be used by the Association for the purpose of repair or reconstruction unless Owners, to which at least 67% of the votes are

allocated, and 67% of the First Mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter.

Section 11.3. Notices and Cost Estimates. As soon as practical after an event causing damage to, or destruction of any part of the Common Area, the Association shall immediately obtain estimates that it deems reliable of the cost of repair or reconstruction of that part of the Project damaged or destroyed.

Section 11.4. Insurance Proceeds Sufficient to Repair. In the event that proceeds from insurance coverage are sufficient to cover the cost of repair or construction after a casualty pursuant to the estimate of costs obtained by the Association, then such repair or reconstruction shall be promptly performed by the Association as attorney in fact for the Owners pursuant to this Article.

Section 11.5. Insurance Proceeds Insufficient to Repair. If the insurance proceeds are insufficient to repair or reconstruct the damage or destroyed Common Area or Common Area Improvements, such damage shall be repaired as promptly as possible by the Association and any costs of such repair or reconstruction in excess of insurance proceeds available shall be assessed against all Owners as a Common Expense pursuant to Article VII.

ARTICLE XII. CONDEMNATION

Section 12.1. Consequences of Condemnation. If at any time during the continuance of the Ownership pursuant to this Declaration, all or any part of the Common Areas shall be taken, or condemned by any public authority, or sold, or otherwise disposed of in lieu of or in avoidance thereof, the provisions of this Article XII shall apply.

Section 12.2. Proceeds and Notice. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award" shall be payable to the Association; provided, however, that the Association shall provide timely notice of such condemnation proceeding or condemning authority acquisition to all Owners and First Mortgagees of record of Dwelling Units within the project who request such notice.

ARTICLE XIII. GENERAL RESERVATIONS

Section 13.1. Reservation of Easements, Exceptions, and Exclusions. Declarant reserves the right to establish from time to time by dedication or otherwise, utility (including Cable TV) and other easements, for purposes including but not limited to streets, paths, walkways, drainable recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions consistent with the ownership of the Properties for the best interest of all Owners and the Association in order to serve all the Owners within the Project. The rights herein reserved

unto Declarant shall continue until the Declarant no longer retains an interest in the Project, or December 31, 1993, whichever occurs first.

Section 13.2. Rights of Declarant and Participating Builders Incident to Construction. An easement is hereby retained by and granted to Declarant and any Participating Builder for access, ingress, and egress over, in, upon, under and across the Project, including but not limited to the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incidental to Declarant's or any such Participating Builder's construction on the Properties; provided, however, that no such rights or easements shall be exercised by Declarant in such a manner as to unreasonably interfere with the occupancy, use, enjoyment, or access by any Owner, his family members, guests, or invitees, to or of that Owner's Lot.

ARTICLE XIV. ENLARGEMENT OF PROJECT (ANNEXATION)

Section 14.1. Special Rights Reserved to Declarant: Enlargement of Project. The Declarant shall have the absolute right, but not the obligation, and same is hereby specifically reserved unto Declarant to be exercised prior to December 31, 1993, to annex to the land and Improvements described in this Declaration and to the Subdivision Plat herein referred to, and thereby to submit to each and every provision of this Declaration the land described on Exhibit C, attached hereto and incorporated herein by this reference, or any portions thereof as further referenced hereunder, together with the Improvements to be constructed thereon as further referenced herein. It is the intention of the Declarant that the lands described on Exhibit C may be annexed to the land covered by this Declaration by additional phases. The legal descriptions for each of said phases anticipated are as set forth as subparts to Exhibit C, properly labeled as to each phase. Such phases may be added by the Declarant either in the aggregate or on a phase by phase basis, by a portion of a phase, or any combination thereof, with the result being that this Project may be increased up to a maximum number of 125 Lots, or such lesser amount of Lots as may be reflective of the Declarant's decision to add either no additional phases or such lesser number of phases desired.

Any such expansion or annexation as herein reserved unto Declarant shall be accomplished by the recording of a supplement or supplements to this Declaration, and such documents shall be recorded in the records of the office of the Clerk and Recorder for Laramie County, Wyoming.

There is hereby reserved unto Declarant the irrevocable power of attorney, coupled with an interest, to execute, acknowledge and deliver such further instruments and to do such further acts and/or things as may be from time to time required in order to accomplish the purposes of this Article XIV, including the right, if necessary, to amend the Articles of Incorporation or By-Laws, and to act on behalf of the Association to obtain such accomplishment. Each Owner and each and every Mortgagee of a Lot in the Project shall be deemed to have

acquiesced to the supplements to this Declaration and to any required supplements to the Subdivision Plat for the purpose of adding additional Lots and Common Areas to the Project in the manner set forth in this Article XIV, and shall be deemed to have granted unto said Declarant an irrevocable power of attorney, coupled with an interest, to effectuate, execute, acknowledge and deliver any such instruments, if any, and to do such other acts and things as may be deemed necessary or desirable by the Declarant, its successors or assigns, to properly accomplish the supplements contemplated by this Article XIV. Such supplements shall contain at least the following information:

1. A legal description of the particular phase(s) being annexed, including a proper legal description of the Lots and the Common Areas located therein;

2. A statement that said lands are being annexed pursuant to the particular provisions of Article XIV hereof; and

3. A further statement to the effect that said phase(s), when annexed, shall be deemed to be included within the Project covered by this Declaration and, thereby, subject to all of the terms, provisions, covenants, conditions, reservations, charges, and liens, including assessments, applicable hereunder as well as expressly subject to all of the provisions of the Articles of Incorporation and the By-Laws of the Association referenced hereunder.

All such supplements shall be subject to the prior approval of the Veterans Administration, if required, and shall be consistent with the original Plat as approved by the Veterans Administration, unless amendments thereto promulgated by Declarant have been properly processed and approved by the Veterans Administration and any governmental entity having jurisdiction thereof.

Section 14.2. Assessments and Voting Rights. On the date of recordation of any annexation by supplement to these Declarations, the assessment responsibility indicated in Section 7.1 and the voting rights outlined in Section 5.3, appurtenant to the annexed Lots, shall become effective.

Section 14.3. Future Improvements. All future Improvements to the Project shall be consistent with initial Improvements in terms of quality of construction.

ARTICLE XV. PRE-EXISTING RESERVATIONS, RESTRICTIONS, EASEMENTS AND COVENANTS

The property was subject to the following reservations, restrictions, conditions, exceptions, easements and covenants at the time of the recordation of this Declaration:

Section 15.1. County of Laramie. Any restrictions in the use of property created by plats or zoning ordinances approved or adopted by the County of Laramie, Wyoming.

Section 15.2. Other Recorded Documents. Any other reservations, restrictions, conditions, exceptions, conditions, easements and covenants not enumerated under this Article, this Declaration or the Association By-Laws, but which exist of record at the time of the recordation of this Declaration.

ARTICLE XVI. REVOCATION OR AMENDMENT OF DECLARATION

Section 16.1. Revocation. Except as provided specifically elsewhere herein, this Declaration shall not be revoked unless the Owners of Lots to which 90% of the votes in the Association are allocated and 67% of the registered First Mortgagees consent and agree to such revocation by instrument(s) duly recorded.

Section 16.2. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the Properties for a term of 20 years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration shall not be amended, except as otherwise herein provided, without the consent of Owners of Lots to which at least 67% of the votes in the Association are allocated, and approval of 67% of the First Mortgagees. Such amendment may be evidence by either a recorded instrument indicating such consent or by a recorded certificate of the Secretary of the Association certifying that at a meeting of the Owners, duly called, the Owners of Lots, to which 67% of the votes in the Association are allocated, consented to the Amendment, and that 67% of the First Mortgagees have given approval (as provided in Section 17.8 below) to the Amendment, and that copies of such written consent are in the corporate records of the Association.

Section 16.3. Amendments to Conform to VA, FHA, FNMA or FHLMC Requirements. Notwithstanding any provisions to the contrary, during the period of Class B membership, the Declarant shall have the right to unilaterally amend this Declaration in order to comply with the requirements of the Veteran's Administration, Federal Housing Administration, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation. Such amendment shall not require the vote or consent of Owners in the Project.

Section 16.4. Technical Amendments. Declarant hereby reserves and is granted the right and power to record technical amendments to this Declaration at any time prior to the termination of the Declarant's reserved right to appoint the Board of Directors of the Association for the purposes of correcting spelling, grammar, dates or as is otherwise necessary to clarify the meaning of the provisions of this Declaration.

ARTICLE XVII. MISCELLANEOUS PROVISIONS

Section 17.1. Mailing Address. Each Owner shall register his mailing address with the Association, and all notices, demands and statements shall be sent by regular United States Mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices to the Declarant shall be sent by certified or registered mail to the following address:

DECLARANT:
Premiere Builders, Inc.
504 West 17th, Suite 100
Cheyenne, Wyoming 82001

until such address is changed by notice of address change given to the Association.

Section 17.2. Compliance with Provisions. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, By-Laws, Rules and Regulations, resolutions, and contracts of the Association as the same may from time to time be in force and effect. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief or both, together with reasonable attorney fees, court costs, and injunction bond premiums maintainable by the Board of Directors, or the Management Contractor, on behalf of the Owners, or by any Owner.

Section 17.3. Severability. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase, word or section or the application thereof in any circumstances is invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provisions, paragraph, sentence, clause, phrase, word, or section in any other circumstances shall not be affected thereby.

Section 17.4. Terminology. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural and the singular; and the use of any gender shall include all genders.

Section 17.5. State Law. The provisions of this Declaration shall be in addition and supplemental to all laws of the State of Wyoming.

Section 17.6. Declarant's Rights Transferable. Any right or interest of Declarant hereunder, established or reserved, may be transferred or assigned by Declarant either separately, or with one or more of such rights or interest, to any person or entity.

Section 17.7. Registration of First Mortgagees. Whenever these Declarations require that a First Mortgagee receive notice, such requirement of notice shall be waived if the First Mortgagee has failed

to register its name and proper address with the Association for the purpose of such notices.

Section 17.8. Approval by First Mortgagees. Whenever these Declarations require the approval of First Mortgagees, only those First Mortgagees who have registered as provided under Section 17.7 need be included in the request for approval and in any determination of whether the applicable percentage of First Mortgagees have approved any intended action. Any First Mortgagee registered as provided under Section 17.7 and mailed a request for approval, but who fails to respond within 30 days to a request for approval, will be deemed to have approved the intended action.

Section 17.9. Case of Conflict. In the case of any conflict between the Articles of Incorporation and the By-Laws, the Articles shall control; in case of any conflict between this Declaration and the By-laws, the Declaration shall control; and in the case of any conflict between the Articles and this Declaration, this Declaration shall control.

DATED this 27 day of May, 19 77.

PREMIERE BUILDERS, INC.
a Wyoming Corporation

BY: Jim C. Wise President
Title

STATE OF WYOMING)
) SS.
COUNTY OF LARAMIE

The above and foregoing Declarations of Covenants, Conditions and Restrictions for Yellowstone Village Single Family Homes was subscribed and sworn to before me this 27 day of May, 19 77 by [illegible] as President Premiere Builders, Inc.

My commission expires: [illegible]

Witness my hand and official seal.

Notary Public

AMENDMENT A

LEGAL DESCRIPTION OF FILINGS 2 & 3 - YELLOWSTONE VILLAGE

FILING #2 LEGAL

A parcel of land situated in the West half of Section 19, T.14N., R.66W., 6th P.M. Laramie County, Wyoming, also being all of Lot 1, Block 1, of Yellowstone Village excluding that area known as Yellowstone Village Condominiums Phase 1, and being more particularly described as:

Beginning at the City of Cheyenne Control Monument "Camel" thence an Azimuth of 243°31'09", 7603.15 feet, to the True Point of Beginning, being the Southeast corner of Lot 1, Block 1, and on the Northerly Right-of-Way line of Hobbs Avenue; Thence N89°57'23"W, 568.29 feet; Thence a bearing of N00° 18'04"W, 26.53 feet; Thence a bearing of N89°41'56"E,

15.00 feet; Thence N00°18'04"W, 146.02 feet along the Easterly Right-of-Way of Fawn Pass (a private drive); Thence along said R.O.W. a bearing of N30°18'04"W, 44.02 feet to a point on the Southerly Right-of-Way line of Sunset Drive (a public street); Thence continuing along said Right-of-Way a bearing of N59°41'56"E, 72.00 feet; Thence along a curve to the Northwest having a radius of 420.00 feet, a central angle of 11°00'46", a length of 80.73 feet; Thence along the Southerly R.O.W. line of Fishing Bridge (a private drive), a bearing of S43°21'37"E, 55.70 feet; Thence continuing along said R.O.W. line a bearing of S31°47'15"E. 144.23 feet; Thence continuing along said R.O.W. line a bearing of S59°47'15"E. 47.76 feet; Thence along said R.O.W. line a bearing of S59°47'15"E. 94.02 feet; Thence continuing along said R.O.W. line along a curve to the Northwest having a radius of 95.00 feet, a central angle of 68°17'16", a length of 113.23 feet; Thence along a line having a bearing of S72°40'53"E, 62.82 feet; Thence a bearing of S79°28'43"E. 52.30 feet to a point on the East Boundary Line of Lot 1, Block 1, Yellowstone Village; Thence along said boundary line a bearing of S00°12'45"W. 138.35 feet to the Point of Beginning. Said parcel of Lot 1, Block 1, of Yellowstone Village excluding that area known as Yellowstone Village Condominiums Phase 1, contains 4.72 acres, more or less.

FILING #3 LEGAL

A parcel of land situated in the West half of Section 19, T.14N., R66W., 6th P.M. Laramie County, Wyoming, also being Lot 12, Block 1, of Yellowstone Village 2nd filing and all of Lot 1, Block 2, Yellowstone Village. Said parcel contains 7.59 acres, more or less.

029544

BY-LAWS

OF

YELLOWSTONE VILLAGE SINGLE FAMILY ASSOCIATION, INC.

The name of the corporation shall be Yellowstone Village Single Family Association, Inc., a Wyoming nonprofit corporation (hereinafter referred to as the "Association").

ARTICLE I

OBJECT AND DEFINITIONS

Section 1.1. Purpose. The purpose for which this Association is formed is to govern the property located in Laramie County, Wyoming, and more particularly described on Exhibit "A", attached hereto and incorporated herein by this reference; and any other property which the Association may own.

The above-referenced property has been submitted to a Declaration entitled Declaration of Covenants, Conditions, and Restrictions for Yellowstone Village Single Family Homes (hereinafter referred to as the "Declaration).

Section 1.2. Assent. All present or future owners, tenants, future tenants, or any other person using the facilities of the Properties in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the Lots of the Project or the mere act of occupancy of the Lots shall constitute ratification of these By-Laws.

Section 1.3. Definitions. Unless otherwise specified, the following terms shall have the same meaning in these By-Laws as such terms have in the Declaration: Association, Board of Directors, Building, Common Area, Common Area Improvements, Common Expense, Declarant, Declaration, Dwelling Unit, First Mortgagee, Lot, Lot Improvements, Member, Mortgage, Mortgagee, Owner, Properties, Subdivision Plat.

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 2.1. Membership. The total number of memberships shall not exceed the number of Lots and shall in no event exceed 85. Upon becoming an Owner of a Lot, any person automatically shall become a member of this Association and shall be subject to the provisions of the Articles of Incorporation, the Declaration, and to these By-Laws. Such membership shall terminate without any Association action whenever such person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from any liability or obligation

incurred under or in connection with the Association during the period of ownership and membership in this Association, nor shall such termination impair any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and Member arising out of, or in any way connected with, such ownership and membership, and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue one membership card to the Owner(s) of a Lot. Such membership card shall be surrendered whenever ownership of the Lot designated thereon shall terminate.

Section 2.2. Classes of Membership and Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Members shall be the Declarant and shall be entitled to three (3) votes for each Lot owned by Declarant. The then existing Class B memberships shall cease and be converted to Class A memberships upon the happening of either of the following events, whichever occurs first:

(a) Within four months after the date the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) December 31, 1993; or

(c) On a date certain set forth in written notice from the Declarant to the Secretary of the Association of its intent to terminate this reserved right as of such date; provided, however, that in the event there is more than one Declarant, such notice must be signed by all such Declarants.

Section 2.3. Transfer. Except as otherwise expressly stated herein, any of the rights, interest, and obligations of the Association set forth or reserved herein may not be transferred or assigned to any other person or entity. No such transfer or assignment shall relieve the Association of any of the obligations set forth herein. No such transfer or assignment shall revoke or change any of the rights or obligations of any owners as set forth herein.

Section 2.4. Majority of Owners. As used in these By-Laws, the term "majority of Owners" shall mean and refer to Owners who in the aggregate are allocated equal to or more than 51% of the votes in the Association.

Section 2.5. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Owners to whom 10% of the votes in the Association are allocated shall constitute a quorum. An affirmative vote by the Owners, present physically or by proxy, representing a majority of the votes entitled to be cast by virtue of their presence in person or by proxy at a duly called meeting, shall be required to transact any business.

Section 2.6. Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing and the signatures must be notarized. Proxies must be filed with the Secretary before the appointed time of each meeting. No proxy shall be valid for a period longer than 11 months after the date thereof.

ARTICLE III

ADMINISTRATION AND MEETINGS OF MEMBERS

Section 3.1. Association Responsibilities. The Owners of the Lots will constitute the Association, who will have the responsibility of administering the Project through a Board of Directors.

Section 3.2. Place of Meetings. Meetings of the Association shall be held at such place as the Board of Directors may determine.

Section 3.3. Annual Meetings. The first and subsequent annual meetings shall take place on such date as chosen by the Board of Directors; however, at least one (1) annual meeting shall take place during each calendar year after the creation of the first Class A Member and an annual meeting shall also be scheduled within 390 days of the previous annual meeting. At each annual meeting Directors shall be elected by ballot of the Owners. The Owners may also transact such other business of the Association as may properly come before them.

Section 3.4. Special Meetings. The President shall call a special meeting of the Owners when so directed by resolution of the Board of Directors or upon presentation to the Secretary of a petition signed by a majority of the Class A Members. No business shall be transacted at a special meeting except as stated in the notice unless by consent of 51% of the Members either in person or by proxy.

Section 3.5. Notices. Notices of annual and special meeting shall be given by the President or Secretary of the Association by regular mail addressed to the registered addresses of the Owners at least ten (10) but not more than 50 days prior to the date set for such meeting. Any such notice shall state the date, time and place of the meeting, and if the meeting is a special meeting, the purposes thereof. Waiver of notice, either in person or by proxy, and signed either before, at or after any meeting, shall be a valid substitute of service. The certificate of the President or Secretary that notice was duly given shall be prima facie evidence thereof.

Section 3.6. Adjourned Meeting. If any meeting of the Owners cannot be organized because a quorum has not attended, the owners who are present either in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section 3.7. Order of Business. The order of business at all annual meetings of the Members shall be as follows:

A. Roll call;
B. Proof of notice of meeting or waiver of notice;
C. Reading of Minutes of preceding meeting;
D. Reports of Officers;
E. Reports of Committees;
F. Election of Directors;
G. Unfinished business;
H. New business.

The order of business at all special meeting of the Members shall be as stated in the notice of special meeting pursuant to Section 3.5 above.

ARTICLE IV

BOARD OF DIRECTORS (POWERS AND MEETINGS)

Section 4.1. Number and Qualification. The affairs of this Association shall be governed by a Board of Directors composed of not less than three (3) or more than nine (9) persons selected from among the Owners or their designates. During the period of Class B membership hereunder, partners, employees, officers, and/or directors of Declarant shall be considered Owners for purposes of membership on the Board of Directors. The initial Board shall consist of three (3) persons who shall be James A. Wise, Marianne E. Wise, and Harold L. Egan who shall act in such capacity and shall manage the affairs of the Association until their successors are elected. The number of Directors making up the Board shall not be changed without approval of the Owners to whom 67% of the votes in the Association are allocated.

Section 4.2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Project.

Section 4.3. Other Powers and Duties. The Board of Directors shall be empowered to accomplish the following duties:

A. To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration referred to in Section 1.1 hereof.

B. To establish, make and enforce compliance with such reasonable Rules and Regulations as may be necessary for the operation, use, and occupancy of this Project, with the right to amend same from time to time. Such Rules and Regulations may include provisions regarding the exclusion of any and all animals from the Project or the limitation and control thereof. Such Rules and Regulations may also include, without limitation, provisions regarding the leasing of Dwelling Units, including without limitation, the form of lease documents used, providing the Association with a copy of any such lease or leases, and such other related regulations deemed advisable and/or necessary by the Board of Directors.

C. To keep, or cause to be kept, in good order, condition, and repair all of the Common Areas, Common Area Improvements and Lots, as applicable, and all items of common personal property, if any.

D. To insure and keep insured all of the insurable Common Area Improvements, in an amount equal to their maximum replacement value as provided in the Declaration. The Board of Directors shall determine such replacement value at least annually, and in so doing may employ such experts as the Board may feel necessary. Further, to obtain and maintain comprehensive liability insurance covering the Common Area in amounts not less than $1,000,000 single limit. To insure, and keep insured, all of the material fixtures, equipment and property acquired by the Association for the benefit of the Association and the Owners of the Lots and their First Mortgagees.

E. To fix, determine, levy, and collect the annual, special, or other assessments and installments thereof to be paid by each of the Owners towards the gross expenses of the entire premises; and by the majority vote of the Board to adjust, decrease, or increase the amount of the assessments or installments thereof. The Board of Directors, or its agent, may establish any reasonable system for collection periodically of Common Expenses, in advance or arrears as deemed desirable. Initially, assessments for the estimated Common Expenses on an annual basis shall be made by the Board and shall be payable in annual installments in advance on the first day of each calendar year. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board shall, from time to time, determine to be paid by all of the Owners. Estimated expenses include the cost of maintenance and operation of the Common Areas, Common Area Improvements, expenses of management, taxes and special assessments unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board, landscaping and care of Common Areas, common lighting, repairs and renovations, wages, common water utility charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Board of Directors under or by reason of the Declaration and these By-Laws, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or capital reserve fund, as well as other costs and expenses relating to the Common Areas and for the purpose and powers of the Association. All annual or other assessments or installments

thereof shall be in itemized statement form, shall set forth in reasonable detail the various expenses for which the assessments are being made, and shall be mailed to the registered mailing address of each Owner not later than 15 days prior to the date of the assessment is payable.

Declarant shall not have any obligation to pay a Common Expense Assessment on Lots owned by Declarant, and subject to the Declaration, until such time as a certificate of occupancy is issued for a Dwelling Unit on that Lot. During the time Declarant is entitled to Class B membership as provided in Section 2.2, Declarant agrees to pay to the Association a sum equal to the difference between the annual cost of operating and maintaining the Common Areas, exclusive of reserves, and the amount of funds payable to the Association as assessments.

F. To collect delinquent assessments or installments thereof by suit, foreclosure, or otherwise and to enjoin or seek damages from an Owner, as is provided in the Declaration and these By-Laws.

G. To protect and defend the entire premises from loss and damage by suit or otherwise.

H. To borrow funds and to execute all such instruments evidencing such indebtedness.

I. To enter into contracts within the scope of their duties and powers.

J. To establish bank accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

K. To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof by the owners or their Mortgagees at convenient weekday business hours.

L. To prepare and deliver annually to each Owner a statement showing, in at least summary form, all receipts, expenses or disbursements since the last such statement.

M. To meet at least semi-annually.

N. To designate and remove personnel necessary for the management, maintenance, operation, repair, and replacement of the Common Areas and Common Area Improvements.

O. On ten (10) days' notice, and for receipt of a reasonable fee of at least $25.00 from the requesting party (except First Mortgagees, who shall be exempt from such fee), to furnish a certificate of the Owner's account setting forth the amount of any unpaid

amounts or other charges due and owing from such Owner or allocated to such Owner's Lot.

P. In general to carry on the administration of this Association and to do all those things necessary and reasonable in order to carry out the communal aspect of this Project.

Section 4.4. Management. The Board of Directors may employ for the Association a management Contractor referred to in the Declaration, at a compensation established by the Board, to perform such duties and services as the Board shall authorize, but such employment shall not relieve the Board of Directors of any responsibility herein and pursuant to the Declaration.

During the period when the Declarant is in control of the Association, any management contracts entered into by the Association with respect to such professional management of the Project, and any contracts that such professional management shall enter on behalf of the Association, shall be for a term not to exceed one (1) year and must contain a provision allowing either party to cancel the contract, with or without cause, and without a payment of termination fee or penalty, upon thirty (30) days prior written notice. Further, and in connection with the Association's right to contract for management and personnel, whether on-site or off-site in nature, the Association shall have the right to limit the use of portions of the Common Areas for purposes of maintenance and storage facilities, management office facilities, management housing facilities to the extent allowable, and other such purposes as deemed desirable and necessary by the Association for the purposes of management and maintenance of the Project. Any Management Contractor shall be an independent contractor and neither a Management Contractor, nor any of its employees, shall be considered as employees of the Association.

Section 4.5. Vacancies. Vacancies in the Board of Directors caused by any reason, other than the removal of a Director by a vote of the Association, shall be filled by remaining members or member of the Board of Directors. If there is no remaining member of the Board, then an election shall be had by a mail vote or special meeting as provided in Sections 2.7 and 3.4 respectively, and in such event a special meeting may be called by any Member.

Section 4.6. Removal of Director. Directors may be removed with or without cause by a vote of Owners of Lots to which at least 51% of the votes in the Association are allocated.

Section 4.7. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within two weeks after the annual meeting, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting.

Section 4.8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined

from time to time, by a majority of the Directors, but at least two such meetings shall be held during each fiscal year and one such meeting shall be held within two weeks after the annual meeting of Owners.

Section 4.9. Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notine. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.10. Quorum. At all meetings of the Board of Directors, a majority thereof shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time and set the time for reconvening. If a quorum of Directors reconvenes after such an adjournment, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 4.11. Fidelity Bonds. The Board of Directors may require that all officers, Directors, Management Contractors, volunteers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on such bonds (except for Management Contractor's) shall be paid by the Association as a Common Expense. Any such bond shall be in an amount not less than 150% of the annual budget.

Section 4.12. Director's Fees. Each Director shall receive transportation and other reasonably related expenses for attendance at any regular or special meeting of the Board of Directors, and such expenses shall be deemed Common Expenses.

Section 4.13. Director's Term. Directors shall serve from the time of their election or appointment (a) for a period of three (3) years, (b) until the receipt of their written resignation by another Director, or (c) until removal as provided in Section 4.6 above, whichever occurs first. The terms of the initial directors shall be as follows: James A. Wise - 3 years; Marianne E. Wise - 2 years; Harold L. Egan - 1 year.

Section 4.14. Appointment of Directors. Notwithstanding any provision herein to the contrary, the Declarant shall have the right to appoint all members of the Board of Directors until Class B Membership has been terminated.

ARTICLE V

OFFICERS

Section 5.1. Designation. The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors.

Section 5.2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any person may hold concurrently the offices of President and Secretary. The office of Vice-President need not be filled.

Section 5.3. Removal of Officers. Upon an affirmative vote of majority of the members of the Board of directors, any officer may be removed, with or without cause, and his or her successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 5.4. President. The President shall be the chief executive officer of the Association and shall be elected from among the members of the Board of Directors. The President shall preside at all meetings of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of a nonprofit corporation, including but not limited to, the power of appointing committees from among the Owners as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5.5. Vice-President. A Vice-president shall have all the powers and authority, and perform all of the functions and duties of the President, in the absence of the President, or in the event the President's inability for any reason to exercise such powers and functions or perform such duties.

Section 5.6. Secretary. The Secretary shall keep the minutes of meetings of the Board of Directors and minutes of meetings of the Association. The Secretary shall have charge of such books and papers as the Board of Directors may direct, and shall in general perform all the duties incident to the office of Secretary. The Secretary shall compile, and keep current at the principal office of the Association, a complete list of Members and their registered mailing addresses. Such list shall be open to inspection by Members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

Section 5.7. Treasurer. The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate financial records and books of account of the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the

Association, in such depositories as may from time to time be designated by the Board of Directors. The Treasurer may also serve as Secretary in the event the Secretary and Assistant Secretary (if any) are absent.

Section 5.8. Assistant Secretary. The Board of Directors may appoint one or more Assistant Secretaries to perform all the duties of the Secretary in the absence of the Secretary.

Section 5.9. Assistant Treasurer. The Board of Directors may appoint one or more Assistant Treasurers to perform all of the duties of the Treasurer in the absence of the Treasurer.

ARTICLE VI

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 6.1. Indemnification. The Association shall indemnify every Director, Officer, agent or employee, and any former Director, Officer, agent, or employee against loss, costs, and expense, including counsel fees reasonably incurred in connection with any action, suit, or proceeding to which such person may be made a party by reason of being, or having been such director, Officer, agent or employee of the Association, except as to matters as to which such person shall be finally adjudged to be liable for gross negligence or fraud. Any such indemnification shall be limited to, and may only be paid out of, the insurance proceeds provided by an insurer furnishing Officers' and Directors' Errors and Omissions insurance coverage, and any other insurance protecting the Association from liability because of the negligent acts of its servants, including insurance covering motor vehicles for public liability, property damage, general liability, medical and other similar coverage, it being the intent and purpose of this provision to limit all payments or settlement in indemnification to the actual proceeds of such insurance policies.

No indemnification shall be provided for acts constituting gross negligence, fraud, or reprehensible conduct.

No Management Contractor, who is an independent contractor, nor any other independent contractor shall be protected by these indemnification provisions nor by any insurance policies obtained by the Association in relation thereto, but any such protection is the sole and separate responsibility of any Management Contractor who is an independent contractor, or any other independent contractor, as one of their expenses of doing business.

In the event of a settlement, the settlement shall be approved by the insurance carrier, and paid for by the insurance carrier, out of the insurance proceeds.

ARTICLE VII

OBLIGATIONS OF THE OWNERS

Section 7.1. Assessments. Except as otherwise provided hereinabove and in the referenced Declaration, all Owners, except Declarant to a limited degree, shall be obligated to pay the annual assessments or any installments thereof imposed by the Association to meet the Common Expenses, and payment of any installments thereof shall be made not later than on the 15th day following the due date. A Member shall be deemed to be in good standing and entitled to be at any annual or at any special meeting of Members, within the meaning of these By-Laws, if, and only if, the Owner shall have fully paid all assessments and installments thereof made or levied against such Owner and the Lot owned by such Owner. The limited exemption of Declarant to pay the Common Area Assessments for those Lots owned by Declarant, as referenced hereinabove and in the referenced Declaration, shall not affect in any manner or form Declarant's good standing and/or Declarant's right to vote as to those respective Lots so owned by the Declarant.

Section 7.2. Maintenance and Repair.

A. Except as may be provided in the Declaration, every Owner must perform promptly at such Owner's expense all maintenance and repair work within such Owner's Lot and Dwelling Unit, which if omitted, would affect the project in its entirety or any part belonging to another Owner.

B. All the repairs and costs associated with a Lot and/or a Dwelling Unit shall be the individual Owner's expense.

C. An Owner shall be obligated to reimburse the Association, or another Owner, upon receipt of a statement for any expenditures incurred by the Association, or another Owner, or both in repairing, replacing, or restoring any Common Area Improvement, damaged as a result of the negligent or other tortious conduct of such Owner, a member of his or her family, his or her agent, employee, invitee, licensee or tenant.

Section 7.3. Mechanic's Lien. Each Owner agrees to indemnify, and to hold each of the other Owners and the Association harmless, from any and all claims of any mechanic's lien filed against other Lots and appurtenances and the Common Area for labor, materials, services or other products incorporated in the Owner's Dwelling Unit.

Section 7.4. General.

A. Each Owner shall comply strictly with the provisions of the Declaration.

B. Each Owner shall always endeavor to observe and promote the cooperative purposes for which the Project was established.

Section 7.5. Use of Dwelling Units.

A. Dwelling Units shall be utilized for only those purposes permitted in the Declaration.

B. No Owner, tenant, or lessee shall use radios, phonographs, television sets, amplifiers, and any other instruments or devices in such manner as may disturb, or which may tend to disturb, other occupants of Dwelling Units.

C. Owners, tenants, or guests shall not hang garments, rugs, and other materials from the windows, or from any of the facades or balconies of the building, or any of the improvements.

D. No Owner, tenant, or lessee shall install television antenna, machines, or air conditioning units on the exterior of the Dwelling Units or protruding through the walls or the roof of the Dwelling Units, except as expressly authorized by the Architectural Control Committee.

E. No noisy vehicles shall be permitted on the Properties. There shall be no storing of vehicles on the Properties during the Owner's extended absence, except in garages.

F. There shall be no repair of vehicles on the premises, except emergency repairing or cleaning.

G. An Owner shall not make any exterior or structural modifications or alterations to his, her, its or their Dwelling Unit located therein without the prior written approval of the Architectural Control Committee as provided in the Declaration.

H. The Board of Directors shall have the power to establish, make and enforce compliance with such additional Rules and Regulations as may be necessary for the operation, use, and occupancy of this Project, with the right to amend same from time to time.

I. Owners shall be subject to such other restrictions as are set forth in the Declaration.

Section 7.6. Use of Common Areas. Each Owner shall use the Common Areas in accordance with the purpose for which they were intended, without hindering or encroaching upon the lawful rights of the other Owners. The Rules and Regulations will specifically give details on the use of the Common Area amenities.

Section 7.7. Destruction or Obsolescence. Each Owner shall, upon becoming an Owner of a Lot or as requested by the Association thereafter, be deemed to have executed a power of attorney in favor of the

Association, irrevocably appointing the Association attorney-in-fact to maintain, repair, and improve the Common Areas.

ARTICLE VIII

BY-LAWS

Section 8.1. Amendments. These By-laws may be amended by the Board of Directors at a duly constituted Board meeting for such purpose, or at a meeting of Owners called for such purpose and approved by Owners representing interests of at least 67% of the membership. The notice of such Board or Owner meeting shall contain a summary of the proposed changes or a copy of such proposed changes. No amendment shall serve to shorten the term of any Director. The prior approval of 51% of the First Mortgagees shall be required for any material amendments to these By-Laws. Approval of First Mortgagees may be accomplished as provided in Section 17.7 and Section 17.8 of the Declaration. "Material" shall mean and be defined by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation Contract Supplement and Selling Guides. During the period of Class B Membership, the Veteran's Administration and Federal Housing Administration shall have the right to veto any amendments to these By-Laws.

Section 8.2. Case of Conflict. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; in case of any conflict between the Declaration and these By-laws, the Declaration shall control; and in the case of any conflict between the Articles and the Declaration, the Declaration shall control.

ARTICLE IX

MORTGAGES

Section 9.1. Notice to Association. An Owner who mortgages his, her, its or their Dwelling Unit shall notify the Board of Directors through the Management Contractor, if any, or the President of the Board of Directors, giving the name and address of such Owner's Mortgagee. The Association shall maintain such information in a book or list entitled "Mortgagees of Lots".

Section 9.2. Notice of Unpaid Assessments. The Association shall, at the request of a Mortgagee of a Lot, report any unpaid assessments due from the Owner of such Lot.

Section 9.3. Attendance at Meetings. A First Mortgagee shall have the right to attend any meeting of the Members.

ARTICLE X

EVIDENCE OF OWNERSHIP AND REGISTRATION OF MAIL ADDRESS

Section 10.1. Proof of Ownership. Any person, on becoming an Owner of a Lot, shall furnish to the Management Contractor or Board of Directors a photocopy (or, if requested by the Board, certified copy) of the recorded instrument vesting that person or entity with an interest or ownership, which instruments shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor shall he, she, it or they be entitled to vote at any annual or special meeting unless this requirement is first met.

Section 10.2. Registration of Mailing Address. The Owners of each Lot shall have one registered mailing address for use by the Association for mailing statements, notices, demands and all other communications; and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity, or any combination thereof, to be used by the Association. Such registered address of an Owner or Owners shall be furnished by such Owners to the Secretary within five (5) days after transfer of title; such registration shall be in written form and signed by all of the owners of the Lot or by such persons as are authorized by law to represent the interest of (all of) the Owners thereof. Registered addresses may be changed in similar fashion. If no such address is registered, or if all of the Owners cannot agree, then the address of the Owners shall be the address of the Lot.

Section 10.3. Completed Requirement. The requirements contained in this Article shall be first met before an Owner of a Lot shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE XI

RESTRICTIONS

Section 11.1. Nonprofit Corporation. This Association is not organized for profit. No Member, member of the Board of Directors, or person from whom the Association may receive any property or funds, shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof; and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of, any Member of the Board of Directors. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any Member or Director while acting as an agent or employee of the Association for services rendered in affecting one or more of the purposes of the Association, and (2) any member or Director may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XII

SEAL

Section 12.1. Seal. The corporate seal shall consist of two concentric circles with the name of the Corporation and the word "Wyoming" between the circles, and the word "Seal" in the center.

ARTICLE XIII

FISCAL YEAR

Section 13.1. Fiscal Year. The fiscal year of the Association shall be as determined from time to time by the Board of Directors.

IN WITNESS WHEREOF, the undersigned have executed these By-laws this 29th day of May, 1987.

BOARD OF DIRECTORS:

The undersigned Secretary of YELLOWSTONE VILLAGE SINGLE FAMILY ASSOCIATION, INC., a Wyoming nonprofit corporation, does hereby certify that the above and foregoing By-Laws were duly adopted by the Board of Directors as the By-laws of said Corporation on the 29 day of May, 1987, and that they now constitute the By-Laws of said Corporation.

DATED this 29 day of May, 1987.

Secretary

Subscribed and sworn to before me this 4th day of June, 1987.

Notary Public

My commission expires June 26, 1988

AMENDMENT A

LEGAL DESCRIPTION OF FILINGS 2 & 3 - YELLOWSTONE VILLAGE

FILING #2 LEGAL

A parcel of land situated in the West half of Section 19, T.14N., R.66W., 6th P.M. Laramie County, Wyoming, also being all of Lot 1, Block 1, of Yellowstone Village excluding that area known as Yellowstone Village Condominiums Phase 1, and being more particularly described as:

Beginning at the City of Cheyenne Control Monument "Camel" thence an Azimuth of 243°31'09", 7603.15 feet, to the True Point of Beginning, being the Southeast corner of Lot 1, Block 1, and on the Northerly Right-of-Way line of Hobbs Avenue; Thence N89°57'23"W, 568.29 feet: Thence a bearing of N00° 18'04"W, 26.53 feet: Thence a bearing of N89°41'56"E,

15.00 feet: Thence N00°18'04"W, 146.02 feet along the Easterly Right-of-Way of Fawn Pass (a private drive); Thence along said R.O.W. a bearing of N30°18'04"W, 44.02 feet to a point on the Southerly Right-of-Way line of Sunset Drive (a public street); Thence continuing along said Right-of-Way a bearing of N59°41'56"E, 72.00 feet; Thence along a curve to the Northwest having a radius of 420.00 feet, a central angle of 11°00'46", a length of 80.73 feet: Thence along the Southerly R.O.W. line of Fishing Bridge (a private drive), a bearing of S43°21'37"E, 55.70 feet: Thence continuing along said R.O.W. line a bearing of S31°47'15"E. 144.23 feet: Thence continuing along said R.O.W. line a bearing of S59°47'15"E. 47.76 feet: Thence along said R.O.W. line a bearing of S59°47'15"E. 94.02 feet; Thence continuing along said R.O.W. line along a curve to the Northwest having a radius of 95.00 feet, a central angle of 68°17'16", a length of 113.23 feet; Thence along a line having a bearing of S72°40'53"E, 62.82 feet: Thence a bearing of S79°29'43"E. 52.30 feet to a point on the East Boundary Line of Lot 1, Block 1, Yellowstone Village: Thence along said boundary line a bearing of S00°12'45"W. 138.35 feet to the Point of Beginning. Said parcel of Lot 1, Block 1, of Yellowstone Village excluding that area known as Yellowstone Village Condominiums Phase 1, contains 4.72 acres, more or less.

FILING #3 LEGAL

A parcel of land situated in the West half of Section 19, T.14N., R66W., 6th P.M. Laramie County, Wyoming, also being Lot 12, Block 1, of Yellowstone Village 2nd filing and all of Lot 1, Block 2, Yellowstone Village. Said parcel contains 7.59 acres, more or less.