

**Declaration of Covenants, Conditions, and Restrictions
for Alpine Business Park
to the Town of Alpine**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE ALPINE BUSINESS PARK (the “Declaration”) is made this ____ day of _____, 2026 by Dead Horse Development, LLC, a Wyoming limited liability company (the “Declarant”).

ARTICLE I – DECLARATION, PURPOSE AND INTENT

1.1. **Purpose and Intent.** The Declarant, as the owner of the real property known as the Alpine Business Park according to that final plat recorded in the official records of the County Clerk of Lincoln County, Wyoming on the same date hereof (the “Property”), intends by the recording of this Declaration to create a general plan of development for the Property. This Declaration provides for the overall development, administration, maintenance, and preservation of the real property now or hereafter comprising the Property. Capitalized terms used herein but not defined shall have the respective definitions as set in this Article II.

1.2. **Binding Effect.** The Property shall be owned, sold, conveyed, encumbered, used, occupied and developed subject to all provisions of this Declaration, which shall run with the title to the Property. This Declaration shall be binding upon all persons having any right, title or interest in any portion of the Property, and their heirs, successors-in-title, and assigns. This Declaration shall be enforceable in perpetuity by the Declarant, the Association, any Owner, and their respective legal representatives, heirs, successors, and assigns.

1.3. **Governing Documents.** The Governing Documents (as defined below), create a general plan of development and use for the Property, which may be supplemented as set forth herein. In the event of conflict between or among the Governing Documents and any such additional covenants or restrictions, the more restrictive shall control. Nothing in this Section shall preclude the adoption of any Supplemental Declaration or other recorded covenants applicable to any portion of the Property from containing additional restrictions or provisions that are more restrictive than the provisions of this Declaration. All provisions of the Governing Documents shall apply to all Owners and Occupants as well as their respective family members, guests, licensees, and invitees. If any provision of this Declaration is determined by judgment or court order to be invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of the remaining provisions of this Declaration.

ARTICLE II – DEFINITIONS

The terms used in the Governing Documents shall generally be given their natural, commonly accepted definitions unless otherwise specified.

2.1. **Association.** The Alpine Business Park Property Association, a Wyoming non-profit corporation, its successors or assigns.

2.2. **Articles.** The Articles of Incorporation of the Association, as they may be amended from time to time.

2.3. **Bylaws.** The Bylaws adopted by the Association, as they may be amended from time to time.

2.4. **Base Assessment.** Assessments levied on all Townhouses subject to assessment under Article VIII to fund Common Expenses, as determined in accordance with Section 8.1

2.5. **Board.** The Board of Directors of the Association responsible to the Members for operations of the Association, selected as provided in the Bylaws, and generally serving the same role as a board of directors under Wyoming corporate law.

2.6. **Common Elements.** Those areas designated as “General Common Elements” and “Limited Common Elements” on the Plat, in the aggregate, or any portion thereof, and all other real and personal property, including easements for access and utilities, that the Association owns, leases, or in which it otherwise holds, or acquires in the future, possessory or use rights for the common enjoyment of the Owners.

2.7. **Common Expenses.** The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of the Property, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents.

2.8. **Deed of Conveyance.** The conveyance document used by Declarant to convey title of a Townhouse to an Owner.

2.9. **Declarant.** Dead Horse Development, LLC, a Wyoming limited liability company, and its successors or assigns.

2.10. **Final Plat or Plat.** The final subdivision plat of Alpine Business Park recorded in the Office of the Clerk of Lincoln County, Wyoming the same date hereof.

2.11. **General Common Elements.** The entire Project excepting all Townhouses, Party Walls, and the Limited Common Elements. Without limiting the generality of the foregoing, the General Common Elements shall include (i) all areas of the Property except for the Limited Common Elements and Townhouses; (ii) all appurtenances to the Property; (iii) all utility installations located outside a Townhouse, except for the Limited Common Elements – Propane Tank; and (iv) General Common Elements – Garbage, General Common Elements – IT Closet, and General Common Elements – Parking . The General Common Elements may be referred to herein and on the Condominium Plat as “General Common Elements” or “GCE.”

2.12. **General Common Elements – Garbage.** Those General Common Elements as designated on the Condominium Plat encompassing a trash receptacle. General Common Elements – Garbage may be referred to herein and on the Condominium Plat as “General Common Element – Garbage,” “GCE – Garbage,” or “GCE-G.”

2.13. **General Common Elements – IT Closet.** Those General Common Elements that are mechanical closets located on Lots 3 and 7 as designated on the Condominium Plat and labeled “IT Closet.” General Common Elements – IT Closet may be referred to herein and on the Condominium Plat as “General Common Element – IT Closet” or “GCE – IT Closet.”

2.14. **General Common Elements – Parking.** Those parking spaces designated on the plat as General Common Elements – Parking, including handicap spaces, or otherwise not marked as LCE-Parking, shall be parking areas that are a part of the General Common Elements. The General Common Elements – Parking shall be available to all Occupants and their licensees, invitees, and guests on a first-come, first served basis.

2.15. **Governing Documents.** A collective term referring to this Declaration, any Supplemental Declaration(s), the Bylaws, the Articles, and the Rules and Regulations, if any, as they may be amended from time to time.

2.16. **Limited Common Elements.** Those portions of the Common Elements designated on the Final Plat for the exclusive use of one or more but fewer than all of the Townhouses. Limited Common Elements may be referred to herein or on the Final Plat as “Limited Common Element” or “LCE.”

2.17. **Limited Common Elements – Parking.** Those Limited Common Elements for the exclusive use of one or more Townhouse for parking as designated on the Final Plat. Limited Common Elements-Parking may be referred to herein or on the Final Plat as “Limited Common Element-Parking” or “LCE Lot X,” where “X” is the Lot number to which the parking space is assigned.

2.18. **Limited Common Elements – Propane Tank.** Those Limited Common Elements for a propane tank as designated on the Final Plat, which propane tank is for exclusive use of Lot 8.

2.19. **Lot.** Any Lot as shown on the Plat. Each Lot contains one Townhouse.

2.20. **Member.** A Person subject to membership in the Association pursuant to Article VI.

2.21. **Occupant.** Any person or persons in possession of a Townhouse, including Owners, lessees, guests, agents, employees, and invitees of such person or persons.

2.22. **Owner.** One or more Persons who holds a record fee title to the Townhouse affixed to and situated upon such Lot. The definition of “Owner” specifically excludes any party holding an interest merely as security for the performance of an obligation.

2.23. **Party Wall.** The common walls between two Townhouses, which walls begin at the interior boundary of the sheetrock covering the interior of the Party Wall within each Townhouse, and which walls provide support for the Property and separation between the Townhouses. The Party Walls include and may contain utilities lines that serve more than one Townhouse.

2.24. **Person.** A natural person, a corporation, a partnership, limited liability company, a trustee, or any other legal entity.

2.25. **Property.** Has the meaning in Section 1.1.

2.26. **Public Records.** The official records of the Clerk of Lincoln County, Wyoming.

2.27. **Rules and Regulations.** The Rules and Regulations, if any, adopted by the Board pursuant to Section 3.2 hereof.

2.28. **Special Assessment.** Assessments levied in accordance with Section 8.3.

2.29. **Specific Assessment.** Assessments levied in accordance with Section 8.4.

2.30. **Supplemental Declaration.** An instrument filed in the Public Records pursuant to Article IX that imposes, expressly or by reference, additional restrictions and obligations on the land described in such instrument.

2.31. **Townhouse.** The structure located on any Lot. The Townhouses within the Property are numbered Unit 1 through Unit 8.

ARTICLE III – USE AND CONDUCT

3.1. **Framework for Regulation.** The Governing Documents establish, as part of the general plan of development for the Property, a framework of covenants, easements and restrictions that govern the Property. However, within that framework, the Board and the Members must have the ability to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends and technology that inevitably will affect the Property and its Owners and Occupants.

3.2. **Rule Making Authority.**

(a) The initial Rules and Regulations shall be adopted by the Declarant or by the Board. Subject to the terms of this Article and the Board's duty to exercise business judgment and reasonableness on behalf of the Association and its Members, the Board may modify, cancel, limit, create exceptions to, or expand such Rules and Regulations. The Board shall send notice by mail to all Owners concerning any such proposed action at least five (5) business days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

Such action shall become effective after compliance with Section 3.2(c) below unless disapproved at a meeting of the Members by more than fifty percent (50%) of the total votes entitled to vote on the matter. The Board shall have no obligation to call a meeting of the Members to consider disapproval except upon receipt of a petition of the Members as required for special meetings in the Bylaws. Upon such petition of the Members prior to the effective date of any Board action under this Section 3.2(a), the proposed action shall not become effective until after such meeting is held, and then is subject to the outcome of such meeting.

(b) Alternatively, the Members, at an Association meeting duly called for such purpose, may adopt rules that modify, cancel, limit, create exceptions to, or expand the Rules and Regulations by a vote of more than fifty percent (50%) of the total votes entitled to vote on the matter pursuant to the Bylaws of the Association.

(c) At least thirty (30) days prior to the effective date of any action taken under subsection (a) or (b) of this Section, the Board shall send a copy of the new rule or explanation of any changes to the Rules and Regulations to each Owner specifying the effective date. The Association shall provide, at no additional charge, a copy of the Rules and Regulations then in effect to any requesting Member or Mortgagee.

3.3. **Owners' Acknowledgement and Notice to Purchasers.** All Owners are given notice that use of the Property is limited by the Rules and Regulations as they may be amended, expanded and otherwise modified hereunder. Each Owner, by acceptance of a Deed of Conveyance for their Townhouse, acknowledges and agrees that the use and enjoyment and marketability of a Townhouse will be affected by this Declaration and that the Rules and Regulations may change from time to time. All purchasers are on notice that the Rules and Regulations, and any changes thereto, are not recorded in the Public Records. Copies of the Rules and Regulations may be obtained from the Association, or if no Association has been formed, from the Declarant.

3.4. **No Mining, Excavating or Drilling.** The Property shall not be used for the purpose of mining, quarrying, drilling, boring, exploring for, or removal of, any geothermal resources, oil, gas or other

hydrocarbons, minerals, rocks, stones, gravel, sand, topsoil or earth, except as is customary during the construction of the development. Nothing contained herein shall be construed to limit the rights of the owner of a mineral interest served from the surface of any portion of the Property prior to the recording of this Declaration and nothing herein shall prevent the Declarant or an Owner from moving dirt, gravel, rocks and other soils necessary for the development, including landscaping, of their respective properties.

3.5. **Protection of Owners and Others.** No rule or regulation shall be adopted in violation of the following provisions, except as may be specifically set forth in this Declaration (either initially or by amendment):

(a) **Equal Treatment.** All Owners shall be treated similarly by the Board and the Association.

(d) **Activities Within Townhouses.** The Association may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of Occupants of other Townhouses, that generate excessive noise, or traffic and/or parking nuisance, that create unsightly conditions visible outside the Townhouse, or that create an unreasonable source of annoyance as reasonably determined by the Board.

(e) **Insurance Rates.** Nothing shall be done or kept on the Property that would increase the rate of insurance or cause the cancellation of insurance on any Townhouse or any Common Elements without prior written approval of the Board.

(f) **Allocation of Burdens and Benefits.** No rule shall alter the allocation of financial burdens among the various Townhouses to the detriment of any Owner over that Owner's objection expressed in writing to the Association. This provision does not affect the right to increase the amount of assessments as provided by Article VIII.

(g) **Abridging Existing Rights.** If any rule would otherwise require Owners to dispose of personal property that they maintained on the Property prior to the effective date of such rule, and such property was maintained or such occupancy was in compliance with this Declaration and all rules previously in force, such rule shall not apply to any such Owners without their written consent.

(h) **Rights to Develop.** No rule or action by the Association or Board shall impede the Declarant's right to develop the Property.

The limitations in subsections (a) through (h) of this Section 3.5 shall only limit rulemaking authority exercised under Section 3.2; they shall not apply to amendments to this Declaration adopted in accordance with Article XII.

3.6. **Domestic Animals.** Each Townhouse shall be entitled to have Household Pets. The term Household Pet(s) means generally recognized household pets such as dogs and cats. All animals not considered to be a Household Pet are prohibited from being maintained or cared for on the Property. Household pets may not be kept for any commercial purpose and may not cause an unreasonable amount of noise, odor, or otherwise become a nuisance to other Occupants. All Occupants with Household Pets shall keep the animals restrained and controlled at all times so they do not cause a nuisance to others and do not harass or endanger others. No Household Pet shall be restrained by lead, cord, chain, rope or other attachment fixed to any vehicle, post, tree or other structure or object within the Property.

"Nuisance" means any noisy animal, any vicious animal, any non-domestic household pet, or any animal which chews, tears, digs in or scratches, litters or soils, destroys, or in any other manner injures

clothing, garbage containers, gardens, flower beds, lawns, trees, shrubbery, or any other property within the Property. Excessive, continued, or untimely barking, molesting passersby, chasing vehicles, habitually attacking other animals, trespassing upon private property in such a manner as to damage property shall also be deemed a nuisance. "Noisy animal" means any animal that habitually, constantly, or frequently disturbs the sleep, peace, or quiet of any person. The Board and the Declarant shall have the right and authority to determine in its sole discretion that Household Pets are being kept for commercial purposes, or are otherwise a noisy animal or a nuisance, or that an Occupant is otherwise in violation of this Section, and to take such action or actions it deems reasonably necessary to remedy the violation. Without limiting the generality of the foregoing, the Association may require the owner or custodian of a noisy animal or a nuisance animal to confine such animal indoors, to remove the pet from the Property, or to enter the Townhouse and remove the animal, to assess monetary fines and penalties, or to terminate the right of an Occupant to keep Household Pets on the Property. No Owner of any animal or animals impounded shall have the right to bring any action against the Association, Declarant or any member thereof, for the impoundment of such animal(s) or the termination of the Owner's right to keep Household Pets.

The Owner of a Townhouse where a Household Pet is kept, as well as the legal owner of such pet (if not such Owner), shall be jointly and severally liable for any and all damage and destruction caused by the pet, and for any clean-up of the Property necessitated by such Household Pet. If an Owner fails to clean up after a Household Pet and if an Owner fails to respond to a written warning of the Board, the Association may engage a third party to clean up after such Household Pet or repair damage or destruction caused by such Household Pet and the Owner shall be liable for this expense.

3.7. **Signs.** No signs whatsoever, including, but without limitation, commercial, political, and similar, visible from neighboring Townhouses or the exterior of the Buildings, shall be erected or maintained upon any portion of the Buildings, except:

(a) Commercial signs that meet the standards of the Town of Alpine and approved by the Declarant or Association, which approval shall not be unreasonably withheld.

(b) Standardized unit number signs to be installed by Declarant outside the entrance of each Townhouse and additional identification panel(s) may be installed by the Association on the Buildings in a location to be determined by the Board;

(c) The Board or its designee shall have the right to remove any sign in violation of this Section 3.7, and such action shall not be deemed a trespass. The Board shall not be responsible for any damage done to a Townhouse or the sign in removing the non-conforming sign, and all costs of removing and caring for the non-conforming sign as incurred by the Board shall be assessed against the applicable Owner.

3.8. **Wildlife.** Wildlife may not be fed hay or any other food, manufactured or otherwise, within the Property. Similarly, no bird feeders or other means of feeding or attracting wildlife shall be permitted within the Property. An Owner shall not permit guests and/or any pets to harass or chase wildlife anywhere on the Property.

3.9. **Vehicles.**

(a) The Board shall have full power and authority to regulate the parking and storage of vehicles and other materials in the parking areas of the Property, and to regulate the use of the GCE-Parking and LCE-Parking.

(b) No abandoned or inoperable vehicles (as defined below), or any other similar vehicles (collectively, the "Prohibited Vehicles") shall be parked or stored on the Property, including in

GCE-Parking and LCE-Parking, without prior written approval of the Board. Notwithstanding the foregoing, Prohibited Vehicles may be temporarily parked on the GCE-Parking or LCE-Parking for loading, delivery or emergency purposes, but only for the time required to accomplish such purpose, and as necessary for the construction or maintenance of the Property upon compliance with the Rules and Regulations.

(c) An “abandoned or inoperable vehicle” shall mean any motorized vehicle that does not display a current valid motor vehicle license and registration tag or that does not have an operable propulsion system within the vehicle. If the Board determines that a vehicle is abandoned or inoperable, or is otherwise in violation of the provisions of this Section, a written notice of violation describing said vehicle shall be personally delivered to the vehicle owner (if such owner can be reasonably ascertained) or shall be conspicuously placed upon the vehicle (if the owner cannot be reasonably ascertained), and if the offending vehicle is not removed within twenty four (24) hours thereafter, the Board shall have the right to remove and store the offending vehicle, or cause the vehicle to be removed and stored, at the sole expense of the Owner.

3.10. **Garbage Storage.** Occupants shall dispose of all refuse in the trash receptacles set out within the GCE-Garbage area of the Property. Garbage shall not be set out in a manner that allows persons, vehicles, animals, or weather to scatter such garbage on the Property. The refuse that may be disposed of on the Property shall be limited to normal household or commercial trash and recycling, and shall specifically exclude scrap metal, appliances, and hazardous materials; Occupants must dispose of said prohibited items off-site and in accordance with local laws. The collection and disposal of garbage and trash shall be in strict compliance with such rules as may be adopted by the Board.

3.11. **Noxious and Offensive Activities.** No noxious or offensive activity shall be carried on upon the Property, nor shall anything be done or placed thereon that may be or become a nuisance, or cause unreasonable disturbance or annoyance to other Owners in the enjoyment of the Property. Hazardous materials must not be disposed of on site.

3.12. **Hunting; Fireworks.** No hunting or discharge of firearms shall be permitted on any portion of the Property. No discharge of firecrackers and other fireworks shall be permitted on any portion of the Property; provided, however, the Board shall have no obligation to take action to prevent or stop such discharge.

3.13. **Exterior Fires.** The cutting and storage of firewood and flammable materials by an Owner is prohibited on the Property. Exterior fires are prohibited on the Property, except for gas barbeque fires contained within gas barbeque receptacles but only to the extent that such gas fires are not prohibited by any insurance policy maintained by the Association for the Property. In no event may charcoal grills, pellet grills, outdoor chimneys (or chimineas) or fire pits be permitted on the Properties. The burning of trash, organic matter or miscellaneous debris shall be prohibited on the Property.

3.14. **Satellite Dishes.** No exterior radio, television, microwave or other antenna or antenna dish or signal capture and distribution device shall be permitted on the Property.

3.15. **Smoking.** Smoking at any time is prohibited in any area of the Property, both within Townhouses and within Common Elements, and whether enclosed or outdoors. This policy applies to all Occupants, guests, employees, and servicepersons. The term “smoking” means inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or vaping device in any manner or in any form.

ARTICLE IV – DEVELOPMENT AND USE RESTRICTIONS

4.1. **General.** The Owner of a Townhouse shall not make any improvements or modifications to such Townhouse unless in accordance with this Declaration. Notwithstanding anything to the contrary contained in this Declaration, in no event will the Owner of a Townhouse alter, change or modify any structural element of the Townhouse or the exterior of the Townhouse without the express written approval of the Board. However, any Owner may remodel, paint or redecorate the interior of its Townhouse without approval of the Board.

4.2. **Enforcement.** Any structure, improvement or landscaping placed or made in or on the Property by an Owner in violation of this Article shall be deemed to be nonconforming. Upon written request from the Declarant or the Board, the offending Owner shall, at their own cost and expense, remove such structure or improvement and restore the Property to substantially the same condition as existed prior to the nonconforming Work. Should an Owner fail to remove and restore as required, the Declarant, the Association or its designees shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as previously existed. All costs, together with interest at the maximum rate then allowed by law, may be assessed against such Owner's Townhouse and collected as a Specific Assessment. Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article may be excluded from the Property, subject to the notice and hearing procedures contained in the Bylaws. In such event, neither the Declarant, nor the Association its officers, or directors shall be held liable to any Person for exercising the rights granted by this Section. In addition to the foregoing, the Association and the Declarant shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article

4.3. **Development and Use Restrictions.**

(a) *Alpine Land Use Regulations.* Conformity with any and all applicable land use regulations of Town of Alpine, Wyoming shall be required, in addition to the requirements of this Declaration.

(b) *Authorized Use for Lots.* The Lots may be used for any commercial or light industrial uses permitted by the Town of Alpine.

(c) *Common Elements.* No structures, improvements, or personal property, whether temporary or permanent, are permitted on the Common Elements, except as expressly permitted by this Declaration or with the prior written permission of the Board. The Common Elements shall be kept in a safe, neat and orderly fashion at all times.

ARTICLE V – MAINTENANCE BY OWNERS

5.1. **Maintenance by Owners.** Except as otherwise provided for herein, each Owner, at its sole expense, shall be responsible for maintaining, replacing, and repairing:

(a) all aspects of their Townhouse located inside the Townhouse, from the unfinished interior surfaces of perimeter walls, floors, and ceilings inward including: personal property; furniture; appliances; cabinets; kitchen or bath fixtures; flooring and floor coverings; interior wall surfaces; interior ceilings; windows and doors; electric and plumbing lines at such point as they enter the Townhouse; plumbing fixtures within the Townhouse or that only serve the individual Townhouse; interior electrical and heating systems; interior lighting; air conditioning fixtures or installations; any portion of any other utility service facilities located within the Townhouse boundaries that serve only that particular Townhouse; and any improvement or addition added by an Owner to the Townhouse or Lot to maintain, repair and replace the heating equipment, water heater, and any portion of any other utility service facilities or apparatus servicing such Owner's Townhouse exclusively; and

(b) the exterior windows, doors, and garage doors on such Owner's Townhouse, provided that the windows', doors', and garage doors' replacement must first be approved by Declarant or the Board to maintain visual harmony within the Property.

5.2. **LCE – Propane Tank.** The maintenance, repair, and replacement of the LCE-Propane Tank shall be the sole responsibility of the Owner of Lot 8. The Owner of the Lot 8 shall also be solely responsible for arranging for and paying for the fuel to fill said propane tank.

5.3. **Failure of Owners.** If any Owner fails to maintain, repair, and/or replace the items that it is obligated to maintain, repair, and replace, the Declarant and/or the Association shall be authorized, after providing fifteen (15) days' notice to the Owner, to cure such failure and to assess all costs incurred against the Townhouse, together with interest at the maximum rate then allowed by law, as a Specific Assessment.

5.4. **Fractional Ownership.** No Owner may separate the legal rights comprising ownership of a Lot from any other part thereof, such as owning a Lot through fractional ownership.

5.5. **Lot Combination.** No Owner of two or more adjacent Lots shall remove or modify the Party Wall between the Townhouses constructed on said Lots without prior written permission from the Board. If said permission is granted, such construction shall be undertaken at Owner's sole expense, in compliance with all applicable building codes, and subject to such additional conditions as the Board may impose.

5.6. **Townhouse Separation.** This paragraph shall apply to any Owner(s) that own two or more adjacent Lots where the Party Wall(s) between the Townhouses on said Lots were not originally constructed, have been removed or modified, or are otherwise absent. Said Owners may construct the Party Wall between said Lots along the Lot lines as shown on the Plat with prior written permission of the Board. If said permission is granted, such construction shall be undertaken at Owner's sole expense, in compliance with all applicable building codes, and subject to such additional conditions as the Board may impose.

Further, said Owner(s) that own two or more adjacent Lots where the Party Wall(s) between the Townhouses on said Lots were not originally constructed, have been removed or modified, or are otherwise absent shall not be permitted to sell any such Lot without first constructing the Party Walls along the Lot lines as shown on the Plat in accordance with this Section 5.6.

ARTICLE VI – THE ASSOCIATION AND ITS MEMBERS

6.1. **Function of Association.** The Association shall be the entity responsible for management, maintenance, operation and control of the Common Elements. The Association also shall be the primary entity responsible for enforcement of the Governing Documents. The Association shall perform its functions in accordance with the Governing Documents and the laws of the State of Wyoming.

6.2. **Membership.** Every Owner, by virtue of their purchase of a Townhouse, shall be a Member of the Association. There shall be only one membership per Townhouse. If a Townhouse is owned by more than one Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in Section 6.3(a) and in the Bylaws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners. The membership rights of an Owner that is not a natural person may be exercised by any officer, director, partner or trustee, or by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association except where such privileges may be restricted by the Rules and Regulations.

6.3. **Voting.** The Association shall have one class of membership. Members shall have one equal vote for each Townhouse in which they hold the interest required for membership under Section 6.2. Each Owner shall be entitled to vote in the percentages shown on Exhibit A, in the column Ownership Percentage of Common Elements. All votes shall be cast as provided in Section 6.3(a), and further details regarding voting and voting procedure may be set forth in the Bylaws.

(a) **Exercise of Voting Rights.** The vote for each Townhouse owned by a Member shall be exercised by the Owner of the Townhouse. In any situation where there is more than one Owner of such Townhouse, the vote for such Townhouse shall be exercised as the co-Owners determine among themselves and advise the Secretary of the Association in writing prior to the vote being taken. Absent such advice, the Townhouse's vote shall be suspended if more than one Person seeks to exercise it in a conflicting manner.

(b) **Commencement of Voting Rights.** Voting rights as to each Townhouse shall vest upon the commencement of assessment obligations for such Townhouse.

6.4 **Association Board of Directors.** The Association shall have three (3) directors. Notwithstanding any other provision set forth herein or in any of the Governing Documents, the initial Board and all replacements shall be appointed by the Declarant for three (3) year terms until the expiration of the Declarant rights as provided in Article IX. Each director appointed by the Declarant shall serve (irrespective of the expiration of a term) until the earlier of the appointment of his or her successor by Declarant, or his or her death, resignation or removal. Following the expiration of the Declarant's rights, the Directors shall be elected and shall serve as provided in the Bylaws.

ARTICLE VII – ASSOCIATION POWERS AND RESPONSIBILITIES

7.1. Acceptance and Control of Association Property.

(a) The Association, through actions of its Board, may acquire, hold, and dispose of tangible and intangible personal property.

(c) The Declarant and its designees may convey and/or lease real or personal property to the Association and the Association shall accept such property.

7.2. Maintenance by Association.

(a) The Association shall maintain, in accordance with the Governing Documents, the Common Elements. The Association shall be responsible for the sealing, striping, and replacement of the road surface of the GCE-Parking and LCE-Parking. The costs associated with maintenance, repair and replacement of such Common Elements shall be a Common Expense.

(b) The Association shall, for purposes of maintaining the appearance and durability of each Townhouse, maintain the exterior of each Townhouse, including but not limited to: staining, repairing, replacing siding and trim as well as standard roof maintenance and replacement (including roof vents) in accordance with industry best practices. The costs associated with maintenance, repair and replacement of the exterior improvements located on each Townhouse as provided for in this subsection (b) shall be a Common Expense.

(c) Any utility services or other types of elements located within the Property up to that certain connection point of each Townhouse, such as, but not limited to, sewer or water lines, shall be

maintained, repaired and replaced, as needed, by the Association. Such sewer and water lines are owned by the Declarant as of the Effective Date.

(d) The Association, acting through the Board, shall be obligated to maintain and replace the landscaping and irrigation system for the Property. The costs associated with maintenance, repair and replacement as provided for in this subsection (d) shall be a Common Expense.

(e) The Association shall be responsible for providing snow removal for the Property.

(f) The Association shall be responsible for arranging for trash-removal services from the General Common Elements – Garbage for the Association.

(g) The Association shall be obligated to take all actions necessary to control noxious weeds. In no event shall the Association have an obligation to chemically or manually remove noxious weeds or exotic plant species from the Property.

Any expense associated with the maintenance, repair and replacement of those items that the Association is obligated to maintain, repair and replace within the Common Elements shall be a Common Expense; provided, if the Board reasonably determines that the expenses associated with the maintenance, repair, or replacement is necessitated by the act, negligence, or willful misconduct of one or more Owner or their invitees, lessees, or guests, then the Board may assess the full amount of such maintenance, repair or replacement against such Owner(s) and their Townhouse as a Specific Assessment.

7.3. **Insurance.**

(a) *Association Required Coverages.* The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

(i) Blanket property insurance covering “risks of direct physical loss” on a “special form” basis (or comparable coverage by whatever name denominated) for all Townhouses and insurable improvements within the Property as originally constructed. If such coverage is not generally available at reasonable cost, then “broad form” coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement costs of the insured improvements (including all Townhouses as originally constructed) under current building ordinance and codes;

(ii) Commercial general liability insurance on the Common Elements, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage (including primary and any umbrella coverage) shall have a limit of at least one million dollars (\$1,000,000.00) per occurrence with respect to bodily injury and personal injury and property damage; provided, should additional coverage and higher limits be available at reasonable cost which a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits. If the policy does not contain “severability of interest” in its terms, the Association shall acquire an endorsement to preclude the insurer’s denial of an Owner’s claim because of negligent acts of the Association or of other Owners; and

(iii) Such additional insurance as the Board, in its best business judgment, determines advisable.

Premiums for all insurance on the Common Elements shall be assessed by the Board as a Common Expense and shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Premiums for all of the foregoing insurance carried by the Association are a Common Expense included in the assessments made by the Association, the cost of which shall be shared among the Owners according to those percentages set forth on Exhibit "A" attached hereto. The insurance proceeds shall be used by the Board for repair or replacement of the Common Elements for which the insurance was carried or otherwise disposed of as hereinafter provided. Declarant shall be named as an additional insured on all policies of insurance.

(b) Association Policy Requirements. The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in the Lincoln County, Wyoming area.

The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 7.3(a). In the event of an insured loss, the deductible shall be treated as a Common Expense. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with procedures adopted by the Board, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Townhouse as a Specific Assessment.

All insurance coverage obtained by the Board shall:

- (i) Be written with a company authorized to do business in the State of Wyoming;
- (ii) Be written in the name of the Association as trustee for the benefited parties, including the Declarant;
- (iii) Not be brought into contribution with insurance purchased by Owners, Occupants, or their Mortgagees individually;
- (iv) Contain an inflation guard endorsement;
- (v) Include an agreed amount endorsement if the policy contains a co-insurance clause;
- (vi) Provide a waiver of subrogation under the policy against any Owner or family member of an Owner;
- (ix) Provide that the policy will be primary, even if an Owner has other insurance that covers the same loss.

In addition, the Board shall use reasonable efforts to secure insurance policies that provide:

- (i) A waiver of subrogation as to any claims against the Association's Board, officers, employees, and its manager, its attorneys, the Owners and their servants, agents, and guests;
- (v) A provision vesting in the Board authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any related to the loss.

(c) Restoring Damaged Improvements. In the event of damage to or destruction of Property that the Association is obligated to insure, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the Property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

Damaged improvements on the Property shall be repaired or reconstructed unless the Declarant, using reasonable judgment and in reliance upon professional estimates and advice, determines either that i) such full repair and/or restoration is physically impossible; or ii) available insurance proceeds are less than eighty percent (80%) of the cost of such repair and/or restoration, and at least seventy-five percent (75%) of the Owners of damaged or destroyed Townhouse decide, within sixty (60) days after the determinations set forth in i) and ii) above have been made, not to repair or reconstruct. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the insured improvements shall be repaired or reconstructed.

If a decision is made not to restore the damaged improvements, then the insurance proceeds shall be paid to the Owners (first to Mortgagees and other lien holders in the order of priority of their mortgages and other liens and the balance remaining to each respective Owner) as their interests are determined based upon the square footage size of each Townhouse and the insurance proceeds available. All mortgages, liens and other charges against the Townhouses shall be paid out of the insurance proceeds before any proceeds are released to an Owner(s). If an Owner accepts insurance proceeds in lieu of replacing the Townhouse, such Owner shall then, upon receipt of such proceeds, quit claim and convey any interest the Owner has in such Townhouse, and assign any interest the Owner has in such Townhouse, to the Declarant.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by the Association for the benefit of its Members or the Owners, as appropriate, and placed in a capital improvements account.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Members, levy Special Assessments to cover the shortfall.

(d) Owners' Policies.

(i) Each Owner shall maintain individual policies of property insurance for the interior of their own Townhouse(s) and any improvement or addition added by an Owner to the Lot.

(ii) Owners shall be responsible for providing their own insurance to cover all personal property, loss of use, improvements, or fixtures located in the interior of the Townhouses.

(iii) Owners shall be responsible for providing their own insurance policies for all commercial activities taking place on any part of said Owner's Lot.

(iv) Each Owner shall be responsible for providing proof of such insurance to the Association; provided, however, that the Association shall not be responsible for ensuring that each Owner has such insurance.

7.4. **Compliance and Enforcement.** Every Occupant of a Townhouse shall comply with the Governing Documents. The Board shall have the right to require compliance with the Governing Documents, or may impose sanctions for violation of the Governing Documents after notice and a hearing in accordance with the procedures adopted by the Board. The Board shall have the right to require

compliance with the Governing Documents by legal proceedings as provided hereafter. The Board shall also have the right to impose sanctions which may include, without limitation:

(a) Imposing reasonable monetary fines. If any Occupant, guest, licensee, or invitee of a Townhouse violates the Governing Documents and a fine is imposed, the fine shall first be assessed against the violator; provided, however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board;

(b) Suspending an Owner's right to vote;

(c) Suspending any Person's right to use any Common Elements; provided, however, nothing herein shall authorize the Board to limit ingress or egress to or from a Townhouse;

(d) Suspending any services provided by the Association to an Owner or the Owner's Townhouse if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge owed to the Association;

(a) Exercising self-help or taking action to abate any violation of the Governing Documents in a non-emergency situation;

(b) Requiring an Owner, at its own expense, to remove any structure or improvements placed by an Owner on the Property that violates the Governing Documents and to restore the Property to its previous condition and, upon failure of the Owner to do so, the Board or its designee shall have the right to restore the Property to substantially the same condition as previously existed and any such action shall not be deemed a trespass;

(c) Without liability to any Person, precluding any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of Article IV from continuing or performing any further activities in the Property; and

(g) Levying Specific Assessments to cover costs incurred by the Association to bring a Townhouse into compliance with Governing Documents.

In addition, the Board may take the following enforcement procedures to ensure compliance with the Governing Documents:

(a) Exercising self-help in any emergency situation (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations); and

(b) Bringing suit at law or in equity to enjoin any violation or to recover monetary damages to both.

In addition to any other enforcement rights, if an Owner fails to properly perform their maintenance responsibility, the Association may record a notice of violation in the Public Records or perform such maintenance responsibilities and assess all costs incurred by the Association against the Townhouse and the Owner as a Specific Assessment. Except in an emergency situation, the Association shall provide the Owner reasonable notice and an opportunity to cure the problem prior to taking such enforcement action.

All remedies set forth in the Governing Document shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, if the Association prevails,

it shall be entitled to recover all costs, including, without limitation, attorneys fees and court costs, reasonably incurred in such action.

The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:

- (i) the Association's position is not strong enough to justify taking any or further action;
- (ii) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;
- (iii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- (iv) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such a decision shall not be construed a waiver of the Association's right to enforce such provision at a later time under other circumstances or preclude the Association from enforcing any other covenant, restriction, or rule.

7.5. **Implied Rights; Board Authority.** The Association may exercise any right or privilege given to it expressly by the Governing Documents, or reasonably implied from, or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

7.6. **Indemnification of Officers, Directors and Others.** The Association shall indemnify every officer and director against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement or any suit or proceeding, if approved by the Board) to which he or she may be a party by reason of being or having been an officer or director, except that such obligation to indemnify shall be limited to those actions for which liability is limited under Wyoming law and the Bylaws.

7.7. **Provision of Services; Maintenance of Association Standing.** The Association shall be authorized, but not obligated to enter into or terminate, in the Board's discretion, management agreements, contracts or other similar agreements with other entities, including Declarant, to provide services to and facilities for the Members of the Association and their guests, lessees and invitees and to charge use and consumption fees for such services and facilities. The Association shall be obligated to maintain itself in good standing with the Wyoming Secretary of State and any other governmental entities having jurisdiction over the activities or existence of the Association.

ARTICLE VIII – ASSOCIATION FINANCES

8.1. **Budgeting.** At least thirty (30) days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses, for the coming year, including any contributions to be made to a reserve fund pursuant to Section 8.2. The budget shall also reflect the sources and estimated

amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied, and the amount to be generated through the levy of Base Assessments, Special Assessments and Specific Assessments against each. The initial Base Assessment shall be determined by the Declarant prior to the conveyance of the first Townhouse to an Owner not affiliated with Declarant.

The Association is hereby authorized to levy Base Assessments against all Townhouses to fund the Common Expenses. The liability for Common Expenses described herein shall be allocated to each Townhouse in accordance with those percentages set forth on **Exhibit "A"** attached hereto. In determining the Base Assessment rate per Townhouse, the Board may consider any assessment income expected to be generated from any additional Townhouses reasonably anticipated becoming subject to assessment during the fiscal year.

The Board shall send a copy of the final budget, together with notice of the amount of the Base Assessment to be levied pursuant to such budget, to each Owner not less than thirty (30) days prior to the effective date of such budget. Such budget and assessment shall automatically become effective.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay assessments on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time the Association may retroactively assess any shortfalls in collections.

The Board may revise the budget and adjust the Base Assessment from time to time during the year.

8.2. **Budgeting for Reserves.** The Board shall prepare and review at least annually a reserve budget for the maintenance and repair obligations of the Association set forth in Section 7.2. The budgets shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall include in the reserve budget a capital contribution to fund reserves in an amount sufficient to meet the projected need with respect to both amount and timing by annual contributions over the budget period.

8.3. **Special Assessments.** In addition to other authorized assessments, the Association may levy Special Assessments to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied: (i) against the entire membership if such Special Assessment is for Common Expenses; or (ii) against an individual Townhouse if such Special Assessment is for an unbudgeted expense relating to less than all of the Townhouses. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved. The Board shall provide notice of the Special Assessment by first class mail to the Owners not less than thirty (30) nor more than sixty (60) days prior to the Special Assessment becoming due.

8.4. **Specific Assessments.** The Association shall have the power to levy Specific Assessments against a particular Townhouse or a limited number of Townhouses as follows, which may be levied in advance:

- (a) To cover the cost of providing services to a specific Townhouse(s); and
- (b) To cover costs incurred in bringing a nonconforming Townhouse into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Occupants of a

nonconforming Townhouse, their agents, contractors, employees, licensees, invitees, or guests (including payment of insurance deductibles on policies held by the Association); provided, the Board shall give the nonconforming Owner prior written notice and an opportunity for a hearing, in accordance with the Bylaws, before levying any Specific Assessment under this Section.

8.5. **Authority to Assess Owners; Date of Commencement of Assessments; Time of Payment.** The Declarant hereby establishes that the Association is authorized to levy assessments as provided for in this Article and elsewhere in the Governing Documents. The obligation to pay the assessments provided for herein shall commence as to all Townhouses on the first day of the month following the first conveyance of a Townhouse to an Owner not affiliated with the Declarant. The first annual assessment shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Townhouse. Any assessments collected but not spent prior to the Association incurring expenses shall be placed into the Association's reserve account for maintenance, repair and replacement of the Common Elements and any other aspect of the Association's responsibilities as set forth within Section 7.2.

Assessments shall be paid monthly or in such manner and on such dates as the Board may establish. The Board may require advance payment of assessments at closing of the transfer of title to a Townhouse and impose special requirements for Owners with a history of delinquent payment. If any Owner is delinquent in paying any assessments or other charges levied on his or her Townhouse, the Board may require the outstanding balance on all assessments to be paid in full immediately.

8.6. **Personal Obligation.** Each Owner, by accepting a Deed of Conveyance or entering into a recorded contract of sale for any portion of the Property, is deemed to covenant and agree to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of eighteen percent (18%) per annum or such other rate as the Board may establish, subject to the limitations of Wyoming law), late charges as determined by Board resolution, costs, and reasonable attorneys' fees, shall be the personal obligation of each Owner and the Association may place a lien upon each Townhouse until paid in full. Upon a transfer of title to a Townhouse, the grantee shall not be personally liable for any assessments and other charges due at the time of conveyance unless expressly assumed by him/her, but such transferred Townhouse shall remain subject to any liens imposed upon it pursuant to Section 8.7 herein.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfalls in collections.

No Owner may exempt himself from liability for assessments by non-use of the Common Elements, by abandonment of their Townhouse, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

The Association shall, upon request, furnish to any Owner liable for any type of assessment a certificate in writing signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

8.7. **Lien for Assessments.** Each Owner, by their acceptance of a deed of conveyance to a Townhouse, hereby vests in the Association and its agents the right and power to bring all appropriate actions against such Owner personally for the collection as a debt of any unpaid and delinquent billings for Base Assessments, Specific Assessments, Special Assessments, interest, late fees, enforcement costs and other charges owing by such Owner in accordance with the terms hereof. Additionally, in order to secure payment of any billings for Base Assessments, Specific Assessments, as well as Special Assessments, interest, late fees, enforcement costs and other charges due hereunder, Declarant hereby retains, and each Owner by their acceptance of a deed to a Townhouse, hereby grants the Association and its agents a lien for such Base Assessments, Specific Assessments, as well as Special Assessments, interest, late fees, enforcement costs and other charges for which such Owner is responsible under the terms hereof. The Board, acting on behalf of the Association, is authorized to record a notice of any unpaid amounts secured by such lien in the office of the County Clerk of Lincoln County, Wyoming, which shall include a description of the applicable Townhouse and the name of the Owner thereof and the basis for the amount of the lien. Said lien shall be enforceable by the Association or its agents through all appropriate methods available under applicable Wyoming law for the enforcement of such liens, including without limitation, non-judicial foreclosure pursuant to Wyoming Statutes (as amended from time to time), and the Declarant and each such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The Association may designate a trustee in writing from time to time to post or cause to be posted the required notices and to conduct such foreclosure sale. The trustee may be changed at any time and from time to time by an instrument in writing and signed by the President or a Vice President of the Association and attested by the Secretary or any Assistant Secretary of the Association and filed for record in the Public Records. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

To the extent the lien is valid and enforceable, the sale or transfer of any Townhouse shall not affect the assessment lien or relieve such Townhouse from the lien for any subsequent assessments. Notwithstanding the foregoing, any first Mortgagee that obtains title to a Townhouse after the sale or transfer of any Townhouse pursuant to foreclosure (or deed in lieu of foreclosure) shall not be subject to any lien amounts that represent more than six (6) months of unpaid charges relating to the Townhouse (including assessments and costs related to the collection of the unpaid dues) in question that arose prior to such sale or transfer. Any unpaid assessments associated with the foregoing (those lien amounts that represent more than six (6) months of unpaid charges) shall be deemed to be Common Expenses collectible from Owners of all Townhouses and the lien shall be extinguished with respect to such lien amounts that represent more than six (6) months of unpaid charges.

Notwithstanding the foregoing, after any such foreclosure or deed in lieu of foreclosure, such Townhouse shall remain subject to this Declaration and the new Owner of such Townhouse shall thereafter be personally liable for all charges of the type described above which relate to such Townhouse and which become due after such new Owner acquires title to said Townhouse by foreclosure or by acceptance of a deed in lieu of foreclosure. Except as otherwise provided above as to holders of Mortgages or by applicable law, no sale or transfer of any Townhouse shall (a) relieve any Owner thereof from personal liability for any of such unpaid charges attributable to the applicable Townhouse which become due prior to the date of such sale or transfer or (b) satisfy or extinguish the above-described lien in respect of such unpaid charges.

ARTICLE IX – ADDITIONAL RIGHTS RESERVED TO DECLARANT

9.1. **Expansion by the Declarant.** Until the Declarant has sold 100% of the Townhouses subject to this Declaration, the Declarant may annex additional properties into the regime of this Declaration provided such property is contiguous to the Properties. Such annexation shall be accomplished by filing a

Supplemental Declaration in the Public Records describing the property to be annexed and specifically subjecting it to the terms of this Declaration. Such Supplemental Declaration shall not require the consent of Members, but shall require the consent of the owner of such property, if other than Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

9.2. **Additional Covenants and Easements.** The Declarant may subject any portion of the Property to additional covenants and easements, including covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through the various Assessments as provided for herein. Such additional covenants and easements may be set forth either in a Supplemental Declaration subjecting such property to this Declaration or in a separate Supplemental Declaration referencing property previously subjected to this Declaration.

9.3. **Effect of Filing Supplemental Declarations.** Any Supplemental Declaration filed pursuant to this Article shall be effective upon recording in the Public Records unless otherwise specified in such Supplemental Declaration. On the effective date of the Supplemental Declaration, any additional property subjected to this Declaration shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Declaration.

9.4. **Marketing.** Declarant reserves the right for itself and its agents to install and maintain flags, banners and/or signage within the Properties and to conduct sales activities within the Properties (including, but not limited to, conducting open houses for brokers and prospective purchasers within model Townhouses and performing other forms of advertising) for purposes of marketing and advertising the Properties and its agents.

9.5. **Budget Considerations.** As additional properties are annexed to the Properties pursuant to this Article IX, the budget of the Association may be affected, as well as assessment obligations of the Owners as a result thereof.

9.6. **Right to Approve Additional Covenants.** So long as Declarant owns any property subject to this Declaration, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the Public Records.

9.7. **Right to Approve Changes.** No amendment to or modification of any Rules and Regulations shall be effective without prior notice to and the written approval of Declarant so long as the Declarant owns property subject to this Declaration.

9.8. **Right to Appoint Members of Board.** The Declarant hereby reserves the right to appoint and/or remove all members of the Board and any and all members of any committees created by the Board. The Directors shall be elected and shall serve as provided in the Bylaws.

9.9. **Right to Delay Commencement of Association, Meetings or Assessments.** The Declarant hereby reserves the right to delay the filing of the Articles for the Association, creation of Bylaws and Master Rules and Regulations, or to delay the commencement of Association meetings or to delay implementation of Association assessments as required hereunder and in the Bylaws. If Declarant elects to delay the creation of the Association, the rights, but not the obligations, of the Association created by this Declaration are hereby assigned to the Declarant until such time as the Association is created.

9.10. **Right to Allocate Exclusive Use Rights to a Townhouse.** The Declarant hereby reserves the right to create additional restrictions on the uses of all or any portion of the Townhouses through separate recorded instruments, it being the intent of the Declarant to provide exclusive use rights appurtenant to certain Townhouses at the sole option of Declarant.

9.11. **Right to Amend Plat.** The Declarant hereby reserves the right to amend the Plat to provide for the orderly development of the Property as determined by the Declarant. By accepting a deed for their Townhouse, an Owner acknowledges the Declarant's rights as set forth in this Section 9.11 and expressly consents thereto.

9.12. **Termination of Rights.** The rights contained in this Article shall not terminate until the Declarant, or any person affiliated with Declarant, is no longer a record owner of any real property subject to this Declaration unless Declarant elects to terminate such reservations at an earlier date. Declarant may from time to time relinquish and surrender one or more but less than all of the reserved rights, in which event the unrelinquished reserved rights shall remain fully valid and effective for the remainder of the term thereof.

9.13. **No Additional Obligations.** Nothing set forth in this Declaration shall be construed to impose any obligation on Declarant to inspect, repair or replace any item for which Declarant is not otherwise obligated under applicable law. Notwithstanding anything to the contrary in this Declaration, Declarant hereby disclaims any representations and warranties in respect of, shall have no continuing liability to any Owner for, any design or construction defects (whether known or unknown) relating to the Property, including latent defects, and in no way extend or modify any contractual waivers or statutes of limitation or statutes of repose.

9.14. **Right to Cure Alleged Defects.** It is Declarant's intent that all improvements in the Project be built or made in compliance with all applicable building codes and ordinances. Nevertheless, due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a defect exists and Declarant's responsibility therefor. It is Declarant's intent to resolve all disputes and claims regarding Alleged Defects (as defined below) amicably, and without the necessity of time-consuming and costly litigation. Accordingly, the Association, the Board and all Owners shall be bound by the following claim resolution procedure with regards to Alleged Defects:

(a) **Declarant's Right to Cure.** If the Association, the Board, or any Owner or Owners (collectively, "Claimant") claim, contend, or allege that any portion of the Project, including, without limitation, any Townhouse, and/or any improvements constructed on the Project, are defective or that Declarant or any of its agents, consultants, contractors, or subcontractors were negligent in the planning, design, engineering, grading, construction, or other development thereof (any of the foregoing, an "Alleged Defect"), Declarant hereby reserves the right to inspect, repair, and/or replace such Alleged Defect as set forth herein.

(b) **Notice to Declarant.** If a Claimant discovers any Alleged Defect, Claimant shall, within a reasonable time after discovery, notify Declarant in writing, at the address at which Declarant maintains to be its principal place of business, of the specific nature of such Alleged Defect ("Notice of Alleged Defect").

(c) **Right to Enter, Inspect, Repair, and/or Replace.** Within 20 days after the receipt by Declarant of a Notice of Alleged Defect, or the independent discovery of any Alleged Defect by Declarant, as part of Declarant's reservation of rights, Declarant shall have the right, upon 24 hours' notice to Claimant and during normal business hours, to enter onto or into, as applicable, any Townhouse, and/or any improvements or other portion of the Project for the purposes of inspecting and, if deemed necessary

by Declarant, repairing and/or replacing such Alleged Defect. In conducting such inspection, repairs and/or replacement, Declarant shall be entitled to take any actions as it shall deem reasonable and necessary under the circumstances.

(d) Legal Actions. No Claimant shall initiate any legal action, cause of action, proceeding, reference or arbitration against Declarant alleging damages (i) for the costs of repairing or the replacement of any Alleged Defect, or (ii) for the diminution in value of any real or personal property resulting from such Alleged Defect, unless and until (1) Claimant has delivered to Declarant a Notice of Alleged Defect and (2) Declarant has, within 60 days after receipt of such Notice of Alleged Defect, either (x) failed to repair or replace such Alleged Defect or (y) if such Alleged Defect cannot reasonably be repaired or replaced within such 60 day period, failed to commence such repair or replacement of the Alleged Defect and, thereafter, failed to pursue diligently such repair or replacement to completion or Declarant failed to respond within 30 days of delivery of notice of Alleged Defect. Any such action undertaken on behalf of the Association shall also require, as a prerequisite to such action, the approval of not less than 75% of the Owners and not less than 66% of the Mortgagees. In the event an action is approved by 75% of the Owners, then the Association shall have full authority to pursue and resolve all claims on behalf of the Owners and all Owners will be bound by any resolution agreed to by the Association. In no event will Declarant be liable for, nor shall any Claimant be entitled to pursue, consequential damages resulting from any Alleged Defect. Declarant shall indemnify the Owner's and the Association from any liens arising or claimed to be arising from Declarant's actions in repairing Alleged Defects.

(e) No Additional Obligations. Nothing set forth in this Section shall be construed to impose any obligation on Declarant to inspect, repair, or replace any item or Alleged Defect for which Declarant is not otherwise obligated under applicable law.

(f) Waiver. Notwithstanding anything to the contrary in this Section 9.14, (i) Declarant hereby disclaims any representations and warranties in respect of, shall have no continuing liability to any Owner for, any design or construction defects (whether known or unknown) relating to the Project, including latent defects, and (ii) the provisions of this Section 9.14ft in no way extend or modify any contractual waivers or statutes of limitation or statutes of repose.

(g) Amendment. Notwithstanding any other provision of this Declaration to the contrary, the provisions of this Section 9.14 may be amended only with the written consent of Declarant, so long as Declarant owns property within the Project any such amendment being applicable only to Alleged Defects with respect to which a Notice of Alleged Defect is delivered after the date of such amendment.

ARTICLE X – EASEMENTS

10.1. Easements in Common Elements. The Declarant hereby grants to each Owner a non-exclusive right and easement of use (subject to the rights of other Owners, Members and the Association), access, and enjoyment in and to the Common Elements. The Declarant grants to each Owner an exclusive right and easement of use, access, and enjoyment in and to the Limited Common Elements that are designated to such Owner's Lot. Such exclusive right and easement of use, access, and enjoyment in the Limited Common Elements shall not be severable from the Lot to which it is appurtenant.

The foregoing grants are subject to:

- (a) The Governing Documents and any other applicable covenants;
- (b) Any restrictions or limitation contained in any deed conveying such property to the Association; and

(c) The right of the Board to adopt rules regulating the use and enjoyment of the area of the Common Elements.

10.2. **Easements for Drainage, Utilities; Roads.**

(a) All dedications, limitations, restrictions and reservations of easements, including those for drainage, shown on any Final Plat of the Property are incorporated herein by reference and made a part of this Declaration for all purposes as if fully set forth in this Declaration.

(b) The Declarant hereby grants to the Association and each Owner, and, so long as the Declarant owns any portion of the Property, reserves for itself, and reserves the right to grant to the Town of Alpine, utility providers, the Association, and all Owners perpetual non-exclusive utilities easements in those areas as described on the Final Plat for the purpose of:

(i) Installing roadways, utilities and other infrastructure, including without limitation, cable and other systems for sending and receiving data and/or other electronic signals; security and similar systems; walkways, pathways and trails; drainage systems and signage; to serve the Property;

(ii) Inspecting, maintaining, repairing and replacing such roadways, utilities and infrastructure to serve the Property; and

(iii) Access to read utility meters.

(c) Declarant also reserves for itself the non-exclusive right and power to grant and record in the Public Records such specific easements as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of the Property, or any portion thereof.

(d) All work associated with the exercise of the easements described in this Section shall be performed after reasonable notice to the Owners and in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the person exercising the easement shall restore the property, to the extent reasonably possible, to its condition prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Lot, nor shall it unreasonably interfere with the use of any Townhouse and, except in an emergency, entry onto any Townhouse shall be made only after reasonable notice to the Owner.

10.3. **Easements for Maintenance, Emergency and Enforcement.** The Declarant grants to the Association easements over the Property as necessary to enable the Association to fulfill its maintenance responsibilities under Section 7.2 or as otherwise provided in this Declaration. The Association shall also have the right, but not the obligation, to enter upon any Townhouse for emergency, security, and safety reasons and to inspect for the purpose of ensuring compliance with and to enforce the Governing Documents. Such right may be exercised by any member of the Board and its duly authorized agents and assignees, and all emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. If the Association causes any damage to the Property or to the contents stored therein in their performance of their duties, then the restoration and replacement of any such improvements and contents shall be the responsibility of, and performed by, the Association at its sole cost and expense.

10.4. **Easement for Emergency Vehicles.** The Property is hereby burdened with an easement allowing all equipment and emergency personnel entry to perform their duties, including the enforcement of traffic regulations.

10.5. **Easement for Encroachments.** If any part of the Common Elements encroaches or shall hereinafter encroach upon a Lot, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Townhouse encroaches or shall hereafter encroach upon the Common Elements, or upon an adjoining Townhouse, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Elements or the Townhouses. Encroachments referred to herein are limited to encroachments caused by engineering errors, settling, rising, or shifting of the earth, or by changes in position caused by construction, repair or reconstruction or any part thereof in accordance with the original plans and any encroachment due to building (including roof) overhang or projection.

ARTICLE XI – ENFORCEMENT

11.1. **Enforcement by Board and Owners.** The limitations and requirements set forth in this Declaration shall be specifically enforceable by the Board and by any Owner. Each Owner hereby consents to the entry of an injunction against him, her or them to terminate and restrain any violation of this Declaration. Each Owner who uses or allows such Owner's Townhouse to be used in violation of this Declaration further agrees to pay all costs incurred by the Board or other enforcing Owner in enforcing this Declaration, including reasonable attorneys' fees, whether suit is brought or not.

11.2. **Enforcement by Declarant.** The Declarant shall have the right but not the obligation to enforce the limitations and requirements set forth in this Declaration, including but not limited to, the right to specifically enforce this Declaration by legal proceedings. Each Owner hereby consents to enforcement by Declarant, including the entry of an injunction against him, her or them to terminate and restrain any violation of this Declaration. Each Owner who uses or allows such Owner's Townhouse to be used in violation of this Declaration further agrees to pay all costs incurred by the Declarant in enforcing this Declaration, including reasonable attorneys' fees, whether suit is brought or not.

ARTICLE XII – AMENDMENT OF DECLARATION

12.1. **By Declarant.** In addition to specific amendment rights granted elsewhere in this Declaration, until conveyance of 100% of the Townhouses to an Owner unaffiliated with Declarant, Declarant may unilaterally amend or repeal this Declaration for any purpose. Thereafter, the Declarant may unilaterally amend this Declaration if such amendment is necessary to (i) bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) enable any reputable title insurance company to issue title insurance coverage on the Townhouses; (iii) enable any institutional to make purchase, insure or guarantee mortgage loans on the Townhouses; (iv) satisfy the requirements of any local, state or federal governmental agency; (v) for the orderly development of the Property; or (vi) to satisfy the reasonable and customary underwriting requirements of any insurance company providing insurance on any portion of the Property. However, any such amendment shall not adversely affect the title to any Townhouse unless the Owner thereof shall consent in writing.

Notwithstanding the foregoing reserved amendment rights of Declarant, Declarant shall obtain written consent of mortgagees that represent at least 51% of the votes of Owners that are subject to mortgages if the subject amendment is materially adverse to such mortgagees; provided, however, that if such Mortgagees fail to respond to any written proposal for an amendment within 60 days after receipt of proper notice of the proposal (delivered by certified mail or registered mail with a return receipt requested), such approval shall be deemed implied as of the date of expiration of such 60 day period.

12.2. **By Members.** Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any

combination thereof, of at least a two-thirds vote of the Association. Notwithstanding the foregoing, the Members shall obtain written consent of mortgagees that represent at least 51% of the votes of Townhouse Owners that are subject to mortgages if the subject amendment is materially adverse to such mortgagees; provided, however, that if such Mortgagees fail to respond to any written proposal for an amendment within 60 days after receipt of proper notice of the proposal (delivered by certified mail or registered mail with a return receipt requested), such approval shall be deemed implied as of the date of expiration of such 60 day period.

12.3. **Validity and Effective Date.** No amendment may remove, revoke, or modify any right or privilege of the Declarant without the prior written consent of the Declarant. If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment. Any amendment shall become effective upon recording in the Public Records, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within thirty (30) days of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

12.4. **Exhibits.** The exhibits attached to this Declaration are incorporated by this reference and amendments of such exhibits shall be governed by this Article.

12.5. **Acceptance of Declaration.** Every Owner shall be bound by and subject to all of the provisions of this Declaration, and every purchaser of a Townhouse expressly accepts and consent to the operation and enforcement of all of the provisions of this Declaration.

12.6. **Registration of Mailing Address; Notice; Implied Approval of Mortgagees and Guarantors.** Each Owner shall register his/her mailing address with the Association and all notices or demands intended to be served upon any Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices or demands intended to be served upon the Association shall be given by registered or certified mail, postage prepaid, to the address of the Association as designated in the Bylaws. All notices or demands intended to be served to a Mortgagee or guarantor of a recorded mortgage shall be given by registered or certified mail, postage prepaid, return receipt requested. Any notice referred to in this Section to an Owner or the Association shall be deemed given when deposited in the United States mail in the form provided for in this Section. Any notice referred to in this Section to a Mortgagee or guarantor of a mortgage of record shall be deemed given when such entity or person receives such notice; provided, however, that if such Mortgagees or guarantors fail to respond to any written request within 60 days after receipt of proper notice of the request (delivered by certified mail or registered mail with a return receipt requested), such approval shall be deemed implied as of the date of expiration of such 60 day period.

12.7. **Rights of Mortgagees and Guarantors.** Within at least thirty days of the Association obtaining actual knowledge of the following, the Association shall send written notification to all Mortgagees and Guarantors of a mortgage of record of the following events:

(a) Any condemnation or casualty loss that affects either a material portion of the Property or the Townhouse that secures a mortgage;

(b) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of a Townhouse on which such Mortgagee or Guarantor holds a mortgage;

(c) A lapse, cancellation or material modification of any insurance policy maintained by the Association; and

(d) Any proposed action that requires the consent of a specified percentage of Mortgagees.

12.8. **No Priority.** No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or any other party priority over any rights of the first Mortgagee of any Townhouse in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking.

12.9. **Negotiation and Mediation.** The provisions of this Section 12.9 are in addition to the provision of Section 9.14. The term "Claims" means any and all causes of action, claims, costs, damages, expenses, liabilities, and other claims. The Persons subject to this Declaration will make every reasonable effort to meet in person and confer for the purpose of resolving any Claim by good faith negotiation. If requested in writing, the Board may appoint a representative to assist the parties in negotiation. The term "**Bound Party**" shall mean Declarant, the Association, its officers, directors, and committee members, if any, all Persons subject to this Declaration, and any Person subject to this Declaration. Any Bound Party having a Claim ("**Claimant**" against any other Bound Party ("**Respondent**") (collectively, the "**Parties**") shall notify each Respondent in writing (the "**Request for Resolution**"), stating plainly and concisely: (i) the nature of the Claim, including the Persons involved and Respondent; (ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises); (iii) Claimant's proposed remedy; and (iv) that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim; and (v) that Respondent must respond to the Request for Resolution within thirty (30) days of its receipt or it will be deemed to have been rejected.

(a) If a Respondent to a Claim rejects the Request for Resolution, or the Parties do not resolve the Claim within forty-five (45) days of the date of acceptance of the Request for Resolution (or within such other period as may be agreed upon by the Parties) ("**Termination of Negotiations**"), Claimant shall have fifteen (15) additional days to submit the Claim to mediation under the auspice of an independent mediation agency providing dispute resolution services (including through travel) in Lincoln County, Wyoming.

(b) If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.

(c) Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("**Termination of Mediation**"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated. If the mediation is successful, each party shall bear their own costs and attorney fees.

(d) If the Disputing Persons are not successful in resolving the dispute through the mediation, then the Disputing Persons, or any one of them, may pursue, subject to the provisions of Section 9.14, any remedy at law or equity.

12.10. **Declarant as Beneficiary.** Notwithstanding anything to the contrary contained in this Declaration, the Declarant shall be deemed a third-party beneficiary of this Declaration and shall have the

right and standing to enforce the terms and conditions hereof against the individual Owners or the Association, as the case may be.

IN WITNESS WHEREOF, the undersigned Declarant has executed and adopted this Declaration the date and year first written above.

Dead Horse Development, LLC,
a Wyoming limited liability company

By: _____
Name: _____
Title: _____

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

The foregoing instrument was acknowledged before me by _____, as the _____ of Dead Horse Development, LLC, a Wyoming limited liability company, on this ____ day of _____, 202____.

WITNESS my hand and official seal.

Notary Public
My commission expires: _____

EXHIBIT A

Townhouse Unit Number	Ownership % of Common Elements*
1	6.25%
2	<u>6.25%</u>
3	<u>6.25%</u>
4	<u>6.25%</u>
5	<u>6.25%</u>
6	<u>6.25%</u>
7	<u>6.25%</u>
8	56.25%