

DECLARATION OF PROTECTIVE COVENANTS FOR
THE TOWNHOMES AT MELODY RANCH

dated 6/27/97

ARTICLE 1 - IMPOSITION AND PURPOSE OF COVENANTS
AND ANNEXATION OF ADDITIONAL PROPERTY

This Document shall be and shall constitute the Declaration of Protective Covenants for the Townhomes at Melody Ranch. This document is promulgated and approved by No-Pro Housing, a Wyoming Nonprofit Corporation, the Declarant.

1.1 General Requirements. The name of the common interest community created hereby is the "Townhomes at Melody Ranch," ("the Project"). It is the intention of Declarant, expressed by its execution of this instrument, that the lands within the Project be developed and maintained as a highly desirable townhome project. It is the purpose of these Covenants that the present natural beauty, the natural growth, and native setting and surroundings of the the Project shall always be protected, insofar as it is possible, in connection with the uses and structures permitted by this instrument. It is of primary intent that the integrity and value of each townhome site in the Project shall be protected insofar as possible.

1.2 Planned Community. The Project shall be considered a part of a Planned Unit Development for purposes of the Land Use Development Regulations resolution of Teton County.

1.3 Imposition of Covenants. Declarant hereby declares that all of the Project contained in Lot 14 a part of Residential Unit Two, Melody Ranch Upper Ranch Master Plat First Amendment, plat # 862, shall be owned, held, sold, conveyed, encumbered, leased, used, occupied, and developed subject to all of the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of the Project, and which shall run with the Property to which they are subject, and be binding on all parties having any right, title, or interest in the said Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each Owner of any part thereof.

1.4 Right to Include Additional Properties. Declarant reserves the right to subject any additional Subdivision filings for real property within the Benefiting Parcel to the terms, conditions, and restrictions of these Covenants, thereby making the Owners of such Property, Members of the Townhomes at Melody Ranch Homeowners Association as hereinafter provided. Inclusion of additional properties may be accomplished, in the sole discretion of Declarant,

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INDEXED	/
ABSTRACTED	/
SCANNED	/

Grantor: NO-PRO HOUSING
Grantee: THE PUBLIC
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By JULIE HODGES Deputy

or Declarant's successors or assigns, by recording a Declaration of Covenant describing the Property upon which these Covenants are to be imposed and adopting these Covenants by specific reference to the date, instrument number, date of recording and recording information for these Covenants as reflected in the records of the Teton County Clerk, Teton County, Wyoming. Upon such recordation, the additional properties shall be subject to these Covenants as if the same were set forth in full in such Declaration.

1.5 Annexation. It is contemplated by the Declarant that the Property subject to these Covenants may at some time be the subject of a proposal for annexation by the Town of Jackson. A primary utility service of the Project, the sanitary waste water collection and treatment system, is provided by the Town of Jackson and as a condition of such provision of service, the Town of Jackson has required that all persons, by acceptance of a deed for a Lot in the Project, will be deemed to have consented to annexation by the Town of Jackson. In furtherance of that objective, each Owner of a Lot or Townhome, by acceptance of a deed, does there for agree to consent in whatever form may be required by applicable statutes to such annexation and agrees that they will not object to, or oppose, annexation by vote or any other means or methods.

1.6 Improvement and Service District. Declarant has formed an Improvement and Service District to be known as Melody Ranch Improvement and Service District which will provide sewer, domestic water, irrigation water, snow removal, trash pick up, open space and landscape easement and maintenance services, and such other services as may be lawfully provided by such an Improvement and Service District. All Lot and Townhome Owners within the Property subject to these Covenants and within the boundaries of the Improvement and Service District shall be subject to the rules and regulations of the Improvement and Service District and shall pay all applicable fees, assessments, and meter charges levied by the District. The level of such fees, assessments, and meter charges, and all rules and regulations with regard to utilization of services shall be established by the District and may be modified or amended on an annual or other regular basis. All Lot and Townhome Owners, by accepting a deed to the Property, shall consent and shall be deemed to have consented to the establishment and inclusion of the Project within the Improvement and Service District and will not oppose the establishment of the Improvement and Service District by vote or other action.

ARTICLE 2 - DEFINITIONS

The following words, terms, and phrases, when used in this Declaration, shall have the following meanings:

2.1 ARC: Architectural Review Committee.

2.2 Benefiting Parcel. The Property comprising Lot 3B of the Melody Ranch Upper Ranch Master Plat Second Amendment, Plat No. 884 and Lot 14 of the Melody Ranch Upper Ranch Master Plat First Amendment plat No. 862.

2.3 Common Area. 'Common Area' shall mean the open space, driveway and parking lots as shown on the recorded subdivision plat. Upon completion and acceptance of the improvements the ownership of the common area shall be transferred from No-Pro Housing to Melody Ranch Service and Maintenance District.

2.4 Declarant. The Declarant is No-Pro Housing, a Wyoming nonprofit corporation.

2.5 Declaration. This Declaration of Protective Covenants for the Townhomes at Melody Ranch and any and all duly executed amendments, supplements, or additions to this Declaration recorded in the Office of the Clerk and Recorder of Teton County, Wyoming, and including any maps or Plats recorded in connection therewith.

2.6 Improvement and Service District. 'Melody Ranch Service and Maintenance District' shall mean the quasi-governmental entity formed and approved for the Melody Ranch Subdivision for the purpose of providing certain services and improvements within the Melody Ranch Planned Unit Development and surrounding properties.

2.7 Lots. Shall mean all of the Subdivision Lots shown on a Recorded Plat of the Subdivision of either/or of said lots 3B and 14. Such lots shall be designated by a Lot number for the Project.

2.8 Melody Ranch Planned Unit Development Final Development Plan. The Final Development Plan for the Melody Ranch Planned Unit Development approved by the Board of County Commissioners of Teton County, Wyoming, on the 3rd day of October, 1995, and recorded in the Office of the Teton County Clerk.

2.9 Melody Ranch Residential Lots 3B and 14. Lot 3B of the Melody Ranch Upper Ranch Master Plat Second Amendment according to that Plat recorded as Plat No. 884 in the records of the Teton County Clerk, Teton County, Wyoming and Lot 14 of the Melody Ranch Upper Ranch Master Plat First Amendment, Plat no.862.

2.10 Owner. Means any person, firm, corporation, partnership, association, or other entity, including the Declarant, or any combination thereof, who own(s) one or more Lots of the Benefiting Parcel. The term "Owner" shall not refer to any lienholder unless such lienholder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

2.11 Recorded Plats. Shall mean that Subdivision Plat recorded as Plats Nos. 862 and 884 in the records of the Teton County Clerk, Teton County, Wyoming (hereinafter referred to as "Plats") and any Amendments or Replats thereof of all or a portion of said Lands.

2.12 The Project and/or Subdivision and the Term Subdivide. The term "Subdivision" shall mean Melody Ranch Subdivision Residential Unit Two - Lots 3B and 14, according to the Declaration of Protective Covenants for the Townhomes at Melody Ranch and the Plats thereof, as herein defined, filed for record in the real property records of Teton County, Wyoming. The terms "subdivide" or "subdivided" shall apply to the creation of a separate Lot or Lots processed as a Subdivision under the terms of Teton County Land Development Regulations.

ARTICLE 3 - THE TOWNHOMES AT MELODY RANCH HOMEOWNERS' ASSOCIATION

3.1 Membership and Voting Rights in the Association. All persons or associations who own or acquire the title in fee to any of the lands in the Project (other than lands dedicated as public roads, if any), by whatever means acquired, shall automatically become Members of the Townhomes at Melody Ranch Homeowners Association, Inc. (hereinafter referred to as "Association"), a Wyoming nonprofit corporation, in accordance with the Articles of Incorporation of said Association as filed with the Secretary of State of the State of Wyoming, and as the same may be duly amended from time to time.

3.2 Association Easement. The Association and the Improvement and Service District shall have the right of access to each Lot from time to time during reasonable hours as may be necessary for the maintenance repair or replacement of utility extensions, roads and fences, ditches and irrigation systems, and to conduct maintenance and repairs within the open space, and at any time for the making of emergency repairs, and shall have a non-exclusive easement, as may be appropriate, to perform the duties and functions which it is permitted to perform pursuant to this Declaration. In addition to the foregoing, the Association shall also have the right to establish utility easements from time to time for the benefit of Owners of Lots within the Subdivision across any of the lands within the Subdivision or the Benefiting Parcel subject, however, to the prior approval of the location of said easements by the Architectural Committee (ARC) and the Owner of the Benefiting Parcel, which approval shall not be

unreasonably withheld; further provided however, that the Owner of the Benefiting Parcel or the ARC may impose conditions on the use, installation, revegetation, or rehabilitation required to restore any disturbed Property to its prior condition after completion of the installation and any such utilities and may further require that all such utilities be installed underground.

3.3 Governing Instruments. The administration of the Association shall be governed by this Declaration and the Articles of Incorporation and Bylaws of the Association.

3.4 Duties and Voting of Board. The Board of Directors of the Association shall have the duties of management, operation, and maintenance of the Recreational Open Space and Improvements and the exterior of the Townhomes and garages of the Project and fences of the exterior of the Townhomes and garage and the enforcement of the provisions of this Declaration, the Articles and Bylaws of the Association, and the rules and regulations adopted by the Board of Directors from time to time.

- (a) No Member of the Board and no Officer shall be liable for actions taken or omissions made in the performance of such Member's duties except for wanton and willful acts or omissions.
- (b) The Board of Directors shall act by a majority vote.
- (c) The board may appoint such committees as it sees fit to act for the association and the board including but not limited to the architectural review committee (ARC) and a Management Committee.

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3.5 Election of the Board. The Board of Directors shall be composed of ~~five (5)~~ *three* persons. Initially, the Declarant shall appoint all ~~five~~ *three* ⁽³⁾ Directors. However, not later than sixty (60) days after conveyance of thirty-three percent (33%) of the Lots that may be created to Owners, other than the Declarant, at least one (1) Member of the Board of Directors must be elected by Lot Owners other than the Declarant. Not later than sixty (60) days after conveyance of sixty-six percent (66%) of the Lots that may be created to Owners, other than the Declarant, no less than two (2) of the Members of the Board of Directors must be elected by unit Owners other than the Declarant. No later than either sixty (60) days after the earlier of the conveyance of eighty-four and one-half percent (84.5%) of the Lots that may be created to Owners other than the Declarant, two (2) years after the last conveyance of a Lot by the Declarant in the ordinary course of business, or two (2) years after any right to add new Lots

was last exercised, the Owners of the units shall elect the entire Board of Directors, at least a majority of who must be unit Owners other than the Declarant or designated representatives of Lot Owners other than the Declarant.

3.6 Removal of Directors. The Members may remove a Director, other than a Director appointed by the Declarant, with or without cause, by a two-thirds (2/3) vote of the Members at which a quorum is present.

3.7 Reservation. Declarant reserves the right to convey the Open Space and driveway and parking area lots to Melody Ranch Improvement and Service District and to contract with the District for provision of any services for which the Association may collect assessments.

3.8 Delivery of Association Property. Within sixty (60) days after the Owners, other than the Declarant, elect a majority of the Members of the Board, the Declarant shall deliver to the Association all Property of the Owners and of the Association not excluded under Paragraph 3.7 above, which is held or controlled by the Declarant, including without limitation, the following items:

- (a) The original or certified copy of the recorded Declaration as amended, the Association's Articles of Incorporation, Bylaws, minute books, other books and records, and any rules and regulations which may have been promulgated;
- (b) An accounting for Association funds and financial statements, for the date the Association received funds and ending on the date when the Owners other than the Declarant took control of the Association. The financial statements shall be audited by an independent certified public accountant and shall be accompanied by the accountant's letter, expressing either the opinion that the financial statements present fairly the financial position of the Association in conformity with generally accepted accounting principles or a disclaimer of the accountant's ability to attest to the fairness of the presentation of the financial information in conformity with generally accepted accounting principles and the reasons therefor. The expense of the audit shall not be paid for or charged to the Association.
- (c) The Association funds or control thereof;
- (d) All of the Declarant's tangible personal property that has been represented by the Declarant to be the Property of the Association, and inventories of such Property;
- (e) A copy of any plans and specifications used in the construction of the improvements in the Subdivision which were completed within two (2) years before the Declaration was recorded;

- (f) All insurance policies then in force, in which the Owners, the Association, or its Directors and Officers are named as insured persons;
- (g) Copies of any Certificates of Occupancy that may have been issued with respect to any improvements comprising the Subdivision;
- (h) Any other permits issued by governmental bodies applicable to the Subdivision and which are currently in force or which were issued within one (1) year prior to the date on which the Owners, other than the Declarant, took control of the Association;
- (I) Easement for use by the Association;
- (j) Written warranties of any contractor, subcontractors, supplies, and manufacturers that are still effective;
- (k) A roster of Owners and holders of first mortgages or deeds of trust and their addresses and telephone numbers, if known, as shown on the Declarant's records;
- (l) Employment contracts in which the Association is a contracting party; and
- (m) Any service contract in which the Association is a contracting party or in which the Association or the Owners have any obligation to pay a fee to the persons performing the services.

3.9 Budget. The Association must prepare an annual budget. Within thirty (30) days after adoption of any proposed budget for the Association, the Board of Directors shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all Members and shall set a date for a meeting of the Members to consider ratification of the budget not less than fourteen (14) nor more than sixty(60) days after mailing or other delivery of the summary. Unless at that meeting a majority of all Members reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Members must be continued until such time as the Members ratify a subsequent budget proposed by the Board.

3.10 Assessments. All Owners shall be obligated to pay assessments imposed by the Association and/or the Improvement and Service District to meet the expenses of management, operation, and maintenance of the Subdivision. Assessment shall be made against each Lot in proportion that the Lot bears to the total number of Lots in the Recorded Plats of Residential Unit No. 2 Lots 3B and 14 as may amended from time to time. In addition, the Association may apportion the easements against such Lots based on a direct usage or benefit. Lots or buildings which are deed restricted for affordable housing purposes, shall only pay assessments for assessable costs as defined hereinafter, as the same

are directly attributable on a direct usage basis.

1. Open Space, Driveway and Parking Area Lots Assessments will include the cost of the maintenance and operation of the open space, driveway and parking area improvements, all utility systems, the ponds and bike paths including landscaping, irrigation, care of the grounds, repairs and renovations, trash and garbage collection, snow removal and associated fees, wages and equipment costs.

2. Exterior of Building. Assessments will include the cost of the maintenances and repairs of the fences walkways and exterior of the building including but not limited to general maintenance and repair, painting and/or refinishing of the wood siding, soffits, trim and fascias, wood decks, the repair and /or replacement of the roofs.

The budget shall include sufficient funds to at a minimum repaint once every five years and to replace the roofs once every ten years.

3. Responsibility of Owners. The individual Townhome Owners will be responsible for the repair, maintenance and/or replacement of the exterior doors and windows of their respective Townhomes and all interior construction, cabinets, appliances, fixtures, equipment, electrical, mechanical, and plumbing systems and all normal and necessary appliances. Townhome Owners shall, at their own cost and expense, maintain, repair, paint, wax, tile, paper or otherwise refinish and decorate the interior surfaces of the walls, ceilings, floors and doors, windows within their Townhome. In addition each Townhome owner shall otherwise keep the interior of his Townhome in good repair, in a clean and sanitary condition. Owners also shall have responsibility for maintaining and repairing decks, landscaping and irrigation in areas which are walled or fenced off from the general public, including both sides of the fence or wall involved. If, however, in the opinion of the Management Committee, any of the areas which are the responsibility of a Owner are not being properly maintained or repaired, then the Management Committee may have necessary maintenance and repair done and make a special assessment to the Owner for the cost thereof, said assessment to be paid in the same manner and to have the same weight and effect as any other assessment made pursuant to this Declaration. The Owners shall keep clean and in a sanitary condition their storage areas, garages, decks and patios, if any.

4. Landscape Areas and Building Exterior. In the event an owner of any Lot in the Project shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the HOA the Association, after approval by a majority vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the landscaping and the exterior of the building and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot

is subject.

5. Negligent Acts. In the event that the need for maintenance or repair of a lot or the improvements thereon is caused through the willful or negligent acts of its owner, or through the willful or negligent acts of the family, guests or invitees of the owner of the lot needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become part of the assessment to which such lot is subject.

6. Party Walls. Each wall which is built as a part of the original construction of the homes upon the Project and placed on or adjacent to the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this section, the general rules of law regarding party walls and liability for property damage due to negligence of willful acts or omissions shall apply thereto. An Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements. In the event of any dispute arising concerning a party wall, or under the provisions of this section, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

7. Additional Costs. Assessments may include the cost of collection, wages, insurance, accounting and other such fees, expenses and liabilities included by the Association under or by reason of this Declaration. Payment of any deficit from a previous assessments, creation of reasonable contingencies, reserve or surplus fund and other costs and expenses relating to the Project. Assessments shall be a personal obligation of each Owner and suit to recover money judgement shall be maintainable without waiving the lien securing the same.

3.11 Assessment Lien.

- (a) Assessments chargeable to any Lot shall constitute a lien on such Lot superior to all other liens and encumbrances except: (i) liens and encumbrances recorded before the recordation of the Declaration; (ii) a security interest on the Lot which has priority over all other security interests on the Lot and which was recorded before the date on which the assessment sought to be enforced became delinquent; and (iii) liens for real estate taxes and other governmental assessments or charges against the Lot.
- (b) An assessment lien under this Section 3.11, is superior to a security interest on the Lot which has priority over all other security interests on the Lot and which was recorded before the date on which the assessment sought to be enforced became delinquent to the extent thereof:

- (1) any attorney fees and costs being incurred in an action to enforce the lien, plus;
 - (2) an amount equal to the common expense assessments based on a periodic budget adopted by the Association which would have become due, in the absence of any acceleration during the six (6) months immediately preceding institution of an action to enforce the lien, but in no event shall such priority accorded to the assessment lien exceed one-hundred fifty percent (150%) of the average monthly assessment during the immediately preceding fiscal year multiplied by six (6).
- (c) This Section 3.11 does not affect the priority of mechanics' or materialmen's liens or the priority of liens for other assessments made by the Association.
 - (d) If any assessment shall remain unpaid twenty-five (25) days after the due date thereof, the Association may impose a surcharge of one and three quarters percent (1.75%) of such assessment on the first day of each calendar month thereafter so long as such assessment shall be unpaid, provided however, that the maximum surcharge in one (1) year shall be no greater than twenty-one percent (21%).
 - (e) Recording of this Declaration constitutes record notice and perfection of the lien. No further recordation is required.
 - (f) The Association's lien may be foreclosed in like manner as a mortgage on real estate containing a power of sale by advertisement and sale as allowed by the laws of the State of Wyoming.
 - (g) Upon such foreclosure, the Association's claim shall include the amount of unpaid assessments, penalties thereon, the costs and expenses of such proceedings, the costs and expenses of filing the notice of lien, and reasonable attorney's fees, and any deficiency shall be a common expense assessed equally to all Lot Owners. The Association may bid on the Lot at the foreclosure sale and hold, lease, mortgage, or convey the same.

3.12 Statement of Assessments and Liability of Purchasers. The Association shall furnish to an Owner or his designee or to a holder of a security interest or its designee upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, a statement setting forth the amount of unpaid assessments currently levied against such Owner's Lot. The statement shall be furnished within fourteen (14) business days after receipt of the request and is binding on the Association, the Board of Directors, and every Owner. If no statement is furnished to the Owner or holder of a security

interest or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party, then the Association shall have no right to assess a priority lien upon the Unit for unpaid assessments which were due as of the date of the request.

- (a) The grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the tract accrued prior to the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

3.12 Incorporation into Future Filings. For purposes of administration, maintenance, and the sharing of expenses provided for in Section 3.10 above, the Association may be incorporated into any association created in the future pursuant to the further subdivision of lands now or hereafter owned by Declarant, its successors and assigns, which are located within the Residential Unit No. 2 Lots 33 and 14 of the Melody Ranch. Without incorporation, the Association may contract with any other homeowners' association which administers Melody Ranch Property or with the Improvement and Service District to mutually undertake functions similar to those undertaken by Association's pursuant to this Declaration and the costs incurred pursuant to said contract shall be a common expense of the Association.

3.14 Declarant's and Owner's Acknowledgment of Future Development Potential. Declarant acknowledges that pursuant to the Land Development Regulations of Teton County, through which the Subdivision was created, the lands within the Subdivision and the Benefiting Parcel are presently restricted as to the number of Lots which may be created. However, each Owner of a Lot, by acquiring title thereto subject to this Declaration, acknowledges and agrees that, for a period of ten (10) years following the recordation of the Declaration, subject to obtaining any necessary approvals from the government of Teton County, Wyoming or any successor political Subdivision having jurisdiction over the Subdivision and the Benefiting Parcel; (1) Declarant, its successors and assigns, may undertake additional development of the Benefiting Parcel of a residential character and may involve subdivision and/or rezoning; (2) no such Owner shall have any claim against Declarant nor shall make any objection to any such future development based upon any claim of reliance or misrepresentation with respect thereto; and (3) that the maximum number of Lots is ascertainable as being the number set out in the Final Development Plan for Residential Unit No. 1 and 2 of the Melody Ranch, approved by the Teton County Commissioners on October 10, 1995.

ARTICLE 4 - MANAGEMENT COMMITTEE

4.1 Management Committee. The Management Committee shall mean the Board of Directors of the Association. The following is an outline of the function, powers and duties of the Management Committee.

4.2 Management of Association and Property. The management and maintenance of the Property and the business property and affairs of the Association shall be managed by a Management Committee as provided in the Declaration and Bylaws. The Management Committee shall be elected as provided in the Bylaws. All agreements and determinations with respect to the Property lawfully made or entered into by the Management Committee shall be binding upon all of the Unit Owners and their successors and assigns.

4.3 Powers and Duties of Management Committee. The Management Committee shall have all the powers, duties and responsibilities which are now or may hereafter be provided by the Act, this Declaration and the Bylaws, including but not limited to the following:

A. To make and enforce all house rules and administrative rules and regulations covering the operation and maintenance of the Property.

B. To engage the services of a manager or managing company, accountants, attorneys or other employees or agents and to pay to said persons a reasonable compensation for their services; provided however, that any management agreement may be terminable by the Management Committee for cause upon thirty (30) days' written notice and that the term of any said management agreement generally shall not exceed one (1) year, renewable by agreement for successive one (1) year periods.

C. To operate, maintain, repair, improve, and replace the Common Areas and facilities, including the entering into of agreements for the use and maintenance of the Common Areas and facilities and adjacent contiguous property for the benefit of the Association. The Management Committee shall, as part of the responsibilities outlined in this section, make arrangements for the winter care of roadways, etc.

D. To determine and pay the common expenses.

E. To assess and collect the proportionate share of common expenses from the Unit Owners.

F. To enter into contracts, deeds, leases, and/or other written instruments or documents and to authorize the execution and delivery thereof by the appropriate officers.

G. To open bank accounts on behalf of the Association and to designate the signature therefore.

H. To purchase, hold, sell, convey, mortgage, or lease any one or more Units in the name of the Association or its designee.

I. To bring, prosecute and settle litigation for itself, the

Association and the Property, provided that it shall make no settlement which results in liability against the Management Committee, the Association or the Property in excess of \$20,000.00 without prior approval of the majority of the Unit Owners.

J. To obtain insurance for the Association with respect to the Units and Common Areas and facilities, as well as workmen's compensation insurance as needed.

K. To repair or restore the Property following damage or destruction or a permanent taking by a power in the nature of eminent domain or by an action or deed in lieu of condemnation not resulting in the removal of the Property from the provisions of the Act.

L. To own, purchase or lease, hold and sell or otherwise dispose of on behalf of the Unit Owners, items of personal property necessary to or convenient in the Management Committee and in the operation of the Property.

M. To keep adequate books and records.

N. To do all other acts necessary for the operation and maintenance of the Property, including the maintenance and repair of any Unit if the same is necessary to protect or preserve the Property.

4.4 Delegation of Powers. The Management Committee may delegate to a manager or managing company all of its foregoing powers, duties and responsibilities referred to in Section 3 above except: the final determination of common expenses, budgets and assessments based thereon; the promulgation of house rules and administrative rules and regulations; the power to enter into any contract involving more than \$10,000.00 in any one fiscal year; the power to purchase, hold, sell, convey, mortgage, or lease any Units in the name of the Association; to bring, prosecute and settle litigation; or any other power, duty or responsibility nondelegable by law.

4.5 Limited Liability of Management Committee, etc. Members of the Management Committee, the officers, and any assistant officer, agents and employees of the Association: (1) shall not be liable to the Unit Owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith; (2) shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, instrument of transaction entered into by them on behalf of the Association in their capacity as such; (3) shall have no personal liability in tort to any unit Owner of any person or entity, direct or imputed, by Virtue of acts performed by them except for their own willful misconduct or bad faith or acts performed by them in a capacity other than indicated herein; (4) shall have no personal liability arising out of the use, misuse or condition of the Property which might in any way be assessed against or imputed to them as a result of or by Virtue of their capacity as such.

4.6 Indemnification. The Unit Owners or Association shall indemnify and hold harmless any person, his heirs and personal representatives from and against all personal liability and all expenses, including attorney's fees, incurred or imposed or arising out of or in settlement of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, instituted by any one or more Unit Owners or any other persons or entities to which he shall be or shall be threatened to be made a party by reason of the fact that he was a member of the Management Committee or an officer or assistant officer, agent or employee of the Association, other than to the extent, if any, such liability or expense shall be attributable to his willful misconduct or bad faith; provided, further that in the case of any settlement that the Management Committee shall have approved, the indemnification shall apply only when the Management Committee approves the settlement as being in the best interests of the Association. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement or vote of Unit Owners or of the Management Committee or otherwise. The indemnification by the Unit Owners as contained herein shall be paid by the Management Committee on behalf of the Unit Owners and shall constitute a common expense and shall be assessed and collectable as such.

ARTICLE 5 - ARCHITECTURAL REVIEW COMMITTEE

ARC

5.1 Architectural Review Committee. The Architectural Review Committee (ARC) shall mean the Board of Directors of the Association. The Architectural Committee shall have and exercise all of the powers, duties, and responsibilities set out in this instrument, including but not limited to the implementation of the development standards, design guidelines and requirements for compliance with its authority, including the establishment of costs and fees reasonably related to the processing and evaluation of requests for Committee action. Such guidelines, requirements, and fees may be amended, from time to time, by a majority vote of the ARC.

5.2 Approval by Architectural Review Committee. No improvements of any kind, including but not limited to dwelling houses, barns, stables, outbuildings, swimming pools, tennis courts, ponds, driveways and parking areas, fences, walls, garages, antennae, flagpoles, curbs, walks, landscaping, irrigation ditches or structures, and wells shall ever be constructed or altered (including any change in exterior color or materials), on any lands within the Subdivision, nor may any vegetation be altered or destroyed nor any landscaping performed on any Lot, unless the complete architectural plans for such construction or alteration or landscaping are approved in writing by the ARC prior to the commencement of such work. No person shall have the right to

rely on any verbal approval. In the event the ARC fails to take any action within sixty (60) days after complete architectural plans for such work have been submitted to it, then all of such submitted architectural plans shall be deemed to be approved. In the event the ARC shall disapprove any architectural plans, the person or association submitting such architectural plans may appeal the matter to the next annual or special meeting of the Members of the Association, where a vote of at least two-thirds (2/3) of the votes entitled to be cast at said meeting shall be required to change the decision of the ARC.

5.3 Variances. Where circumstances such as topography, location of Property lines, location of trees and brush, or other matters require, the Architectural Committee may, by a two-thirds (2/3) vote, allow reasonable variances as to any of the covenants contained in this Declaration, on such terms and conditions as it shall require; provided that no such variance shall be finally allowed until thirty (30) days after the Architectural Committee shall have mailed a notice of such variance to each Member of the Association. In the event thirty percent (30%) of the Members shall notify the Architectural Committee in writing of their objection to such variance within said thirty (30) day period, the variance shall not be allowed until such time as it shall have been approved by a vote of at least two-thirds (2/3) of the votes entitled to be cast at an annual or special meeting of the Members of the Association.

5.4 General Requirements. The Architectural Committee shall exercise its best judgment to insure that all improvements, construction, landscaping, and alterations on the lands within the Subdivision conform to the Development Standards contained in the Melody Ranch Planned Unit Development Final Development Plan and harmonize with the natural surroundings and with the existing structures as to external design, materials, color, siting, height, topography, grade, landscaping, and finished ground elevation. The Architectural Committee shall protect the seclusion of each home site from other home sites insofar as possible and may require landscaping and the planting of specimen trees.

5.5 Development Standards. The Development Standards are included herein by reference and are attached hereto as Appendix "A." Declarant reserves the right at his sole discretion to issue clarifications to such standards and to amend the standards from time to time as may be required.

5.6 Preliminary Approvals. Persons or associations who anticipate constructing improvements on lands within the Subdivision, whether they already own lands in the Subdivision or are contemplating the

purchase of such lands, may submit preliminary sketches of such improvements to the Architectural Committee for informal and preliminary approval or disapproval, but the Architectural Committee shall never be finally committed or bound by a preliminary or informal approval or disapproval until such time as complete architectural plans are submitted and approved or disapproved.

5.7 Architectural Plans. The Architectural Committee shall disapprove any architectural plans submitted to it which are not sufficient for it to exercise the judgment required of it by this Declaration.

5.8 Architectural Committee Not Liable. The Architectural Committee shall not be liable in damages to any person or association submitting any architectural plans for approval, or to any Owner or Owners of lands within the Subdivision, by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, with regard to such architectural plans. Any person or association acquiring the title to any Property in the Subdivision, or any person or association submitting plans to the Architectural Committee for approval, by so doing, does agree and covenant that he or it will not bring any action or suit to recover damages against the Architectural Committee, its Members as individuals, or its advisors, employees, or agents.

5.9 Written Records. The Architectural Committee shall keep and safeguard for at least five (5) years complete permanent written records of all applications for approval submitted to it (including one set of all architectural plans so submitted) and of all actions of approval or disapproval and all other actions taken by it under the provisions of this instrument.

ARTICLE 6 - GENERAL RESTRICTIONS ON ALL LOTS

6.1 Zoning Regulations. No lands within the Subdivision shall ever be occupied or used by or for any structure or purpose or in any manner which is contrary to the Melody Ranch Final Development Plan as approved by the County Commissioners of Teton County, Wyoming, validly in force from time to time, except as the same may be allowed under said regulations as a non-conforming structure. Subject to the provisions of Paragraph 3.14, no lands within the Subdivision (including any Lot within the Subdivision) shall be further subdivided subsequent to the recordation of the applicable Plat map. The Section 5.1 may not be amended without the written consent of the Board of County Commissioners of Teton County, Wyoming.

6.2 No Mining, Drilling, or Quarrying. No mining, quarrying, tunneling, excavating, or drilling for any substance within the earth, including but not limited to, oil, gas, minerals, gravel, sand, rock,

geothermal and earth, except for activities conducted under prior mineral reservations, agricultural, utility, water and sewer purposes shall ever be permitted within the limits of the Subdivision.

6.3 No Business Uses. No lands within the Subdivision shall ever be occupied or used for any non-agricultural commercial or business purpose nor for any noxious activity and nothing shall be done or be permitted to be done on any of said lands which is a nuisance or might become a nuisance to the Owner or Owners of any said lands. No store, office, or other place of non-agricultural commercial or professional business of any kind; nor any hospital, sanitarium or other place for the care or treatment of the sick or disabled physically or mentally; nor any public theater, bar restaurant, or other public place of entertainment; nor any church, shall ever be constructed, altered, or permitted to remain within the Subdivision.

Nothing herein shall be deemed to prohibit recreational facilities or activities including without limitation, equestrian, golf, etc., nor any home occupation, provided the same is permitted under the Teton County Land Development Regulations in effect and as amended from time to time and further provided such use does not constitute a nuisance or violate any other provision of this Declaration.

The Declarant may maintain sales and/or construction offices within the Project at a location and of a design and layout as may be approved by the ARC. The sales and construction activities shall be solely related to the development and sales activities of Residential Unit No. 2 of the Melody Ranch.

6.4 Signs. With the exception of one "For Rent" or "For Sale" sign (which shall not be larger than 18 x 24 inches) no advertising signs, billboards, unsightly objects, or nuisances shall be erected, altered, or permitted to remain on any Lot in the Subdivision. The above-referenced "For Rent" or "For Sale" sign shall only be located, if permitted by the Architectural Committee, within the boundaries of a Lot.

Temporary sales and directional and informational signs may be erected by Declarant in conjunction with the sale of Lots within the Subdivision.

6.5 Domestic animals or fowl. No domestic animals or fowl shall be maintained on any Lot other than not more than two (2) generally recognized house or yard pets, provided, however, that such animals shall at all times be restrained or leashed, and subject to such limitations as may from time to time be set forth in the Bylaws of the Association, which may reduce the allowable number, restrict the type of pet, or require that such pets be confined indoors. Pets shall be fed indoors or, if fed outdoors, shall be fed in a manner as not to

become a wildlife attractor. If any animals are caught or identified chasing or otherwise harassing livestock, wildlife, people, vehicles, or bicycles, the Board shall have the authority to have such animal or animals impounded at any available location, and shall assess a penalty against the Owner of such animal or animals of Two-hundred Fifty Dollars (\$250.00) plus all costs of impoundment. If any such animal or animals are caught or identified chasing or harassing wildlife, livestock, people, vehicles, or bicycles on a second occasion, the Board shall have the authority to have such animal or animals impounded or destroyed, the determination of disposition being the sole discretion of the Board. In the event that such animal or animals are not destroyed,, the Board shall assess a penalty of Five-hundred Dollars (\$500.00) per animal, plus costs of impoundment. On the third violation, in addition to the foregoing penalties, the offending animal or animals shall be removed from the Subdivision. No Owner of any animal or animals impounded or destroyed for chasing or harassing livestock, wildlife, or people shall have the right of action against the Board or any Member thereof, for the impoundment or destruction of any such animals or animals. In addition, violation of these restrictions on a third occasion may result in the termination of the right to keep pets on the Property in the sole discretion of the Board.

6.6 Fences, Service Yards Equipment and Trash. All clothes lines, equipment, service yards, woodpiles, or storage piles on any Lot in the Subdivision shall be kept screened by adequate planting or fencing so as to conceal them from the view of neighboring Lots and streets and access roads. All campers, boats, trucks, and trailers shall be kept stored in the recreational equipment storage yard provided by Melody Ranch. Snowmobiles, bikes, motorcycles, and other possessions shall be kept stored within the residence, garage, or storage shed, or at the recreational equipment storage yard. All rubbish and trash shall be removed from all Lots, and shall not be allowed to accumulate and shall not be burned thereon.

The fences installed at the time of construction of the Townhomes shall be maintained in place. No fence may be removed without the express permission of the Declarant.

6.7 No Discharge of Firearms. The discharge of firearms shall not be permitted on any of the lands in the Subdivision without approval of the ARC and only if reasonably related to bona fide ranching or farming necessities. Hunting activities may take place only with the prior written consent of the Architectural Control Committee, and notwithstanding any such consent, shall not be conducted in a manner that is disruptive of the peace and tranquillity of adjacent properties nor in a manner that could or is likely to create a threat to the safety of persons or property.

6.8 Noxious and offensive activities. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or placed thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other Owners in the enjoyment of their Lots, or in their enjoyment of common areas. All storage of toxic materials shall be limited and storage areas so constructed as to prevent any leakage or discharge of such materials into the Snake River or any of its tributaries, including underground aquifers. The use and disposal of hazardous materials must follow all federal and state requirements. Hazardous materials must not be disposed of on-site. In determining whether there has been violation of this paragraph recognition must be given to the premise that Owners, by virtue of their interest and participation in the Subdivision are entitled to the reasonable enjoyment of the natural benefits and surroundings of the Subdivision. Without limiting any of the foregoing, no exterior speakers, horns, whistles, bells, or other sound devices, except security devices used exclusively to protect the security of the Lots and improvements located thereon, shall be placed or used upon any Lot.

6.9 Noxious weeds. Lot Owners shall take all actions necessary to control noxious weeds as defined by the Teton County Weed and Pest Control Board and/or the Board. Because the timing for effective control of noxious weeds is very critical, if a Lot Owner fails to respond immediately to a written request for weed control from the site committee, the Board shall have the right to contract for such control services and the company so contracted shall have the right to enter upon any such Lot to treat noxious weeds without any liability for trespass. In the event that the Board provides for noxious weed treatment as described herein, the Owner of a Lot treated for noxious weed control shall pay all costs incurred by the Board. Noxious weed treatment shall be strictly limited to herbicides approved by the Teton County Weed and Pest Control Board. Under no circumstance, however, shall materials or methods be utilized to control noxious weeds which would endanger wildlife or sensitive wetlands habitat on the Property or adjacent lands.

6.10 Irrigation, Irrigation Ditches, and Water Use. There is an irrigation ditch located on the Property. The irrigation ditch is identified on the Subdivision Plat of the Property. It is essential to keep this ditch flowing freely, to avoid flooding problems caused by blockage. The Owner of any Lot upon which any irrigation ditch is located shall not take any action to plug or impede the flow of such ditch. If possible, the Owner of any such Lot shall clean out any debris which collects in the ditch located on such Lot. Any such Lot Owner shall promptly notify the Board of any animals such as beaver who are plugging a ditch so that the site committee can take necessary

control actions. No pesticides or other noxious or dangerous chemicals shall be put into or allowed to enter irrigation ditches or waterways.

- (a) Irrigation. No Lot Owner shall utilize any of the domestic water system constructed for the Subdivision for irrigation or yard and lawn watering and irrigation purposes during any period in which a separate irrigation system is provided for use of the Lot Owners.

The separate irrigation and yard and lawn watering system shall utilize currently existing water rights appurtenant to the Property and retained by the Declarant.

The Homeowners Association shall appoint a water steward, which duties may be transferred to the Melody Ranch Improvement and Service District for the purpose of controlling all irrigation water and Declarant hereby reserves to the Association or the Improvement and Service District, as the case may be, the right on behalf of all Lot Owners to grant necessary approvals and take any and all regulatory action necessary with regard to the control and use of irrigation water.

All irrigation uses of the irrigation water reserved and retained for use upon the Property shall be subject to the control, and all reasonable rules and regulations adopted for such control by the Association, the water steward, and/or the Improvement and Service District, as the case may be.

All Lot Owners shall be required to install an irrigation system. The irrigation water used will be metered and the cost for such water will be paid to the Service and Maintenance District.

6.11 Wildlife Protection. It is recognized by the Declarant and the purchasers or Owner of any Lot within the Property, that many wildlife species live on or migrate through the Property during various times of the year. The following limitations on use and development are intended, in addition to all other requirements of these covenants, to protect, preserve, and maintain the existing wildlife habitat on the Property and to minimize the adverse effects of development on wildlife habitat. Each Lot Owner, by acceptance of a deed, does hereby waive any and all depredation claim against the State of Wyoming or the Game and Fish Department resulting from violation of any of the following provisions:

- (a) No Owner of any Lot shall remove or alter or allow others to remove or alter any of the existing vegetation thereon, except as is absolutely necessary for the clearing and preparation of that portion of the building envelope necessary for the purposes of constructing authorized structures or roads thereon, and particular attention shall be given to the protection of trees identified by the Site Committee after consultation with the Wyoming Game & Fish Department as important to raptor species as perching or nesting sites.
- (b) Dogs and other domestic animals shall be controlled and restrained at all times, and shall not be allowed to run at large on any portion of any Lot, except within a fenced yard on the Lot.
- (c) No hunting or shooting of guns or discharge of explosives shall be allowed on any Lot without the prior written consent of the ARC.
- (d) While no raptor nests are currently known to exist on the Property, all Owners are requested to immediately report locations of active raptor nests to a Member of the Site Committee who shall report the information to the Wyoming Game and Fish Department. No active raptor nests shall be approached during the nesting season.
- (e) The Owner of every Lot, as well as guests and invitees, shall comply with all State and Federal laws prohibiting the harassment, injury, or killing of any wildlife species on the Property comprising the Subdivision to which these Covenants are applicable.
- (f) No elk or other big game animals shall be fed hay or any other food on the Property in order to prevent migrating animals from interrupting their migration to winter feeding grounds and to prevent such animals from becoming habituated to unnatural food sources. In addition, all new planting of shrubs and trees shall be limited to those species which are not unduly palatable to browsing animal species. The Site Committee will provide a list in consultation with the Wyoming Game and Fish Department of species of trees and shrubs which may be unduly palatable to browsing animals and, accordingly, may be prohibited.
- (g) Introduction into the wild of any non-native animal species which might compete with or harm native species and result in their decline is prohibited. This includes domestic waterfowl in common or private aquatic areas because they have been proven to be very aggressive towards native waterfowl species.
- (h) The purchaser of each Lot is thereby advised and notified that lawful hunting of birds and wild game may occur on

lands surrounding the Subdivision and such Owners acknowledge that neither the Association nor the Declarant controls or may control such hunting activities.

6.12 Parking Rights. Ownership of each lot shall entitle the owners or owners thereof to the use of not more than one automobile parking space, which shall be as near and convenient to said lot as reasonably possible, together with the right of ingress and egress in and upon said parking area. The association shall permanently assign one vehicle parking space for each dwelling, in addition to the parking space located in the garage on the lot; unassigned guest parking spaces will be available for the use of guests of the owners.

6.13 Additional Restrictions. The Owners shall not place or store anything within the open space or driveway area lots, with the exception of in a facility specifically designated or approved for their storage. All owners shall keep their residences and their lots in a reasonably clean, safe, sightly and tidy condition. No clotheslines will be permitted. Any tires, lawnmowers, garden equipment, childrens toys and other similar items must be stored and appropriately screened from the public view when not in use. No antennas or television "dishes" or other items may be placed in public view or upon any of the common areas or lots without the express written consent of the Management Committee. Refuse, garbage and trash shall be kept at all times in a covered container, such covered container shall be screened from view at all times other than a specified regular time period for garbage pick-up. The parking of recreational vehicles, boats, trailers and inoperative vehicles is prohibited in parking areas, garages and the open space. The Management Committee shall have full power and authority to regulate the motorbikes, motorcycles and other similar vehicles and equipment, and to regulate the use of roadways by imposing and enforcing speed limits and other restriction, all with full power and authority to impose and enforce (by special assessments hereunder or otherwise) fines and other penalties or violations of such regulations.

6.14 Obstructing Common Areas. Owners shall not obstruct common areas. Owners shall not place or store anything within the common areas without the prior written consent of the Management Committee or its designee except in a facility specifically designated or approved for such storage. The storage of snow on the property shall not be allowed to occupy required parking spaces or be placed within 50 feet of ponds, vehicle safety, or obstruct emergency vehicle access to the property.

ARTICLE 7 - RESTRICTIONS ON LOTS

7.1 Number and Location of Buildings. Except for buildings or structures in place on the date of recording this Declaration, no buildings or structures shall be placed, erected, altered, or permitted to remain on any Lot other than:

- (a) One Townhome;
- (b) One attached or detached garage;
- (c) One or more accessory structures;
- (d) No dwelling house, building, or other structure shall be

placed, erected, altered, or permitted to remain on any Lot, at any site or location, other than within the building area designated on the Site Development Plan as approved by Teton County. The location of accessory shall be as approved by the Architectural Review Committee.

7.1.1 Each Townhome shall be equipped with fire detectors and a fire alarm.

7.1.2 All improvements, construction, landscaping, and alteration shall conform to the Development Standards contained in the Melody Ranch Planned Unit Development Final Development Plan.

7.1.3 The minimum floor area of any Townhome shall not be less than one thousand (1,000) square feet, exclusive of any garage, carport or unenclosed porches or decks. The ground floor area shall not be less than seven-hundred (700) square feet, exclusive of any garage, carport, or unenclosed porch or deck.

7.1.4 In addition to the approval required to be obtained by the ARC, prior to issuance of residential building permits, individual Townhome design and grading shall be reviewed and approved by a registered engineer or architect to insure that such construction and grading does not create any adverse impact or drainage throughout the Subdivision. In addition, prior to issuance of any such building permit for any Lot within the Subdivision, the Teton County Building and Sanitation Departments shall review and approve a final drainage plan which addresses control of irrigation water and drainage water as they relate to adjacent Lots and open space areas. All construction activity within Lots within the Subdivision shall be limited to the hours between 7:00 a.m. and 7:00 p.m.

7.2 Townhome to be Constructed First. No garage, or other building shall be constructed on any Lot until after commencement of construction of the dwelling house on the same Lot. All construction and alteration work shall be prosecuted diligently, and each building, structure, or improvement which is commenced on any Lot shall be entirely completed within eighteen (18) months after commencement of construction.

The provisions for temporary sanitary facilities, construction power, temporary fire service and all weather access as set out in the Final Development Plan shall be observed by all Lot Owners.

7.3 Towers and Antennae. No towers or radio or television antennae or satellite transmission receiving antennae shall be erected on any Lot without approval of the Architectural Committee and shall be fully screened from view from adjacent properties.

7.4 Trees and Landscaping. No trees or brush growing on any Lot shall be felled or trimmed nor shall any natural areas be cleared, graded, or formal lawn areas constructed, or landscaping performed on any Lot without the prior written permission of the ARC. All landscaping shall, at a minimum, conform to the master landscaping plan and planting schedule incorporated into the final development plan for the Subdivision. Each Owner of a Lot shall provide, prior to issuance of a building permit on said Lot, financial assurances satisfactory to ARC, for the costs of landscaping necessary to comply with the Landscape Plan for said Lot.

7.5 Tanks. No tanks of any kind shall be erected, placed, or permitted upon any Lot unless buried, or if located above ground, the location and screening shall be as determined by the ARC.

7.6 Used or Temporary Structures. No used or previously erected or temporary house, structure, house trailer, or non-permanent outbuilding shall every be placed, erected, or allowed to remain on any Lot, except, to the extent permitted by all applicable County regulations, during construction periods, and no Townhome shall be occupied in any manner prior to its completion.

7.7 Exterior Lighting. All exterior lights and light standards on Lots shall be approved by the ARC for harmonious development and the prevention of lighting nuisances to other lands in the Subdivision and shall also fully comply with any applicable Teton County lighting regulations.

7.8 Off-Street Parking. No Townhome shall be constructed on any Lot unless there is concurrently constructed on the same Lot adequate off-street parking areas for at least one (1) automobile. One (1) additional assigned parking space will be provided within the driveway and parking area lot adjacent to the garage.

All trailers or vehicles used in the course of business and all recreational vehicles, boats, campers, snow machines, camper-trailers, and similar recreational vehicles, trailers, or equipment, shall be parked, stored, or kept in enclosed garages of suitable size, or the recreational equipment area at all times.

7.9 Road Damage. Each Owner of a Lot is responsible for any damage caused to the roadways within the Project during the construction of

improvements upon such Owner's Property by any vehicle or equipment belonging either to said Owner or to any person or entity using the roads within the Project while engaged in any activity benefiting said Owner. Metal treads or other "Lugged" tread or tired vehicles are not permitted to drive across the roads within the Project, however, such equipment may access lands within the Project on a trailer or flatbed vehicle as may be appropriate provided any damage resulting therefrom is repaired and paid for as provided hereinabove. Each Owner shall also be responsible for any damage caused by utility cuts in roads, wash-outs, and run-off damage caused by failure to install culverts properly and in a timely manner as may be necessary in connection with the construction of improvements upon or any other uses made by such Owner to his Lot. The Board of Directors shall have the right to establish, implement, and enforce an impact fee system to allocate costs for road damage and general wear and tear on the roads within the Project upon terms and conditions which said Board deems best in the interests of the Members of the Association. Such impact fee system may include charges based upon "per vehicle", "per load", "per ton", or "per trip" calculations. Said system may also deny access to the Project to any vehicle for which said impact fee has not been paid. The Board may also implement and enforce weight limits on the roads within the Project.

7.10 Sanitary & Water Systems. No sewer disposal system, sanitary system, cesspool, septic tank, or well shall be allowed to be constructed or allowed to remain or be used on any Lot. All Lots shall be connected to and shall utilize the domestic and irrigation metered water and sewer distribution system provided by the Melody Ranch or the Improvement and Service District.

7.11 Roof Design. The design of all roofs shall be carried out in a manner to create visual interest and variety. Roofs shall contain varied offsets, dormers, gables, and hips to eliminate continuous and unvaried roof slopes. The roof slopes shall be combinations of 4 in 12 and 6 in 12 slopes.

ARTICLE 8 - RESTRICTION ON RECREATION OPEN SPACE AREA

8.1 No Structures or Improvements. Unless permitted by Melody Ranch Final Development Plan regulations, as adopted or amended from time to time, no buildings, structures, or improvements of any nature shall be placed, erected, altered, or permitted to remain on any Open Space area shown on the Project Site Development Plan and Final Plat, except for fences, ponds, irrigation structures, temporary and private roads giving access to Lots in the Subdivision, emergency access pads, drives, public pathways, and recreational improvements and facilities. Necessary utility installations shall be permitted along established

or platted utility easements and other areas as determined by the ARC.

8.2 Trees and Landscaping. No trees or brush growing in these areas shall be felled or trimmed, no natural areas shall be cleared, nor shall any natural vegetation, rocks, or soil be damaged or removed, nor any landscaping performed, unless first approved in writing by the ARC.

8.3 Temporary Buildings. No temporary house, house trailer, camper, boat, horse trailer, tent, construction materials, or other temporary or movable structure shall be placed, erected, or allowed to remain on any Recreational Open Space Area, except as attendant to lawful development.

8.4 Exterior Lighting. No exterior lights, fixtures, or standards shall be erected, installed, or permitted to remain on any Lot, except as attendant to lawful development.

8.5 Leasing of Recreational OSA. No Recreational Open Space Area may ever be leased to any person or association without the prior written permission of the ARC except as is necessary to carry out the intents and purposes expressed in Article 8, herein reserving such authority to Declarant, its successors, and assigns. The Declarant hereby reserves the right to deed the Recreational Open Space to the Melcody Ranch Improvement and Service District.

ARTICLE 9 - EASEMENTS AND LANDS RESERVED

9.1 Utility Easements Reserved. Declarant hereby reserves to itself, its successors, and assigns, perpetual easements five feet (5') in width: (1) on each side of the boundary line along the entire perimeter of each Lot (other than where the Townhome and garage are constructed) and all other easements described in the Recorded Plat of the Subdivision for the purpose of constructing, maintaining, operating, replacing, enlarging, and repairing electric, telephone, water, irrigation, sewer, gas, and similar lines, pipes, wires, conduits, ditches, fences, and landscaping.

9.2 Easements and Open Space Areas. Declarant hereby reserves to itself, its successors and assigns, perpetual easements across all of the lands in the Subdivision along the line of all domestic water and sewer lines, irrigation ditches and laterals presently in existence and across all other lands in the Subdivision, for the purpose of constructing, maintaining, relocating, replacing, and operating domestic water supply systems, sewer systems, security systems, or irrigation system pipes, ditches and laterals, for the proper irrigation of all meadow lands in and adjoining the Subdivision or located in the open space, driveway and parking area or on any Lots therein. Declarant reserves to itself, its successors, and assigns

all lands within the Benefiting Parcel and the right to engage in any lawful development thereon, to conduct farming and ranching activities and to irrigate all meadow lands at all reasonable times, to build and maintain fences and ditches and relocate the same from time to time and to go on all Lots in the Subdivision for the purpose of carrying on such activities and irrigating such meadow lands so as to preserve and maintain their natural beauty.

Association reserves to itself, its successors, and assigns all lands within the Open Space and the right to engage in any lawful development thereon, to build and to maintain fences and ditches and relocate the same from time to time and to go on all Lots in the Subdivision for the purpose of carrying on such activities and irrigating such meadow lands so as to preserve and maintain their natural beauty.

Declarant reserves to itself, its successors, and assigns a perpetual, non-exclusive easement across all lands within the Agricultural Easement Areas shown on the Plat and the exclusive right to conduct farming, ranching, and any other agricultural activities of every nature whatsoever thereon; to irrigate any or all lands thereon without, however, the obligation to do so; and/or ranching activities of every nature whatsoever thereon; to irrigate any or all lands therein; and to retain all crops and profits from such activities.

9.3 Easements for Private Drives and Trails. In addition to the easements and reservations set forth on the Plat, Declarant hereby reserves to itself, its successors, and assigns perpetual easements across all driveways within the Subdivision giving access to the Lots, the Benefiting Parcel, and Open Space Areas in the Subdivision as shown on the Plat or as may hereafter be established by the Declarant, together with the right of the Declarant to permit the use of said easements by Owners of the Benefiting Parcel for purposes of access, ingress, egress, and placement of utilities.

9.4 Landscape and Maintenance Easement. Declarant hereby reserves to itself, its successor, and assigns, perpetual easements over and across the front and rear yards of the Townhomes and for a distance of 10 feet around the perimeter of the Townhomes and garages to permit use of access by the Declarant, its successor and assigns use of the easements for purposes of maintaining the exterior of the buildings and the walks, decks, fences, landscaping and utility systems in the yards.

ARTICLE 10 - ENFORCEMENT

10.1 Enforcement Action. The ARC and HOA shall have the right to prosecute any action to enforce the provisions of all of this Declaration by injunctive relief, on behalf of itself and all or part of the Owners. In addition, each Owner and the Benefiting Parcel

and/or the Association, shall have the right to prosecute any action for injunctive relief and for damages by reason of any violation of any provisions of this Declaration. In addition, the Board of County Commissioners of Teton County shall have the right to enforce the provisions of this Declaration for which the said Board of County Commissioners has the right to approve an amendment as set forth in Section 12.2 hereof.

10.2 Limitations on Actions. In the event any construction or alteration or landscaping work is commenced upon any of the lands in the Subdivision in violation of any provision of this Declaration and no action is commenced within one-hundred eighty (180) days thereafter to restrain such violation, then injunctive or equitable relief shall be denied, but an action for damages shall still be available to any party aggrieved. Said one-hundred eighty (180) day limitation shall not apply to injunctive or equitable relief against other violations of this Declaration. No bond shall be required to be posted by any party seeking to enforce the provisions of this Declaration. No bond shall be required to be available to any party aggrieved. Said one-hundred eighty (180) day limitation shall not apply to injunctive or equitable relief against other violations of this Declaration. No bond shall be required to be posted by any party seeking to enforce the provisions of this Declaration against the Owner of a Tract and all of said Owners of Tracts hereby waive the requirement of posting a bond in such action.

ARTICLE 11 - INSURANCE, MORTGAGES AND RECONSTRUCTION

11.1 Insurance. The Association shall obtain and maintain at all times insurance of the type and kind stated in this Declaration, and including, at the discretion of the Management Committee, risk of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other projects similar in use, issued by responsible insurance companies authorized to do business in Wyoming. The fire and extended coverage insurance, including vandalism and malicious mischief, to be maintained as to the units shall also cover all fixtures, interior walls and partitions, decorated and finished surfaces of perimeter walls, floors, and ceilings, doors, windows and to the elements or materials comprising a part of the units., The insurances shall be carried in blanket policy form naming the Management Committee the insured, as attorney-in-fact for all the unit owners, at their common expense, which policy or policies shall contain a standard non-contributory mortgage clause in favor of each first mortgagee, and a noncancellation clause (whether or not requested by the owners of units) providing that such policy or policies may not be canceled except upon thirty (30) days prior written notice thereof to the Management Committee, each first mortgagee, and every other person in interest who shall have requested

such notice of the insurer. The Management Committee, or the Manager, shall also obtain and maintain public liability insurance insuring each member of the Management Committee, the Manager, if any, the Association, and the owners against any liability to the owners or any other person incident to the ownership of or use of the project of any part thereof. Limits of liability under such insurance shall not be less than Three Hundred Thousand Dollars (\$300,000.00) for property damage for each occurrence. This is just the minimum amount, and it is expressly contemplated that Management Committee may, in its discretion, obtain insurance with higher limits and insurance against risks (such as earthquake damage) which are not specifically referred to herein. The Management Committee may also obtain insurance with relatively high deductible. Owners are encouraged to carry their own insurance (and to require renters insurance for rental units) to cover their possible liability for payment of damages, such as the deductible amount, which is not insured by the Association itself.

All insurance policies obtained by the Association itself should be reviewed at least annually by the Management Committee.

Each owner, upon becoming an owner, shall be deemed to have constituted and appointed, and does hereby so constitute and appoint the Management Committee as his true and lawful attorney-in-fact to act in all matters concerning the purchase and maintenance of all types of property and liability insurance pertaining to the project. Each owner does further hereby agree, without limitation on the generality of the foregoing, and each mortgagee, upon becoming a mortgagee or holder (as trustee or as beneficiary) of a deed of trust of a unit does hereby agree, that the Management Committee, as attorney-in-fact, shall have full power and authority, in addition to the powers above given, to purchase and maintain such insurance, and remit premiums therefor, to collect proceeds and to use the same, and distribute the same to the Management Committee, owners and mortgagees, as their interests may appear, all pursuant to and subject to applicable statutes and the provisions of this Declaration, and to execute all documents and do all things on behalf of each owner and Management Committee as shall be necessary or convenient to the accomplishment of the foregoing.

11.2 Owner's Personal Obligations. The amount of the common expenses assessed against each lot shall be the personal and individual debt of the owner(s) thereof. No owner may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his lot. Both the Management Committee and the Manager shall have the responsibilities to take prompt action to collect any unpaid assessment which remains unpaid more than twenty days from the due

date for a payment thereof. In the event of default in the payment of the assessments, the owner shall be obligated to pay interest on the amount of the assessment from the due date thereof, together with all expenses incurred, including attorney's fees, together with such late charges and interests as are provided in this Declaration. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

11.3 Fidelity Insurance. If any Owner or employee of an association controls or disburses funds of the Association, the Association must obtain and maintain, to the extent reasonably available, fidelity insurance. Coverage shall not be less in aggregate than two (2) month's current assessments plus reserves, as calculated from the current budget of the Association.

11.3.1. Any person employed as an independent contractor by the Association for the purposes of managing the Subdivision must obtain and maintain fidelity insurance in an amount not less than the amount specified in Section 11.1, unless the Association names such person as an insured employee in a contract of fidelity insurance, pursuant to Section 11.1.

11.3.2 The Association may carry fidelity insurance in amounts greater than required in Section 11.1 and may require any independent contractor employed for the purposes of managing the Project to carry more fidelity insurance coverage than required in Section 11.1.

11.4 Insurance Premiums are Common Expenses. Premiums for insurance that the Association acquires and other expenses connected with acquiring such insurance are common expenses.

11.5 Mortgages. An owner shall have the right from time to time to mortgage or encumber his interest by deed of trust, mortgage, or other security instrument. A first mortgage shall be one which has first and paramount priority under applicable law. The owner of a lot may create junior mortgages, liens, or encumbrances on the following conditions: 1) that any such conditions, covenants, restriction, uses, limitations, obligations shall be subject to the lien for common expenses and other obligations created by this Declaration; 2) that the mortgagee under any junior mortgage shall release, for the purpose of restoration of any improvements upon the mortgaged premises, all of his or her right, title, and interest in and to the proceeds under all insurance policies upon the lot and project. Such releases shall be furnished forthwith by a junior mortgagee upon written request of one or more of the members of the Management Committee, and if such request is not granted, such releases may be executed by the Management Committee as attorney-in-fact for such junior mortgagee.

11.6 Reconstruction. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the property upon its destruction, for repair, reconstruction or obsolescence. Title to any lot is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any owner or grantor shall constitute and appoint the Management Committee their true and lawful attorney in their name, place, and stead for the purposes of dealing with the property upon its destruction or obsolescence as is hereinafter provided. As attorney-in-fact, the Management Committee shall have full and complete authorization, right and power to make, execute, and deliver any contract, deed, or any other instrument with respect to the interest of a Townhome unit owner which is necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of improvements as used in the succeeding subparagraphs means restoring improvements as used in the succeeding same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Management Committee for the purpose of repair, restoration, reconstruction or replacements unless the owners and first mortgagees agree not to build in accordance with provisions set forth hereinafter.

a. In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct improvements, shall be applied by the Management Committee, as attorney-in-fact, to such reconstruction, and improvements shall be promptly repaired and reconstructed. The Management Committee shall have full authority, right and power, as attorney-in-fact, to cause the repair and restoration of the improvements.

b. If the insurance proceeds are insufficient to repair and reconstruct improvements, and if such damage is to one-third or fewer Townhome units, such damage or destruction shall be promptly repaired and reconstructed by the Management Committee, as attorney-in-fact, using the proceeds of insurance and the proceeds of an assessment to be made in the manner hereinafter set out. If any mortgage or trust deed holder of any damaged unit required and received payment of any part of the insurance proceeds, the owner of that unit shall pay to the Management Committee the amount so received by such mortgagee or trust deed holder for use by the Management Committee, with the balance of the insurance proceeds, in requiring and reconstructing pursuant hereto. The insurance proceeds, together with payments made by unit owners shall be held in a building account for use in repairs and reconstruction pursuant hereto. Any deficiency in the building account shall be assessed against the unit owners as a common expense. Such assessments shall be payable within ninety (90) days after written notice thereof to the owners assessed. The Management Committee shall have full authority, right and power, as attorney-in-

fact, to cause the repair or restoration of improvements using all of the insurance proceeds and unit owner to pay an assessment. The assessment provided for herein shall be a debt of each owner and a lien on his Townhome unit and may be enforced and collected as is provided in Paragraph 43. In addition thereto, the Management Committee, as attorney-in-fact, shall have the absolute right and power to sell the Townhome unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the Management Committee shall cause to be recorded a notice that the Townhome unit of the delinquent owner shall be required to pay to Management Committee the cost and expenses for filing the notices, interest at the rate of 10% per annum on the amount of the assessment from and after said 90 day period, and all reasonable attorneys' fees incurred in selling the unit and collecting said assessment. The proceeds derived from the sale of such Townhome unit shall be used and disbursed by the Management Committee, as attorney-in-fact, in the following order:

1. For payment of taxes and special assessment liens in favor of any assessing entity, and the customary expense of sale;
2. For payment of the balance of the lien of any first mortgage or trust deed, with interest any prepayments penalty;
3. For payment of unpaid common expenses, the assessment, with interest, made for repair and reconstruction of the project, and all costs, expenses, and fees incurred by the Management Committee in selling such lot and collecting the assessment, not paid pursuant to 1. above.
4. For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
5. The balance remaining, if any, shall be paid to the lot owner.

c. If the insurance proceeds are insufficient to repair and reconstruct the damaged improvements, and if such damage is to more than one-third of the Townhome units, and if the owners representing an aggregate ownership interest of 51 percent, or more, of the general common elements do not voluntarily, within 100 days after such damage, make provisions for reconstruction, which plan must have the unanimous approval or consent of every holder of a first mortgage then of record, the Management Committee shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice, the entire Townhome project shall be sold by the Management Committee pursuant to the provisions of this paragraph, as attorney-in-fact for all of the owners, free and clear of the provisions contained in this Declaration and the Map. The insurance settlement proceeds shall be collected by the Management Committee, and such proceeds shall be divided by the Management Committee according to each owner's percentage interest in the general common elements, and such divided proceeds shall be paid into separate accounts, each

account representing one of the Townhome unit designations and the name of the owner. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Management Committee, and attorney-in-fact, for the same purposes and in the same order as is provided in subparagraph (b)1 through 5 of this paragraph.

If the owners representing an aggregate ownership interest of 51%, or more, of the lots adopt a plan for reconstruction, which plan has the unanimous approval of all holders of first mortgages then of record, then all of the owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan, shall be a lien, and may be enforced to the extent and in the manner set out in subparagraph (b) of this paragraph and shall be due and payable as provided by the terms of such plan, but not sooner than 90 days after written notice thereof. The Management Committee shall have full authority, right and power, as attorney-in-fact, to cause the repair or restoration lot owner's payments for such purpose notwithstanding the failure of any owner to pay an assessment.

d. The owners representing an aggregate ownership interest of two-thirds of the Lots within the Project may agree that the buildings should be razed and new ones built, and adopt a plan for the renewal and reconstruction, which plan shall require the unanimous approval of all holders of first mortgages of record at the time of the adoption of such plan. If a plan for the renewal or reconstruction shall be payable by all of the owners as common expenses; provided however, that an owner not a party to such plan for renewal or reconstruction may give written notice to the Management Committee within 30 days after the date of adoption of such plan that such unit shall be purchased by the Management Committee for the fair market value thereof. The Management Committee shall then have 60 days thereafter within which to cancel such plan. If such plan is not canceled, the unit of the requesting owner shall be purchased according to the following procedures. If such owner and Management Committee can agree on the fair market value thereof, then such sale shall be consummated within 60 days thereafter. If the parties are unable to agree, the date when either party notifies the other that he or she is unable to agree with the other on the sixtieth day after notice demanding purchase is given to the Management Committee, whichever date is earlier, shall be the "commencement date" from which all periods of time mentioned herein shall be measured. Within ten days following the commencement date, each party shall nominate in writing (and give notice of such nomination to the other party) an appraiser. If either party fails to make such a nomination, the appraiser nominated shall within five days after default by the other party, appoint and associate with him another appraiser. If the two

designated or selected appraisers are unable to agree, they shall appoint another appraiser to be umpire between them if they can agree on such person. If they are unable to agree upon such umpire, each appraiser previously appointed shall nominate two appraisers, and from the names of the four appraisers so nominated one shall be drawn by lot by any judge of any court of record in Wyoming, and the name so drawn shall be such umpire. The nominations from whom the umpire is to be drawn by lot shall be submitted within ten days of the failure of the two appraisers to agree, which, in any event, shall not be later than 20 days following the appointment of the second appraiser. The decision of the appraisers to the fair market value, or in the case of their disagreement, then such decision of the umpire, shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Management Committee and the owner. The sale shall be consummated within 15 days thereafter and the Management Committee, as attorney-in-fact shall pay the purchase price therefore in cash and shall disburse such purchase price for the same purpose and in the same order as is provided in subparagraph (b) 1 through 5 of this paragraph, except as modified herein. At the time of payment to such owner, such owner shall deliver to the Management Committee, or its nominee, a good and sufficient warranty deed to the lot, fully executed and in recordable form, free and clear of all liens, charges and encumbrances.

ARTICLE 12 - GENERAL PROVISIONS

12.1 Covenants to Run. All of the covenants contained in this Declaration shall be a burden on the title to all of the lands in the Subdivision, and the benefits thereof shall inure to the Owners of all of the lands in the Subdivision, and the Owner(s) of the Benefiting Parcel.

12.2 Termination and Amendment of Declaration. The Covenants contained in this Declaration shall terminate unless extended by Amendment, on or before January 1, 2046, or at the time of final and intentional corporate dissolution of the association, whichever date shall first occur.

This Declaration and/or the Plat may be amended by the Owners of sixty-seven percent (67%) of the votes in the Association. A properly certified copy of any Resolution of Amendment shall be placed of record in Teton County, Wyoming, not more than six (6) months after the date of said Amendment. If the Declaration is so amended, then it shall continue in effect, as amended for so long thereafter as may be stated in said Amendment. No amendment and no variance which is less

restrictive than the provisions contained in Section 6.1 (Zoning Regulations), Section 6.5 (Animals and Fencing), Section 6.9 (Noxious Weeds), Section 6.11 (Wildlife Protection), Section 7.1 (Number and Location of Buildings), Section 7.7 (Exterior Lighting), Article 8 (Restrictions on Agricultural Easements and Recreational Open Space Areas), and Section 12.2 (Termination and Amendment) shall be effective unless consent thereto is obtained from the Board of County Commissioners of Teton County, Wyoming.

12.3 Severability. Should any part or parts of the Declaration be declared invalid or unenforceable by any Court of competent jurisdiction, such decisions shall not affect the validity of the remaining Covenants.


12.4 Repeal of the Act. In the event that the Act is repealed, the provisions of the Act immediately before its repeal shall control this Declaration. However, to the extent that the Bylaws of the Association differ from the Acts as repealed, the provisions of the Bylaws shall control.

12.5 Paragraph Headings. The paragraph headings in this instrument are for convenience only and shall not be construed to be a part of the Covenants contained herein.

DATED this 27th day of JUNE, 1987.

No-Pro Housing, a Wyoming Nonprofit Corporation

By:


Eugene Geritz, President

STATE OF WYOMING)

) ss.

COUNTY OF TETON)

The foregoing instrument was acknowledged before me by Eugene Geritz as President of No-Pro Housing, a Wyoming Nonprofit Corporation, this

27th day of June, 1997.

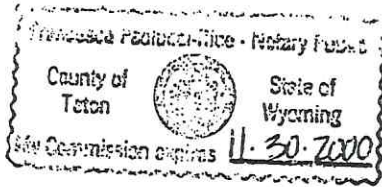
Witness my hand and official seal.

Francesca Puccio-Rice
Notary Public

My commission expires:

November 30, 2000

STATE OF WYOMING)
) SS.
COUNTY OF TETON)



AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS & RESTRICTIONS
THE TOWNHOMES AT MELODY RANCH

I. Pursuant to the authority granted by Article XII, Section 12.2 of the Declaration of Protective Covenants, Conditions and Restrictions for the Townhomes at Melody Ranch (The Declaration) recorded in the Office of the County Clerk for Teton County, Wyoming as Doc.# 0443086 Book 336 Page 1055-1116, recorded July 3, 1997, No-Pro Housing, a Wyoming Non-Profit Corporation, the Owner of all of the Lots, contained within the Melody Ranch Townhomes First Filing (the Subdivision), hereby declares that all of the lots and common area of The Subdivision, according to the plat thereof filed in the Office of the County Clerk for Teton County, Wyoming as Doc.# 0443080 Book 2 Maps Page 23 filed at 2:29 p.m. July 3, 1997 Plat #909, shall be held, sold and conveyed, subject to the following additional easements, restrictions, covenants and conditions, which shall be both a burden and a benefit to all of the property in The Subdivision, which shall be binding on all parties having any right, title or interest in The Subdivision or any part thereof, their heirs, successors and assigns, which are made for the purposes of protecting the value and desirability of the real property and the improvements located thereon and of clarifying and amplifying the provisions of The Declaration, and which shall be effective as of July 18, 1997 and shall apply to all lots within The Subdivision, regardless of whether such lots were conveyed by the Declarant before or after the execution and recording of these Amendments.

Except for those provisions of The Declaration which are herein specifically altered, amended or repealed, all of the provisions of The Declaration remain in full force and effect.

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ABSTRACTED	<input checked="" type="checkbox"/>
SCANNED	<input checked="" type="checkbox"/>

AMENDMENT NO. 1

ARTICLE 11 - INSURANCE, MORTGAGES AND RECONSTRUCTION,
SECTION 11.1 - INSURANCE, SHALL BE AMENDED TO READ AS FOLLOWS:

II.

Article 11 - Insurance, Mortgages and Reconstruction

11.1 Insurance The Owners shall obtain and maintain at all times insurance of the type and kind stated in this Declaration, and including, at the direction of the Management Committee, risk of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other projects similar in use, issued by responsible insurance companies authorized to do business in Wyoming. The fire and extended coverage insurance, including vandalism and malicious mischief, to be maintained as to the units shall also cover all fixtures, interior walls and partitions, decorated and finished surfaces of perimeter walls, floors, and ceilings, doors, windows, exterior walls, roofs, decks and porches and to the elements or materials comprising a part of the units. The insurances shall be carried in individual policy form naming the

Grantor: NO-PRO HOUSING
Grantee: THE PUBLIC
Doc 0444559 bk 337 pg 769-771 Filed at 4:00 on 07/23/97
v Jolynn Coonce, Teton County Clerk fees: 18.00
By LAMI KAI MATTHEWS Deputy

Owners as the insured, which policy or policies shall contain a standard non-contributory mortgage clause in favor of the first mortgagee, the maximum deductible shall conform to WCDA regulations where applicable, and a noncancellation clause (whether or not requested by the owners of units) providing that such policy or policies may not be canceled except upon thirty (30) days prior written notice thereof to the Management Committee, each first mortgagee, and every other person in interest who shall have requested such notice of the insurer.

The association may at its sole discretion obtain and maintain an additional blanket policy on all of the units conforming to the provisions set out above, naming the Management Committee the insured, as attorney-in-fact for all unit owners at their common expense.

The Management Committee, or the Manager, shall also obtain and maintain public liability insurance insuring each member of the Management Committee, the Manager, if any, the Association, and the owners against any liability to the owners or any other person incident to the ownership of or use of the project of any part thereof. Limits of liability under such insurance shall not be less than Three Hundred Thousand Dollars (\$300,000.00) for property damage for each occurrence. This is just the minimum amount, and it is expressly contemplated that Management Committee may, in its discretion, obtain insurance with higher limits and insurance against risks (such as earthquake damage) which are not specifically referred to herein. The Management Committee may also obtain insurance with relatively high deductible.

All insurance policies obtained by the Association itself should be reviewed at least annually by the Management Committee.

Each owner, upon becoming an owner, shall be deemed to have constituted and appointed, and does hereby so constitute and appoint the Management Committee as his true and lawful attorney-in-fact to act in all matters concerning the purchase and maintenance of all types of property and liability insurance pertaining to the project. Each owner does further hereby agree, without limitation on the generality of the foregoing, and each mortgagee, upon becoming a mortgagee or holder (as trustee or as beneficiary) of a deed of trust of a unit does hereby agree, that the Management Committee, as attorney-in-fact, shall have full power and authority, in addition to the powers above given, to purchase and maintain such insurance, and remit premiums therefor, to collect proceeds and to use the same, and distribute the same to the Management Committee, owners and mortgagees, as their interests may appear, all pursuant to and subject to applicable statutes and the provisions of this Declaration, and to execute all documents and do all things on behalf of each owner and Management Committee as shall be necessary or convenient to the accomplishment of the foregoing.

DATED this 18TH day of JULY, 19 97

No-Pro Housing, a Wyoming Nonprofit Corporation

By: [Signature]
Eugene Geritz, President

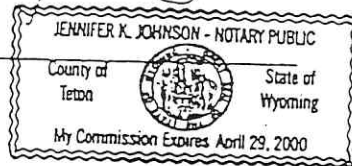
STATE OF WYOMING)
) ss.
COUNTY OF TETON)

The foregoing instrument was acknowledged before me by Eugene Geritz as President of No-Pro Housing, a Wyoming Nonprofit Corporation, this 18th day of July, 1997.

Witness my hand and official seal.

[Signature]
Notary Public

My commission expires:
STATE OF WYOMING)
) ss.
COUNTY OF TETON)



**SECOND AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
THE TOWNHOMES AT MELODY RANCH**

This Second Amendment to the Declaration of Protective Covenants for The Townhomes at Melody Ranch ("Second Amendment") regulating and controlling the use and development of certain real property known and described as The Townhomes at Melody Ranch, Teton County, Wyoming, according to that plat recorded in the Office of the Teton County Clerk on July 3, 1997 as Plat No. 909, Doc. # 0443080 Book 2 Maps Page 23, is made by the Townhomes at Melody Ranch Homeowners Association ("the Association"), a Wyoming non-profit corporation, of 727 Wind River Lane, Jackson, Wyoming, hereinafter referred to as "Declarant" and is made to be effective as of the date of approval by sixty-seven percent (67%) of the votes in the Association and upon the recording of certified copies of Affidavits of Acknowledgment, Approval and Acceptance of Covenant Amendments with the Teton County Clerk, Teton County, Wyoming. This Amendment to the Declaration of Protective Covenants for The Townhomes at Melody Ranch (the "Declaration") shall amend that Declaration dated June 27, 1997 and recorded July 3, 1997 as Doc. # 0443086 in Book 336 of Photo, page 1055 to 1116, in the Office of the Teton County Clerk, Teton County, Wyoming and that Amendment to Declaration ("First Amendment") dated July 18, 1997 and recorded July 23, 1997 as Doc. # 044559 in Book 337 of Photo, page 769 to 771, in the Office of the Teton County Clerk, Teton County, Wyoming. The Declarant is adopting the following Amendment to the Declaration, and previous amendments thereto, pursuant to and in accordance with Article 12, Section 12.2 of the Declaration, which allows the Declaration to be amended by the Owners of sixty-seven percent (67%) of the votes in the Association, of which there currently are twenty-four (24) votes. This Amendment does not seek to create a variance which is less restrictive than those contained in Sections 6.1, 6.5, 6.9, 6.11, 7.7, Article 8 or Section 12.2 of the Declaration of Protective Covenants. The purpose of this Second Amendment is to rescind that First Amendment dated July 18, 1997 in its entirety and reinstate the language of Article 11, Section 11.1 found in the original Declaration dated June 27, 1997 to require the Association and property owners of The Townhomes at Melody Ranch to carry a blanket insurance policy.

NOW, THEREFORE, Declarant hereby declares that all of the Property comprising the Subdivision shall be owned, held, sold, conveyed, encumbered, leased, used, occupied and developed subject to the Declaration of Protective Covenants, Conditions and Restrictions described above and as further amended by this Second Amendment to such Declaration, all of which are for the purpose of protecting the value and desirability of, and which shall run with, the real Property comprising the Subdivision and be binding on all parties having any right, title or interest in the described Property comprising The Townhomes at Melody Ranch, or any part thereof,

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SCANNED	

their heirs, successors and assigns, and shall inure to the benefit of each owner of any part thereof, with the foregoing described amendments being more particularly set forth as follows:

1. **INSURANCE MORTGAGES AND RECONSTRUCTION, Article 11.1 Insurance** is amended to read as follows:

The Association shall obtain and maintain at all times insurance of the type and kind stated in this Declaration, and including, at the discretion of the Management Committee, risk of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other projects similar in use, issued by responsible insurance companies authorized to do business in Wyoming. The fire and extended coverage insurance, including vandalism and malicious mischief, to be maintained as to the units shall also cover all fixtures, interior walls and partitions, decorated and finished surfaces of perimeter walls, floors, and ceilings, doors, windows and to the elements or materials comprising a part of the units. The insurances shall be carried in blanket policy form naming the Management Committee the insured, as attorney-in-fact for all the unit owners, at their common expense, which policy or policies shall contain a standard non-contributory mortgage clause in favor of each first mortgagee, and a non cancellation clause (whether or not requested by the owners of units) providing that such policy or policies may not be canceled except upon thirty (30) days prior written notice thereof to the Management Committee, each first mortgagee, and every other person in interest who shall have requested such notice of the insurer. The Management Committee, or the Manager, shall also obtain and maintain public liability insurance insuring each member of the Management Committee, the Manager, if any, the Association, and the owners against any liability to the owners or any other person incident to the ownership of or use of the project of any part thereof. Limits of liability under such insurance shall not be less than Three Hundred Thousand Dollars (\$300,000.00) for property damage for each occurrence. This is just the minimum amount, and it is expressly contemplated that Management Committee may, in its discretion, obtain insurance with higher limits and insurance against risks (such as earthquake damage) which are not specifically referred to herein. The Management Committee may also obtain insurance with relatively high deductible. Owners are encouraged to carry their own insurance (and to require renters insurance for rental units) to cover their possible liability for payment of damages, such as the deductible amount, which is not insured by the Association itself. All insurance policies obtained by the Association itself should be reviewed at least annually by the Management Committee.

Each owner, upon becoming an owner, shall be deemed to have constituted and appointed, and does hereby so constitute and appoint the Management Committee as his true and lawful attorney-in-fact to act in all matters concerning the purchase and maintenance of all types of property and liability insurance pertaining to the project. Each owner does further hereby agree, without limitation on the generality of the foregoing and each mortgagee, upon becoming a mortgagee or holder (as trustee or as beneficiary) of a deed of trust of a unit does hereby agree, that the Management Committee, as attorney-in-fact, shall have full power and authority, in addition to the powers given above, to purchase and maintain such insurance, and to remit premiums therefor, to collect proceeds and to use the same, and distribute the same to the Management Committee, owners and mortgagees, as their interest may appear, all pursuant to and subject to applicable statutes and the provisions of this Declaration, and to execute all documents and do all things on behalf of each owner and the Management Committee as shall be necessary or convenient to the accomplishment of the foregoing.

2. All of the rest and remainder of the Declaration of Protective Covenants for The Townhomes at Melody Ranch shall remain unchanged and in full force and effect.

3. This Amendment shall take effect immediately as of the date of approval by sixty-seven percent (67%) of the votes in the Association and upon the recording of certified copies of Affidavits of Acknowledgment, Approval and Acceptance of Covenant Amendments with the Teton County Clerk, Teton County, Wyoming.

4. These Amendments shall be effective with respect to all lots owned by Declarant and all lots previously conveyed, the owners of which have joined in and adopt these Amendments by execution of a recordable instrument signifying adoption of these Amendments.

DATED this 14th day of March, 2000.

THE TOWNHOMES AT MELODY RANCH
HOMEOWNERS ASSOCIATION, a
Wyoming Non-Profit Corporation

BY: Kevin Tippetts
Kevin Tippetts, its President

ATTEST:

BY: Julie Klomprens
Julie Klomprens, Secretary

STATE OF WYOMING)
) ss.
COUNTY OF TETON)

The foregoing instrument was acknowledged before me by KEVIN TIPPETS and JULIE KLOMPARENS, before me and to me known to be the persons that executed the foregoing as President and Secretary, respectively, of The Townhomes at Melody Ranch Homeowners Association, and severally acknowledged that they executed the foregoing as such officers in the name of and on behalf of said corporation this 14th day of March, 2000.

Witness my hand and official seal.



Dale E. Barbours
Notary Public

My Commission Expires:

4/23/2003