

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

THE DAIRY SUBDIVISION

This is a Declaration of Covenants, Conditions and Restrictions regulating and controlling the use and development of real property, made effective this 1st day of May, 1987, by Four Lazy F Ranch, a Wyoming corporation, hereinafter referred to as "Declarant".

Section 1. Purpose. Declarant is the owner of certain real property located in Teton County, Wyoming, which property is more particularly described in Exhibit "A" attached hereto and made a part hereof, and which is sometimes referred to hereafter as "the property". The property has been platted as The Dairy Subdivision, with the plat having been filed in the office of the County Clerk of Teton County, Wyoming. The property contains significant wildlife habitat and is of high scenic and natural value, and Declarant is adopting the following covenants, conditions and restrictions to preserve and maintain the natural character and value of the property for the benefit of all of the owners of the property or any part thereof.

Section 2. Declaration. Declarant hereby declares that the property described in Exhibit "A" attached hereto, and any part hereof, shall be owned, sold, conveyed, encumbered, leased, used, occupied and developed subject to the following covenants, conditions, and restrictions, which are sometimes referred to hereafter as "the Covenants". The Covenants shall run with the property and any lot thereof, and shall be binding upon all parties having or acquiring any legal or equitable interest in or title to property, and shall inure to the benefit of all of the owners of the property or any part thereof.

Section 3. Definitions. The following terms and phrases used in these Covenants shall be defined as follows:

(a) "Common Road" means the private roadway system within the property which provides access to individual lot lines, which consists of three private roads called Creamery Lane, Dairy Lane, and Red House Road.

(b) "Common Services" means roadway maintenance, and snow removal services, utility line maintenance, repair services for the Common Road, including any bridge(s) and the utility lines located in the Common Road, on and across the property.

Recorded	6-4	1987	at	11:30	AM
in Book	190	of Photo	Page	91-105	
No.	272885			\$32.00	pd
V.	Jolynn Gounce			County Clerk	
by	<i>[Signature]</i>			Dep.	

RECORDED	<input checked="" type="checkbox"/>
COMPLETED	<input checked="" type="checkbox"/>
INDEXED	<input checked="" type="checkbox"/>
ABSTRACTED	<input type="checkbox"/>

(c) "Design Committee" means the committee as created in paragraph 6 hereof and appointed by the Board of Directors of the Association which is responsible for issuing building permits, enforcing the Development and Use Regulations in conjunction with the Board of the Association and any other responsibilities delegated to it by the Board.

(d) "Development" means any alteration of the natural land surface, including vegetation, streams, waterways, and all buildings, structures, or other site improvements, placed on the land to accommodate the use of a lot.

(e) "Lot" means any portion of the property as shown on a recorded plat/map and described as such, or as created by a lot split or lot combination.

(f) "Owner" means the record owner of a lot, including a contract purchaser, but excluding anyone having interest in a lot as security for the performance of an obligation.

(g) "Principal Residence" means the single family residential structure, constructed on any lot of the property, which is the principal use of such lot and to which other authorized structures on such lot are accessory.

(h) "Property" means the real property described in Exhibit "A" attached hereto and made a part hereof.

(i) "Structure" means anything built or placed on the ground, including but not limited to buildings, but specifically excluding fences.

(j) "Improvement Area" means the portion of a lot upon which all authorized structures shall be constructed. The Improvement Area shall consist of no more than five (5) contiguous acres and shall be identified at the time the first building permit is requested for a Lot from the Design Committee.

(k) "Association" means a non-profit corporation, which is responsible for the administration and enforcement of these covenants.

(l) "Open Space Area" means all the remaining portion of each lot which is preserved for open space, wildlife habitat, agriculture, or pasture only. This shall be interpreted to mean all portions of each lot except the Improvement Area.

(m) "Guest House" means a structure not exceeding 800 square feet in size used exclusively for the housing of non-paying visitors and guests of the Principal Residence.

(n) "Barn" means a structure for the storage of feed and ranch products and equipment and for the housing of those ranch animals specifically allowed under these Covenants and where human habitation is not permitted.

Section 4. ASSOCIATION. (A) A non-profit Homeowners Association shall be created by the Declarant and every person or entity who is a record owner of a fee interest in any lot which is subject by these covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to

assessment. The rights, duties, assessments and other obligations of the Association shall be governed by these Covenants and by the Articles of Incorporation and Bylaws of such Association. The Association shall have all of the powers set forth in the Articles of Incorporation, together with its general powers as a non-profit corporation, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, Bylaws and these Covenants, and to do any and all lawful things which may be authorized, required or permitted to be done by the Association. The Association shall accept ownership of any common services that may be deeded or dedicated by the Declarant to the Association.

(B) Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all owners with the exception of the Declarant and shall be entitled to two votes for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than two votes be cast with respect to any lot. Should any lot be split or divided as provided in Section 8 below, each resulting lot shall only be entitled to one vote per lot, with each vote being cast in accordance with the above provisions. Should any two contiguous lots be combined as provided in Section 8 below, the resulting larger lot shall be entitled to the number of votes which each individual lot had prior to the combination, with those votes being cast in accordance with the above provisions.

Class B. The Class B members shall be the Declarant or a successor named by it and shall be entitled to five (5) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(2) On January 1, 2005.

Section 5. Building Permit Required. No building, structure, driveway, fence or improvement of any kind shall be erected, placed, altered, added to, reconstructed or permitted to exist or remain on any lot, and no construction activities or removal of trees or other vegetation shall be commenced until a building permit has been issued therefor by the Design Committee, which building permit is supplemental and in addition to the

regulations of Teton County, Wyoming, or any other regulatory agency having jurisdiction over the property.

(a) Three sets of plans and specifications for any lot improvement or alteration, including tree removal, shall be submitted to the Design Committee. The plans shall include a plot plan indicating the portion of the lot proposed as the Improvement Area upon which development approval is requested. Sufficient information shall be submitted to demonstrate compliance with all of the requirements of these Covenants.

(b) The Design Committee shall review the plans and specifications within 30 days of the submission of all necessary plans and information required by the Design Committee, and determine if the proposed use or development conforms to the requirements of these Covenants. The failure of the Design Committee to review the plans and specifications or provide any response within said 30 day period shall result in the approval of the plans and specifications as submitted. The Design Committee may approve plans and specifications subject to any conditions or modifications which the Design Committee determines to be necessary in order to ensure conformity with the requirements of these Covenants. The Design Committee shall retain one set of plans, specifications and plot plan. Approval will be issued by written statement from the Design Committee. Any approved plans may not be changed before, during or after construction of a structure unless first submitted and approved by the Committee.

(c) The Design Committee may charge a reasonable fee for reviewing plans and specifications submitted to secure a building permit. If it is deemed necessary by the Committee to retain professional services to review any plans or specifications, the Committee may also charge for these services.

Section 6. Design Committee. The Design Committee shall consist of three members, all of which shall be appointed by the Board of Directors of the Association, for terms as established by the Board. The Design Committee may act only upon the affirmative vote of two (2) members and any such act shall constitute an act of the entire Committee. The Design Committee may adopt rules and regulations as deemed necessary to the performance of their responsibilities, provided said rules and regulations are not in conflict with those adopted by the Association. Changes or amendments may be made to enable this committee to function smoothly and execute the duties as herein described, such rules or bylaws shall be available to all owners upon request.

(a) Authority and Duties. The Design Committee shall be responsible for reviewing construction plans and specifications, issuing building permits, and take all other actions necessary to carry out the responsibilities delegated to them by the Association.

(b) Meetings. The Design Committee shall meet from time to time as it deems necessary.

(c) Limitation of Liability. Neither the Design Committee nor any member thereof shall be liable to any party for any action or inaction with respect to any provision of these Covenants, provided that such Design Committee or member thereof has acted in good faith. All members of the Design Committee shall be indemnified and held harmless by the property owners and Association from liability, damages and expenses for any decision or action they may make while acting within the scope and course of their duties.

Section 7. Development and Use Restrictions. All

development and use shall conform to the following requirements:

(a) Provisions in Addition to County Land Use Regulations. Conformity with any and all applicable land use regulations of Teton County or any other regulatory agency having jurisdiction over the property shall be required, in addition to the requirements of these Covenants. In case of any conflict, the more stringent requirements shall govern.

(b) Authorized Use. Only single family residential use shall be permitted, together with any other use as may be hereinafter set forth. The residential use shall be limited to the improvement area of each lot. No more than one family, including its servants and transient guests, shall occupy such residence.

(c) Prohibited Uses. No commercial, industrial or other non-single family residential use whatsoever shall be permitted; however, up to a maximum of 25% of the usable floor area of a dwelling may be used for certain home occupations such as a studio, workshop, for artistic pursuits, recreational and such other endeavors not requiring access to the premises by the general public nor requiring the employment of labor other than the owner. The Declarant, its successors or assigns, shall have the right to construct a sales office with road access thereto, for the purpose of assisting in the marketing of the development. The Declarant shall also have the right to continue all uses and activities presently existing on lot 3 without constituting any violation of the Covenants. But no other manufacturing or commercial enterprise of any type shall be maintained upon the premises. The above notwithstanding, haying, farming, and other agricultural activities may be performed on the property and such activity shall not be considered a commercial operation, even if the harvest therefrom is sold or otherwise consumed for commercial purposes, provided, however, that there shall be no "high density" animal, poultry, fowl, fish or other high intensity commercial farming activities allowed on the Property whatsoever.

(d) Authorized Structures. No building or other structure shall be constructed, placed or maintained on any lot, except one single family residence, with either an attached or detached garage, one guest house, one barn, and fencing.

(e) Improvement Area. All structures shall be constructed within a five (5) contiguous acre area on a lot. No structures or development activities shall be permitted on any lot outside of the Improvement Area. Further, no improvement area shall be contiguous to an adjacent owner's improvement area to the extent that it interferes with game/wildlife patterns.

(f) Construction. No used or pre-fabricated materials shall be permitted in the construction of any structure, except that the Design Committee at its sole discretion may vary this provision and permit those structures deemed appropriate and compatible with the western design of the development, provided it cannot be distinguished from conventional construction. Any structure built for crossing of ditches, creeks or waterways shall be of clear-span, bridge type design or appropriate sized culverts as determined by the Design Committee. All construction shall be completed within one year from the commencement date of construction, unless the Design Committee approves an extension for good cause, not to exceed six months in length. The color of external materials will be generally subdued to blend with the colors of the natural landscape. Earth tones, generally muted, are recommended, although occasionally accent colors used judiciously and with restraint may be permitted. Exterior surfaces will be generally of natural materials that blend and are compatible with the natural landscape. All roofs shall be either cedar shakes, asbestos composition or earth tone metal, the exact material, color and texture must be approved by the Design Committee. No maximum or minimum roof pitch is specified, but approval by the Design Committee will be based on the visual impact of the roof on the lot or on neighboring lots, dwellings, roads and open spaces. The overall appearance of the structure will be an important consideration.

(g) Height Limitations, Setbacks, Floor Area Requirements. No building shall be greater than 30 feet in height nor shall it exceed two stories, a below grade basement shall not be considered a story. Building height shall be measured from existing grade to the highest point of the roof structure, but shall not include chimneys, vents or solar collectors. The Design Committee shall have absolute discretion in determining from what point at existing grade the building height shall be measured. All structures shall be built to meet county setback requirements. The principal residence shall have a minimum floor area of 1,200 square feet unless a smaller floor area is permitted by the Design Committee. In placing the structures within the Improvement Area, the basic criterion will be the compatibility of the structures with the specific lot. Particular attention will be given to the appearance of the structures from the open spaces, other lots and roads. The Design Committee intends to discourage the construction of any structure which would appear excessive in height when viewed from the open spaces, other lots or roads.

(h) Boundary Fences. Boundary fences around the exterior lot line of any lot shall be limited to the following types: buck and rail, post and rail, and up to five strand barbwire. Any other type of fence that may be desired must be submitted to the Design Committee for prior approval.

(i) Utilities. Electrical, telephone and any other utility lines will be installed underground primarily in the Common Road, or on other property if necessary. The only exception to the underground utility requirement will be for an electric power pole(s) used to bring electricity to the property across an established public road(s). Any utilities using this pole(s) shall go underground from such pole(s) to service the property. Connections from Improvement Areas to the underground utility lines shall be completed at the lot owner's expense, and shall be underground.

(j) Prohibited Structures. No trailer home , mobile home, camper, garage, outbuilding, or any other structure of a temporary or mobile nature, shall be used within the property as a place of residence or habitation, either temporarily or permanently, and except as the same may be customarily employed by contractors for and during the construction of improvements thereon, no house, trailer, camper trailer, tent, shack or any other structure of a temporary or insubstantial nature shall be erected, placed or be permitted to remain on any lot within the property. The term "trailer home" or "mobile home" as used herein shall mean any building or structure with wheels and/or axles and any vehicle, used at any time, or constructed so as to permit its being used for the transport thereof upon the public streets or highways and constructed in a manner as to permit occupancy thereof as a dwelling or sleeping place for one or more persons, and shall also mean any such building, structure or vehicle, whether or not wheels and/or axles have been removed, after such building, structure or vehicle has been placed either temporarily or permanently upon a foundation.

(k) Maintenance. Each lot and all improvements thereon shall be maintained in a clean, safe and sightly condition. Boats, tractors, vehicles other than automobiles, campers, whether or not on a truck, snow removal equipment, and garden or maintenance equipment shall be kept at all times, except when in actual use, completely screened from view. No junk or inoperative cars or trucks shall be parked on any lot. Refuse, garbage and trash shall be kept at all times in a covered container, and any such container shall be kept within an enclosed structure or appropriately screened from view. No lumber, grass, shrub or tree clippings plant waste, metals, bulk materials or scraps or refuse or trash shall be kept, stored or allowed to accumulate on any lot. No skinned hides shall be permitted to be hung across fences.

(l) Livestock-Pets. No livestock, pets, or other animal shall be kept or maintained on any lot except as provided herein. Any livestock, pets or other animal permitted to be kept on a lot shall be restrained and controlled at all times so that they do not cause a nuisance to neighboring lot owners, and so that the presence or activity of any such livestock, pet or other animal does not harrass or endanger wildlife. Cats or other housepets which are normally kept and maintained indoors shall be permitted on any lot. Not more than one large animal for each 5 acres of land owned shall be allowed on any lot. For purposes of this condition, large animal shall mean any animal, except a dog, in excess of 50 pounds. All grazing activity shall be done in a good husbandry like manner so as not to cause the destruction of natural forage, brush or tree species. If the grazing is not conducted in a good husbandry like manner or the grazing would result in the destruction of natural forage, brush, wild flowers or tree species, all as determined in the sole discretion of the Design Committee, said Committee shall have the right to require either the immediate removal of the animals from the lot or the immediate construction of an approved stable or corral facility to confine the animals. Under appropriate circumstances, more than one large animal for each 5 acres owned may be permitted to graze on any lot, provided written approval with appropriate conditions is first received from the Design Committee. Approved stable or corral facilities are required so as to limit grazing to protect the natural forage. The corral or confinement areas shall be limited to 1/2 acre in size on each lot. Not more than 2 dogs may be kept on any lot. If any dog(s) are caught or identified chasing or otherwise harrassing livestock, wildlife or

people, any member of the Design Committee or Board of Directors 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 not more than \$50.00 for the first offense, \$100.00 for the second offense, and \$200.00 for the third and each succeeding offense, plus all costs of impoundment.

(m) Noxious or Offensive Activities. No noxious or offensive activity shall be permitted on any lot. No unreasonably loud or annoying noises, or noxious or offensive odors shall be emitted beyond the lot line of any lot.

(n) Signs. No signs or advertising devices shall be erected or maintained on any lot, except signs which either identify the owner or advertise the lot for sale. No signs shall exceed three (3) square feet. All ownership signs shall be of native wood design and approved by the Design Committee. Each lot shall have a sign at the driveway entrance to the lot which shall contain at a minimum the street name and number of the address of the lot.

(o) Lighting and Antennae. No light shall be emitted from any lot which is unreasonably bright or causes unreasonable glare for any adjacent lot owner. However, exterior lighting that is subdued and whose light source is not visible from adjoining dwellings may be permitted by the Committee for such purposes as illuminating entrances, decks, parking areas, and other purposes approved by the Committee. In all cases, exterior lights are subject to the prior approval of the Committee. No "ranch" lights which illuminate a general, unimproved yard area will be permitted. There shall be no antenna of any sort maintained or installed which is visible from another lot or the Common Roadway.

(p) Sewage Disposal. Each residential building shall be connected to a private sewage disposal system at the owner's sole expense, and such sewage disposal system shall conform to all applicable standards of the State of Wyoming, Teton County or other regulatory agency. No out-door toilets shall be permitted.

(q) Common Road. The Common Road shall be private and each lot owner shall be responsible for an equal portion of the snow removal and maintenance costs for said road, as costs are incurred at the initiation of the Board of Directors of the Association. Example: Total maintenance and/or snow removal costs shall be pro-rated to owners by dividing total cost by number of lots in the development.

(r) Snowmobiles and Motorcycles. Snowmobiles, motorcycles or similar vehicles may be operated on the property provided such use does not constitute a nuisance. In determining whether a snowmachine or motorcycle constitutes a nuisance, the following factors may be taken into account: noise (particularly a noise level above the manufacturer's production limits), dust, public safety, and time and extent of such use. All use may be terminated by the Design Committee or the Board of Directors of the Association if the use of such vehicles is determined to be a nuisance.

(s) Landscaping. It is the intent of these Covenants, in the construction of all improvements within the property, that care be exercised not to unduly disturb the natural landscaping thereof, and within twelve (12) months after the construction or removal of any such improvement, the landscaping on the unimproved part of the property disturbed or destroyed during construction shall be restored by the

planting of grasses, trees or shrubbery of appropriate character and type. Native trees and timber shall not be removed from any lot within the property except as may be deemed necessary by the Design Committee for the construction of authorized buildings and improvements.

(t) Excavation, Dredging and Mining. No excavation for stone, sand, gravel, rock, earth or other material may be made on any lot, except for such excavation as may be necessary in connection with the erection of a permitted building thereon. There shall be no excavation or other activity allowed which would create a pond, lake or otherwise divert or block the flow of irrigation water from down stream users. A lot owner may petition the Design Committee for permission to construct a pond or lake on a lot. The Design Committee may approve or deny the request at its sole discretion. If such request is approved, it must contain a condition requiring approval by the Wyoming State Engineer's Office, plus all other regulatory agencies having jurisdiction over the subject matter. There shall be no dredging, filling or any other activity associated with the irrigation ditches running through the Property without the prior written approval of the Design Committee or the Board of Directors of the Association, which may approve the request with conditions, or deny the request at its sole discretion. Oil and gas drilling may be conducted on the property, provided approval for such activity is first given in writing by the Design Committee or Board of Directors of the Association. The Design Committee or Board of Directors, in their sole discretion may impose any conditions they deem necessary to minimize the environmental, visual and noise impacts of such activity. While oil and gas drilling activity may be conducted on the property, there shall be no storage, development or processing of oil or gas products allowed on the property.

(u) Wildlife Protection. It is recognized and acknowledged by the Declarant and the purchasers or owners of any lot within the property, that many wildlife species live on or migrate through the property during various times of year. The following limitations on use and development are intended, in addition to all the other requirements of these covenants, to protect, preserve and maintain the existing wildlife and fish habitat on the property and to minimize the adverse effects of development on wildlife and fish habitat:

(1) Man caused alteration of existing wildlife habitats should be kept at a bare minimum.

(a) Existing vegetation should be retained in as near its original form as possible.

(b) Housing site vegetation removal should be only when necessary.

(c) Road (driveway) cuts and fills kept at a bare minimum.

(d) Riparian and stream vegetaton must be protected and maintained at the existing level.

(2) 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 properly enclosed area within the Improvement Area.

(3) No hunting shall be allowed on the property; however, appropriate animal control measures may be implemented when deemed necessary by the Board of Directors of the Association.

(4) No activity beyond what is contemplated in these covenants, shall be allowed on any lot which unreasonably disturbs or harrasses wildlife.

(5) Because wildlife specified are year long residents in this area there may be some damage to vegetation, fences, etc. Wildlife should be given every possible consideration and should not be held accountable for their actions. The residents of this development understand that wildlife species are in this area and accept the risk factor and agree not to seek any type of compensation for damage to vegetation, fences, etc.

(6) Moist and wetland areas such as marshes, bogs, and etc., should be retained in as near their original condition as possible. These areas are extremely important to a large variety of wildlife.

(7) The State of Wyoming Game & Fish Department shall be allowed access to all lots for the sole purpose of herding or removing wildlife from the property. The Game & Fish Department, through its employees or agents, may remove those portions of any fence on the property deemed necessary, in order to facilitate the removal of wildlife from the property. Upon removal of the wildlife, the Game & Fish Department shall immediately reconstuct the fence to as near its original condition as possible. The Game & Fish Department shall not be liable for the cost of any damage to any fence provided they acted in a reasonable manner and with due care in removing the fence.

(8) No cutting of live trees is allowed whatsoever on the property without the express written approval of the Design Committee, and then only those trees within the improvement area may be authorized for removal which are clearly interfering with the location of a permitted structure.

(9) The only type of fishing allowed on the Property is fly fishing, using only artificial flies. All fishing shall be based on the catch and release method so that all fish caught and not killed by hauling and landing are returned immediately to the water. If in the opinion of the Board of Directors of the Association, the fishing pressure becomes significant, the Board shall have the right in its sole discretion to restrict the fishing on the Property to prevent overfishing. Any property Owner may stock a pond or other water body located on his property; however, only native Snake River Cuthroat Trout may be used.

Section 8. Property Subdivision Structures. Once sold by the Declarant, no lot within the property shall be further divided, subdivided or split, except in conformity with this paragraph 8. Each original lot within the development may be divided or split once, provided that neither of the two resulting lots is less than ten (10) acres in size, and further provided that the record owner makes such election in writing and first receives written approval from the Design Committee. Following any lot division or split, both resulting lots shall be treated in the same manner as the original lot for purposes of these

Covenants, except that the resulting two lots shall only have one vote each as provided in Section 4(B) above. Once any lot is divided or split, neither of the two resulting lots may be divided or split again. Two or more contiguous lots, if owned by the same record owner, may be combined as one larger lot for the purpose of applying these Covenants, provided that the record owner makes such election in writing and first receives written approval from the Design Committee, and a Unity of Title or other appropriate instrument combining such lots is duly recorded in the office of the County Clerk, in Teton County, Wyoming. Following the combination of any lots the resulting larger lot shall have the number of votes which each individual lot had prior to the combination, as provided in Section 4(B) above.

Section 9. Violations-Enforcement-Costs. The limitations and requirements for land use and development set forth in these Covenants shall be enforceable by the Board of Directors of the Association, Design Committee members or any owner of a lot within the property. Every owner of a lot within the property hereby consents to the entry of an injunction, judgement or lien against him or her or his or her tenants or guests, to terminate and restrain any violation of these covenants or for the nonpayment of assessments due. Any lien imposed for nonpayment of assessments may carry interest at the highest rate allowed by law for consumer loans, plus all costs and attorney's fees. Any lot owner who uses or allows his or her lot to be used or developed in violation of these covenants further agrees to pay all costs incurred by the Board of Directors of the Association, Design Committee or other lot owner in enforcing these Covenants, including reasonable attorneys' fees.

Section 10. Indemnification. The costs to the Association shall include all costs to indemnify and save harmless Declarant, Design Committee, the officers and Board of Directors of the Association and agents thereof, their successors and assigns, from and against any and all claims, suits, action, damages

and/or causes of action arising from any personal injury, loss of life and/or damage to property sustained on or about the property, if any, or any appurtenances thereto or arising out of the installation, operation or maintenance of Common Services from and against all costs, counsel fees, expenses and liabilities incurred in and about any such claim, the investigation thereof or the defense at any levels of any action or proceedings brought thereon, and from and against any orders, judgements and/or decrees which may be entered therein. Included in the foregoing provisions for indemnification are any expenses that Declarant, Design Committee, officers and Board of Directors of the Association and agents thereof, their successors and assigns, may be compelled to incur in bringing suit for the purpose of enforcing rights hereunder, or for the purpose of compelling the specific enforcement of the provisions, conditions, covenants and restrictions contained in these Covenants.

Further, the costs to the Association of indemnifying the Declarant, Design Committee, officers and Board of Directors of the Association shall include all costs and expenses whatsoever incurred in the pursuance of their duties, obligations and functions hereunder and in any legal defense of such actions (including, without limitation, counsel fees and costs at all levels of any trial or proceeding, costs of investigation and discovery, and recovery, etc.).

Section 11. Grants and Reservations of Easements. The declarant hereby grants and reserves for its benefit and all users the following easements on the property:

(a) An easement for ingress and egress access on, over and across the Common Road within the property which is to be private, for the use and benefit of, and appurtenant to the property, all lot owners, their guests, invitees and licensees and other individuals or entities as may from time to time be granted permission to use the Common Road by the Board of the Association. No lot owners, their guests, invitees or licensees shall use the Common Road in any way that will impair the rights of others to use it, and shall not obstruct passage thereon in any way.

(b) An easement or easements on, upon, across, through and under the Common Road (which easement may include reasonable rights of access for persons and equipment necessary to accomplish such purposes) to provide service and repair and maintain the equipment required to provide utility services including, without limitation, electric, telephone, cable television, and drainage and any other underground utility or service for the benefit of the lot owners.

(c) The use and maintenance of the Common Road shall be under the exclusive jurisdiction and control of the Board of Directors of the Association.

(d) An easement fifteen (15) feet in width on either side of all irrigation ditches currently located on and appurtenant to the Property for a total width of thirty (30) feet, to provide for the maintenance and repair of all irrigation ditches on the Property and for ingress and egress thereto for performing the purposes of this easement.

Section 12. No Implied Waiver. The failure of the Board of Directors of the Association to object to an owner's or other party's failure to comply with these Covenants (including any rules adopted) now or hereafter promulgated shall in no event be deemed a waiver by the Board or of any other party having an interest therein of its right to object to same and to seek compliance therewith in accordance with the provisions of these Covenants.

Section 13. Amendments and Modifications. These Covenants may be amended, modified or altered at any time after the initial 10 year period as provided in Section 14 below, by the written consent of the owners of 70% or more of the lots in the development, except for the wildlife protection restrictions as contained in Section 7 (u) and the restrictions limiting each original lot to only one lot division or split as contained in Section 8, which shall require the additional approval of the Board of County Commissioners of Teton County, Wyoming, unless the subdivision plat for the Property is vacated and/or the Master Plan (or any rights thereunder) in which this Property is included, is relinquished, withdrawn or terminated, in which case the Board of County Commissioners' approval shall not be required to amend any part or provision of Section 7 (u) or 8. The voting shall be in accordance with the requirements contained in Section 4(B) above. All such changes shall become effective on the date of recording in the County Clerk's Office for Teton County,

Wyoming. The above notwithstanding, the Declarant shall have the right, during such time as it owns not less than 20% of the lots in number, to change or modify this Declaration of Covenants and all lots within the property, including those previously sold, shall be subject to such changes.

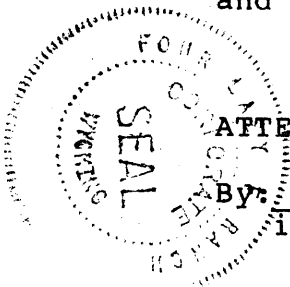
Section 14. Duration of Covenants. All of the covenants, conditions and restrictions set forth herein shall continue and remain in full force and effect for an initial period of ten (10) years after the date of recording of this Declaration of Covenants in the County Clerk's office for Teton County, Wyoming, subject to the right of amendment or modification provided in Section 13 above. After the initial 10 year period, this Declaration of Covenants is subject to automatic extension for successive periods of ten (10) years unless revoked by the owners of 70% or more of the lots within the property. This Declaration of Covenants may be revoked as provided herein at any time after the initial 10 year period. Any revocation shall become effective on the date of recording in the County Clerk's office.

Section 15. Severability. Any decision by a Court of competent jurisdiction invalidating any part or section of these Covenants shall be limited to the part or section affected by the decision of the Court, and the remaining part or paragraphs shall continue in full force and effect.

IN WITNESS WHEREOF, This Declaration of Covenants, Conditions and Restrictions is executed this 1st day of May, 1987.

FOUR LAZY F RANCH,
a Wyoming Corporation

By: Henry Oliver
its



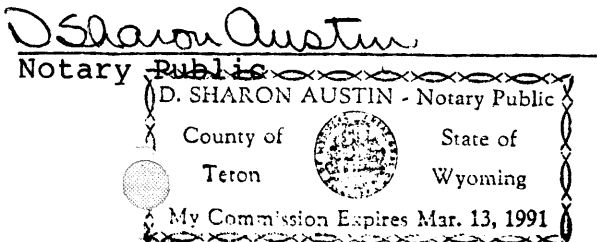
ATTEST:
By: Charles Oliver
its Secretary

STATE OF WYOMING)
)ss.
COUNTY OF TETON)

The foregoing instrument was acknowledged before me by Charles Oliver and Henry Oliver, and to me known to be the persons who executed the foregoing as President and Secretary, respectively, of Four Lazy F Ranch, and severally acknowledged before me that they executed the foregoing as such officers in the name of and for and on behalf of the said corporation this 1st day of May, 1987.

WITNESS my hand and official seal.

My Commission Expires: 3/13/91



DESCRIPTION OF
THE DAIRY SUBDIVISION

To-wit:

The Dairy Subdivision, a plat of record in the Office of the Clerk of Teton County, also described as follows:

Lots 1, 2, 3, 4, 5, 6, and 7, and the SW1/4NE1/4, SE1/4NW1/4, E1/2SW1/4NW1/4, NW1/4SE1/4, NE1/4SW1/4, SE1/4SW1/4, and SW1/4SE1/4, all in Section 1, T40N, R117W, 6th P. M., Teton County, Wyoming.

EXHIBIT "A"
to
Declaration of Covenants
Conditions and Restrictions for
The Dairy Subdivision

