

**FIRST SUPPLEMENTAL
DECLARATION
to the**

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

for

**MKGS TOWNHOMES
ADDITION TO THE
TOWN OF JACKSON**

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

**to
include the**

**MKGS CONDOMINIUMS
ADDITION TO THE
TOWN OF JACKSON**

and

DECLARATION OF CONDOMINIUM

Grantor: MKGS INVESTMENTS LLC
Grantee: THE PUBLIC
Doc #714851 bk 681 pg 434-449 Filed at 2:20 on 10/24/07
Sherry L Daigle, Teton County Clerk fees: 53.00
By NICHELE E. FAIRHURST Deputy

First Supplemental Declaration to the Declaration of Covenants, Conditions and Restrictions for MKGS
Townhomes Addition to the Town of Jackson

FIRST SUPPLEMENTAL
DECLARATION

TO THE

DECLARATION FOR
MKGS TOWNHOMES ADDITION
TO THE TOWN OF JACKSON

THIS FIRST SUPPLEMENTAL DECLARATION TO THE DECLARATION FOR MKGS TOWNHOMES ADDITION TO THE TOWN OF JACKSON (the "Supplemental Declaration") is made this 18th day of October, 2007, by MKGS Investments, LLC, a Wyoming limited liability company (hereinafter, with its successors and assigns, referred to as "Declarant").

WITNESSETH

WHEREAS, on July 27, 2007, Declarant filed that certain Declaration for MKGS Townhomes Addition to the Town of Jackson (the "Declaration") in the Office of the Clerk in Teton County, Wyoming in Book 672 of Photo, Pages 476 to 503; and

WHEREAS Declarant owns that real property shown on the Final Plat for MKGS Townhomes Addition to the Town of Jackson as recorded in the Office of the Clerk in Teton County, Wyoming as Plat No. 1208, including Lots 1 through 7 and all improvements located thereon (the "Properties"); and

WHEREAS, Declarant has vacated Lot 6 and a portion of Lot 7 and has replatted such real property as shown on the Final Plat for MKGS Condominiums Addition to the Town of Jackson as recorded in the Office of the Clerk in Teton County, Wyoming the same date hereof, as Unit 1 and Unit 2 and as Condominium Common Elements (collectively, Unit 1, Unit 2 and the Condominium Common Elements shall be referred to herein as the "Additional Property"); and

WHEREAS, pursuant to the terms of Section 9.1, Section 9.5 and Section 12.1 of the Declaration, Declarant may submit certain additional property to the terms of the Declaration and may amend the Declaration for the orderly development of the Properties; and

WHEREAS, Declarant desires to submit the Additional Property to the terms of the Declaration by executing and recording this Supplemental Declaration and to amend the Declaration as set forth herein for the orderly development of the Properties.

NOW, THEREFORE, pursuant to the powers retained by Declarant under the Declaration, Declarant hereby declares that the Additional Property shall be subject to the terms of the Declaration and Declarant hereby amends the provisions of the Declaration to facilitate the addition of the Additional Property to the covenants, conditions and restrictions of the Declaration, as set forth below:

First Supplemental Declaration to the Declaration of Covenants, Conditions and Restrictions for MKGS Townhomes Addition to the Town of Jackson

1. **Amendment to Section 2.23 of the Declaration.** Section 2.23 of the Declaration shall be deleted in its entirety and the following shall be inserted in lieu thereof:

2.23 Plat or Final Plat. Shall collectively mean the Final Plat of MKGS Townhomes Addition to the Town of Jackson and the Final Plat of the MKGS Condominiums Addition to the Town of Jackson as recorded in the Public Records.

2. **Amendment to Section 2.29 of the Declaration.** Section 2.29 of the Declaration shall be deleted in its entirety and the following shall be inserted in lieu thereof:

2.29 Unit or Units. Shall individually mean a Condominium Unit or a Townhome and shall collectively mean more than one Condominium Unit and/or Townhome.

3. **Amendment to Section 2.4 of the Declaration.** Section 2.4 of the Declaration shall be deleted in its entirety and the following shall be inserted in lieu thereof:

2.4 Common Elements or Common Area. "Common Elements" or "Common Area" shall mean those areas designated on the Final Plat as General Common Elements, Limited Common Elements – Yard, Limited Common Elements - Storage and Limited Common Elements – Parking and Limited Common Elements-Decking, in the aggregate, or a portion thereof, and all other real and personal property, including easements for access and utilities, which the Association owns, leases or in which it otherwise holds, or acquires in the future, possessory or use rights for the common use and enjoyment of the Owners.

4. **Amendment to Section 2.11 of the Declaration.** Section 2.11 of the Declaration shall be deleted in its entirety and the following shall be inserted in lieu thereof:

2.11 General Common Elements. Shall mean those areas designated as "General Common Elements" or "GCE" on the Final Plat.

5. **Additional Definitions.** The following definitions shall be inserted at the End of Article II:

2.30 Condominium Unit. Condominium Unit shall mean those certain individual air spaces as designated and delineated on the Final Plat for MKGS Condominiums Addition to the Town of Jackson as Unit 1 and Unit 2. Each Condominium Unit shall consist of that part of the building as bounded by the interior surfaces of the perimeter walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and the interior surfaces of built-in fireplaces, if any, as shown and numbered on the Final Plat for MKGS Condominiums Addition to the Town of Jackson. Each Condominium Unit shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of its finished surfaces and the exterior surfaces so described. All other portions of the walls, floors or ceilings shall be a part of the Condominium General Common Elements. In addition, each Condominium Unit shall include the following: (a) all spaces, nonbearing interior partitions and all other fixtures and improvements within the boundaries of the Condominium Unit; (b) all outlets, lines and ducts of utility service lines, including but not limited to power, light, gas, hot and cold water, heating and waste disposal, within the boundaries

of the Condominium Unit; and (c) all heating and hot water apparatus exclusively serving the Condominium Unit. The interior surfaces of a perimeter window or door means at the points at which such surfaces are located when such windows or doors are closed; the physical windows and doors themselves are part of the Condominium General Common Element as herein defined. This Declaration provides a means for ownership in fee simple of separate interests in the Condominium Unit together with an undivided fee simple interest in the Condominium Common Elements, as those terms are herein defined.

2.31 Condominium Common Elements. Shall mean the entire Condominium Project excepting the Condominium Units. Each Owner of a Condominium Unit shall own an undivided interest in the Condominium Common Elements as a tenant in common with all the other Owners of Condominium Units, and, except as otherwise limited in this Declaration, shall have the right to use the Condominium Common Elements for all purposes incident to the use and occupancy of his Condominium Unit which right shall be appurtenant to the Condominium Unit.

2.32 Condominium General Common Elements. Shall mean the entire Condominium project excepting all Condominium Units and Condominium Limited Common Elements as shown on the Final Plat for MKGS Condominiums Addition to the Town of Jackson. Without limiting the generality of the foregoing, the Condominium General Common Elements shall include (i) all pipes, ducts, flues, chutes, conduits, wires and other utility installations to (but not at) the outlets; and (ii) such component parts of walls, floors, ceilings, and other structures and installations as are outside of the Condominium Unit boundaries as delineated or described on the Final Plat for MKGS Addition to the Town of Jackson

2.33 Condominium Common Expense. The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of the Condominium Units, including any reasonable reserve, as the members may find necessary and appropriate pursuant to the Governing Documents.

2.34 Condominium Declaration. Shall mean the condominium declaration provision set forth in Article XIII of this Declaration applicable to Unit 1 and Unit 2 of this development.

2.35 Condominium Limited Common Elements. Condominium Limited Common Elements means those portions of the Condominium General Common Elements as described by Wyoming Statute § 34-20-103 for the exclusive use of one or more but fewer than all of the Condominium Units, and any limited common elements specifically allocated to Condominium Units as shown on the Final Plat for MKGS Condominiums Addition to the Town of Jackson, including but not limited to the Limited Common Elements-Parking, Limited Common Elements-Storage and Limited Common Elements- Decking and Limited Common Elements-Yard.

2.35 Project. The real property and all improvements set forth on the Final Plat for the MKGS Condominiums Addition to the Town of Jackson.

2.36 Townhome or Townhouse. Each residential structure located on Lots 1, 2, 3, 4 & 5 within the Properties. A "Townhouse" or "Townhome" may also be referred to herein as the other or as "Unit". A "Townhouse" and/or "Townhome" shall not include a "Condominium Unit".

6. **Article XIII - Condominium Declaration.** The following Article shall be inserted at the end of the Declaration as Article XIII:

ARTICLE XIII – CONDOMINIUM DECLARATION

13.1 Estates of an Owner. The Project is hereby divided into Condominium Units, each consisting of a separate interest in a Condominium Unit and an undivided interest in common in the Condominium Common Elements in accordance with the Final Plat of MKGS Condominium Addition to the Town of Jackson which sets forth the Condominium Common Elements appurtenant to each Condominium Unit. The percentage of ownership interest in the Condominium Common Elements which is to be allocated to each Condominium for purposes of taxes, assessments and other charges under Wyoming Statute § 34-20-104(a) and for purposes of liability shall be the same as set forth on **Exhibit "B"** attached hereto and incorporated herein. Such undivided interests in the Condominium Common Elements are hereby declared to be appurtenant to the respective Condominium Unit.

13.2 Title. Title to a Condominium Unit may be held or owned by an entity and in any manner in which title to any other real property may be held or owned in the State of Wyoming.

13.3 Inseparability. No part of a Condominium Unit or of the legal rights comprising ownership of a Condominium Unit may be separated from any other part thereof during the period of Condominium Unit ownership prescribed herein, so that each Condominium Unit and the undivided interest in the Condominium Common Elements shall always be conveyed, devised, encumbered, and otherwise affected only as a complete Condominium Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of a Condominium Unit shall be presumed to be a gift, devise, request, transfer, encumbrance, or conveyance, respectively, of the entire Condominium Unit, together with all appurtenant rights created by law or by this Declaration.

13.4 Partition Not Permitted. The Condominium Common Elements shall be owned in common by all owners of Condominium Units and no owner may bring any action for partition thereof.

13.5 Owner's Right to Condominium General Common Elements and Condominium Limited Common Elements. Subject to the limitations contained in this Declaration, each Owner of a Condominium Unit shall have the nonexclusive right to use and enjoy the Condominium General Common Elements shown on the Final Plat for MKGS Condominiums Addition to the Town of Jackson and defined herein. Each Owner shall have the exclusive right to use and enjoy the Condominium Limited Common Elements designated to such Owner on the Final Plat for the MKGS Condominiums Addition to the Town of Jackson.

13.6 Taxes and Assessments. Each Owner of a Condominium Unit shall execute such instruments and take such actions as may reasonably be specified by the Association to obtain separate real property tax assessments of the interest of each Owner in each Condominium Unit. If any taxes or special district or other assessments may, in the opinion of the Association, become a lien on the Project or any part thereof, the Association shall pay the same and assess the same to the Owner or Owners responsible therefore. Each Owner shall pay the taxes or assessments assessed against her/his Condominium Unit, or interest therein, or his/her interest in the Condominium Common Elements or any part of any or all of the foregoing. Each Owner shall pay all taxes, rates, impositions, and assessments

levied against the Project or any part of the Condominium Common Elements in proportion to her/his interest in the Condominium Common Elements, such payment to be made to the Association at least thirty (30) days prior to the delinquency of such tax or assessment. Each such unpaid tax or assessment shall bear interest at eighteen percent (18%) per annum from and after the time the same becomes payable by each Owner and shall be secured by the lien created by Section 8.8 hereof. Notwithstanding the foregoing, taxes, assessments, or other charges attributable to the Condominium Common Elements shall be apportioned among the Owners of Condominium Units in proportion to their interest in the Condominium Common Elements.

13.7 Owner's Rights with Respect to Interiors; Satellite Dishes and Temporary Structures. Except as provided in this Declaration, each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, or otherwise maintain, refinish, and decorate the interior surfaces of the walls, ceilings, floors, doors and clean the exterior and interior surfaces of the windows, all of which form the boundaries of his/her Condominium Unit and all walls, ceilings, floors, and doors within such boundaries. No temporary structures, such as trailers, tents, tepees, shacks or other similar buildings shall be permitted within the Project. Except as otherwise approved by the Board, only one 18" or smaller diameter satellite dish may be attached to the Condominium building and such dish shall be visually shielded from adjacent Lots with shielding approved by the Board before such satellite dish is installed.

13.8 Declarant's Right Incident To Construction. Declarant, and persons it shall select, shall have the right to ingress and egress over, upon, and across the Condominium Common Elements, the right to store materials thereon and to make such other use thereof as may be reasonably necessary incident to complete development of the Project.

13.9 Legal Description. Every contract for the sale of a Condominium Unit and every other instrument affecting title to a Condominium Unit may describe that Condominium Unit by the number shown on the Final Plat and this Declaration as each appears on the records in the Office of the Teton County Clerk, in the following fashion:

Unit _____ as shown on the Final Plat of MKGS Condominiums Addition to the Town of Jackson, appearing in the Records in the Office of the Teton County Clerk as Plat No. _____ as defined and described in the Declaration of the MKGS Townhomes Addition to the Town of Jackson recorded in the Records in the Office of the Teton County Clerk, in Book _____ of Photo at Pages _ to __, and the First Supplemental Declaration of the MKGD Townhomes Addition to the Town recorded in the Records in the Office of the Teton County Clerk, in Book _____ of Photo at Pages _ to _ and all supplements and amendments or supplements thereto.

Such description will be construed to describe the Condominium Unit, together with the appurtenant undivided interest in the Condominium Common Elements and to incorporate all the rights incident to ownership of a Condominium Unit and all the limitations on such ownership as described in this Declaration.

7. Amendment to Section 3.6 of the Declaration. The following sentence is hereby added to the end of Section 3.6:

Notwithstanding any other provision in this Declaration, each Condominium Unit shall be

First Supplemental Declaration to the Declaration of covenants, Conditions and Restrictions for MKGS Townhomes Addition to the Town of Jackson

Page 6

entitled to a maximum of no more than one Household Pet.

8. Amendment to Section 7.2 of the Declaration. Section 7.2 is hereby deleted in its entirety and the following is hereby inserted in lieu thereof:

7.2 Maintenance of Common Area.

(a) The Association shall maintain, repair and replace all utility services or other types of elements and easements which are utilized in common, such as, but not limited to, sewer or water lines, up to the connection point at the boundary of each Lot. The costs associated with maintenance, repair and replacement of the utility services shall be a Common Expense.

(b) The Association, acting through the Board, shall be obligated to maintain the landscaping and irrigation system located within the Common Elements. The costs associated with maintenance, repair and replacement of the landscaping and irrigation system located within the Common Elements shall be a Common Expense.

(c) The Association shall maintain, repair and replace the GCE-Drive and such expenses associated with such maintenance, repair and replacement shall be allocated equally to Lots 2, 3, 4, and 5 as a Special Assessment.

(d) The Association shall repair and replace all driveways located within LCE-Parking and such expenses associated with such repair and replacement shall be allocated to the Lots and/or Units as a Special Assessment.

(e) The Association, acting through the Board, shall be obligated to maintain the landscaping and irrigation system located within the Condominium Common Elements. The costs associated with maintenance, repair and replacement of the landscaping and irrigation system located within the Condominium Common Elements shall be a Common Expense.

(f) The Association, acting through the Board, shall be obligated to maintain the Condominium General Common Elements, including the maintenance, repair and replacement of the exterior of the Condominium building in accordance with the Community Wide Standard and such costs associated therewith shall be a Condominium Common Expense.

(g) The Association, acting through the Board, shall be obligated to maintain, repair and replace the Condominium Limited Common Elements and such costs associated therewith shall be a Condominium Common Expense.

Unless otherwise designated, the costs associated with the maintenance, repair and replacement of those items that it is obligated to maintain, repair and replace shall be a Common Expense; provided, if the Board reasonably determines that the maintenance, repair or replacement is necessitated by the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such maintenance, repair or replacement against such Owner(s) and their Lot(s) and/or Units as a Specific Assessment. Any expense associated with the maintenance, repair or replacement of improvements within a Limited Common Element shall be assessed as a special

assessment against the Lot(s) and/or Unit(s) to which the Limited Common Element is assigned.

9. Amendment to Article VI of the Declaration. Article VI of the Declaration is hereby deleted in its entirety and the following is inserted in lieu thereof:

ARTICLE VI – THE ASSOCIATION AND ITS MEMBERS

6.1 Function of Association. The Association shall be the entity responsible for management, maintenance, operation and control of the Common Area. The Association also shall be the primary entity responsible for enforcement of the Governing Documents. The Association shall perform its functions in accordance with the Governing Documents and the laws of the State of Wyoming. The Association shall be responsible for assessing the Condominium Common Assessment and shall be responsible for the management, maintenance and operation of the Condominium Common Elements as designated in this Declaration.

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

6.3 Voting. The Association shall have one class of membership. Members shall have one equal vote for each Lot and/or Condominium Unit in which they hold the interest required for membership under Section 6.2. All votes shall be cast as provided in Section 6.3(a).

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

(b) **Commencement of Voting Rights.** Voting rights as to each Lot and/or Condominium Unit shall vest upon the commencement of assessment obligations for such Lot and/or Condominium Unit.

Only Owners of Condominium Units may vote on matters regarding Condominium Units and/or the Condominium Common Assessments.

10. Amendment to Section 7.3(a) of the Declaration. The following is hereby added to the end of Section 7.3(a) as item (iv):

(iv) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all Condominium Units and insurable improvements within the Project. If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement costs of the insured improvements (including all Condominium Units) under current building ordinance and codes. The Declarant shall be named as an additional insured on all policies of insurance covering direct physical loss to any Condominium Unit. Premiums for all insurance on the Condominium Units under this Section shall be assessed against the Owners of the Condominium Units as a Specific Assessment the cost of which shall be divided pro-rata among the Owners of Condominium Units according to those percentages set forth on Exhibit "B".

11. Amendment to Section 7.3(c). The first sentence of the second paragraph of Section 7.3(c) is hereby deleted and the following shall be inserted in lieu thereof:

Damaged improvements on the property shall be repaired or reconstructed unless at least seventy-five percent (75%) of Members decide within sixty (60) days after the loss not to repair or reconstruct, provided, however, if the damaged improvements only affect the Condominium Units, then it will only be required for both Owners of the Condominium Units to decide within sixty (60) days after the loss not to repair or reconstruct.

12. Amendment to Section 8.1. The following shall be inserted to the end of the first paragraph of Section 8.1:

At least sixty (60) days before the beginning of each fiscal year, the Association shall prepare a separate condominium budget covering the estimated Condominium Common Expenses. The condominium budget shall reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Condominium Units, and the amount required to be generated through the levy of the Base Assessment. The Association is hereby authorized to levy the Base Assessments against the Condominium Units with the understanding that the Base Assessments for the Condominium Units will include both Common Expenses and Condominium Common Expenses. The Association shall deliver the condominium budget to the Owners of Condominium Units with the general budget. The Association may revise the condominium budget from time to time during the year, subject to the notice requirements and the limitations on increases of assessments provided for in Section 8.5.

13. Amendment to Section 8.1. The second sentence of the second paragraph of Section 8.1 shall be deleted in its entirety and the following sentence shall be inserted in lieu thereof:

The liability for Common Expenses described herein shall be allocated as follows: each Townhome shall be liable for 1/6 of the total and each Condominium Unit shall be liable for 1/12 of the total. Each Condominium Unit shall be liable for one-half of the Condominium Common Expenses.

14. Amendment to Section 8.2. The following shall be added to the end of Section 8.2:

The Association shall prepare and review at least annually a reserve budget for capital expenses of the Condominium Common Elements. The budget shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall include in the condominium budget adopted pursuant to Section 8.1, a capital contribution to fund reserves in an amount sufficient to meet the projected need with respect both to amount and timing by annual contributions over the budget period.

15. Amendment to Section 8.3. The following shall be added to the end of Section 8.3:

A Special Assessment may also be assessed against a Condominium Unit for unbudgeted Condominium Common Expenses.

16. Article XIV and Article XV. The following Articles shall be inserted at the end of the Declaration as Article XIV and Article XV:

ARTICLE XIV - MECHANIC'S LIEN RIGHTS

No labor performed or services or materials furnished with the consent of or at the request of a Owner of a Condominium Unit or his/her agent or her/his contractor or subcontractor shall be the basis for the filing of a lien against the Condominium Unit of any other Owner of a Condominium Unit, or against any part thereof, or against any other property of any other Owner of a Condominium Unit, unless such other Owner of a Condominium Unit has expressly consented to or requested the performance of such labor or furnishing of such materials or services. Such express consent shall be deemed to have been given by the Owner of any Condominium Unit in the case of emergency repairs thereto. Labor performed or services or materials furnished for the Project or any portion thereof, if duly authorized by the Association, shall be deemed to be performed or furnished with the express consent of each Owner of a Condominium Unit. Any Owner may remove his/her Condominium Unit from a lien against two or more Condominium Units or any part thereof by payment to the holder of the lien of the fraction of the total sum secured by such lien which is attributable to her/his Condominium Unit.

ARTICLE XV – MISCELLANEOUS

15.1 Construction by Declarant. Nothing in this Declaration, or any action taken by the Association, shall limit the right of Declarant to complete construction of improvements to the Lots, Common Elements, Condominium Common Elements and to Condominium Units owned by Declarant or to alter the foregoing, or to construct such additional improvements as Declarant deems advisable prior to completion and sale of the entire Properties. Such right shall include, but shall not be limited to, erecting, constructing, and maintaining on the Properties such structures and displays as may be reasonably necessary for the conduct of its business of completing the work and disposing of the same by sale, lease, or otherwise. This Declaration shall not limit, nor shall any action of the Association limit, the right of Declarant at any time prior to the sale of all Lots and Condominium Units by Declarant to establish on the Properties additional easements, reservations and rights of way to itself, to utility companies, or to others as may from time to time be necessary to the proper development and disposal of the Properties.

15.2 Obsolescence.

(a) **Adoption of a Plan.** The Owners of both Condominium Units may agree that the Project is obsolete and adopt a written plan for the renewal and reconstruction. Such plan shall be recorded in the records of the Office of the Clerk of Teton County, Wyoming.

(b) **Payment for Renewal and Reconstruction.** The expense of renewal or reconstruction shall be payable by all of the Owners as assessments against their respective Condominium Units. These assessments shall be levied in advance pursuant to this Declaration and shall be allocated and collected as provided for the allocation of expenses of Condominium Common Elements. Further levies may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction.

(c) **Sale of Obsolete Condominium Units.** If all of the Owners of the Condominium Units agree that the Condominium Units are obsolete and that the Project should be sold, such an agreement must have the additional approval of all first Mortgagees of record at the time such agreement is made. In such instance, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association the Project shall be sold by the Association as attorney-in-fact for all of the Owners free and clear of the provisions contained in this Declaration, the Final Plat for MKGS Condominiums Addition to the Town of Jackson and the Association Bylaws. The sale proceeds shall be apportioned among the Owners of the Condominium Units in proportion to their interest in the Condominium Common Elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall remain in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner of the Condominium Unit. From each separate account the Association, as attorney-in-fact, shall use and disburse the total amount of such accounts without contribution from one account to the other, first to Mortgagees and other lienors in the order of priority of their mortgages and other liens and the balance remaining to each respective Owner.

(d) **Distribution of Excess.** In the event amounts collected are in excess of the amounts required for renewal and reconstruction, the excess shall be returned to the Owners of the Condominium Units by the Association by a distribution to each Owner of a Condominium Unit in an amount proportionate to the respective amount collected from each such Owner.

15.3 Condemnation.

(a) **Consequences of Condemnation.** If, at any time or times during the continuance of the condominium ownership pursuant to this Declaration, all or any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions shall apply.

(b) **Proceeds.** All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

(c) **Complete Taking.** In the event that the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owners of Condominium Units in proportion to their ownership of General Common Elements as provided in **Exhibit "B"** hereto, provided that if a standard different from the value of the Project as a whole is employed to measure the

Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

On the basis of the principle set forth in the preceding paragraph, the Association shall as soon as practicable determine the share of the Condemnation Award to which each Owner of the Condominium Units is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable.

(d) **Partial Taking.** In the event that less than the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each Owner of a Condominium Unit shall be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable the Association shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds, and shall apportion the amounts so allocated among the Owners of the Condominium Units as follows: (a) the total amount allocated to taking of or injury to the Condominium Common Elements shall be apportioned among Owners according to their ownership of Condominium Common Elements as provided in **Exhibit "B"** hereto, (b) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned, (c) the respective amounts allocated to the taking of or injury to a particular Unit and/or improvements an Owner has made within her/his own Condominium Unit shall be apportioned to the particular Condominium Unit involved, and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be made in the same manner provided in this Declaration.

(e) **Reorganization.** In the event a partial taking results in the taking of a complete Condominium Unit, if appropriate in the determination of the Board, the Owner thereof automatically shall cease to be a member of the Association. Thereafter, the Board shall reallocate the Ownership, voting rights, and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Owners of remaining Condominium Units for amendment of this Declaration as provided in this Declaration.

(f) **Reconstruction and Repair.** Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified above.

(g) **Limitations in Action of Owners Association.** Notwithstanding any other provisions in this Article and except as provided by statute, in case of condemnation or substantial loss to the Condominium Units and/or Condominium Common Elements, unless at least three-fourths of Owners of the individual Condominium Units have given their prior written approval, the Association may not:

- (1) By act or omission seek to abandon or terminate the Project;
- (2) Change the pro rata interest or obligations of any Condominium Unit in order to levy assessments or charges, allocate distribution of hazard insurance proceeds or condemnation awards or determine the pro rata share of ownership of each Unit

in the Condominium Common Elements;

- (3) Partition or subdivide any Condominium Unit;
- (4) Seek to abandon, partition, subdivide, encumber, sell or transfer the Condominium Common Elements by act or omission; or
- (5) Use hazard insurance proceeds for losses to any Project property (whether Condominium Units or Condominium Common Elements) for other than the repair, replacement or reconstruction of the Project property.

17. The definitions set forth in Article II of the Declaration are incorporated herein by reference.

18. Except as expressly amended by this Supplemental Declaration, the Declaration is and remains in full force and effect, unchanged. Capitalized terms not defined herein shall be construed in accordance with their definitions set forth in the Declaration. References to section numbers refer to section numbers contained in the Declaration, unless otherwise expressly delineated to the contrary. This Supplemental Declaration may be executed in counterparts and facsimile signatures shall be sufficient to bind all parties.

19. The Additional Property shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provisions of this Supplemental Declaration and the Declaration, both of which shall run with the title to such property and shall be binding upon all persons having any right, title, or any interest in such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns. The provisions of this Supplemental Declaration shall be binding upon the Association in accordance with the terms of the Declaration.

20. Exhibit "A". Exhibit "A" is hereby deleted in its entirety and the Exhibit "A", attached hereto and incorporated herein, is hereby inserted in lieu thereof.

21. Exhibit "B". Exhibit "B", attached hereto and incorporated herein, is hereby added to the end of the Declaration.

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

DECLARANT:

MKGS Investments, LLC,
a Wyoming limited liability company

By: S. T. Scott
Name: Sean T. Scott
Title: Managing Member

STATE OF WYOMING)
ss.)
COUNTY OF TETON)

On Oct. 18, 2007, before me, Sean T. Scarlett, Notary Public,
personally appeared Sean T. Scarlett personally known to me or proved to me on the
basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he or she executed the same in his or her authorized capacity, and that by his or
her signature on the instrument, the person or entity upon behalf of which the person acted, executed the
instrument.

WITNESS my hand and official seal.

Estela Torres
Sean T. Scarlett
Notary Public

My commission expires:

8.14.08

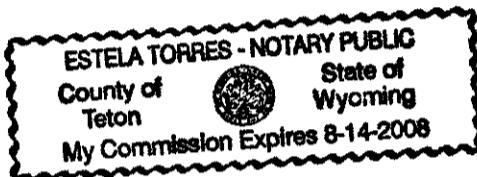


EXHIBIT "A"

That certain real property formerly known as Lots 1, 2, and 3 of Block 6 of the John D Hall Plat No 2, Town of Jackson, Teton County, Wyoming according to that plat recorded on July 8, 1948 as Plat No 135 (PIDNs: 22-41-16-34-1-30-001 and 22-41-16-34-1-30-026) and more particularly described as

Lot 1 through Lot 5 and Lot 7 of MKGS Townhomes Addition to the Town of Jackson according to that plat recorded as Plat No. 1208 in the Office of the Clerk of Teton County, Wyoming

PIDNS: TMP003586, TMP003587, TMP003588, TMP003589, TMP003590, TMP003592

AND

MKGS Condominiums Addition to the Town of Jackson, Teton County, Wyoming according to that plat recorded in the Office of the Clerk in Teton County, Wyoming the same date hereof

EXHIBIT "B"
TO DECLARATION
DECLARATION

**MKGS Condominium
Common Elements Ownership**

Unit	Ownership Percentage of Condominium Common Elements
1	50%
2	50%