

DECLARATION OF CONDOMINIUM OF VK BUILDING

Royal Wolf Development, LLC, of Sheridan County, Wyoming (herein "Declarant"), its successors and assigns, by this declaration, and all future owners of the Units, by their acceptance of individual deeds, covenant and declare and agree, all pursuant to "Condominium Ownership Act" Wyo. Stat. §34-20-102 through §34-20-104, to the following:

SECTION 1. Ownership of Property

Declarant owns certain real property described as: Lots 1 and 2, Block 2 of Whitney Plaza, Sheridan Wyoming, a Planned Unit Development as shown on that Plat recorded in the Sheridan County Clerk's office, Sheridan County, Wyoming, October 18, 2007, in Book W of Plats, Page 59, together with all improvements thereon and appurtenances thereto (herein the "Property").

SECTION 2. Description of Property

Declarant has improved and will improve the Property by constructing on it a three-story building within which four (4) separate Units and common areas are situated, as described and set forth on that certain CONDOMINIUM MAP OF VK BUILDING filed and recorded in the office of the Clerk and Recorder for Sheridan County, Wyoming on December 7, 2009 in Drawer No. 1, Plat No. 15 (hereinafter referred to as the "Condo Map")

SECTION 3. Allocation of Areas – Individual Units and Common Areas

Declarant, in order to establish a plan of condominium ownership for the described Property and improvements thereon, hereby covenants that it divides the Property into the following separate freehold estates:

- A. *Units* -- The four (4) separately designated and legally described fee simple estates, consisting of the spaces and areas contained within the perimeter walls of each Unit in the building constructed on the Property -- from the interior side of the framing stud for all boundary walls of the Unit upon which the interior sheetrock is affixed and all airspace within which is defined and referred generally to as "Units" and individually as "Unit 1", "Unit 2", "Unit 3" and "Unit 4", all as described and shown on the Condo Map;
- B. *General Common Areas* -- A fee simple general common area estate consisting of all remaining portions of the Property not a part of any individual Unit, as described and shown as the "Common Area" on the Condo Map, which definition includes but is not limited to the building structure and the Property on which it is located, and specifically includes, but is not limited to, the land, roof, exterior walls and columns, façade of the building, concrete foundation and slab, exterior surface of the windows and glazing; common circulation ways (e.g., elevators, stairways and halls), storage spaces and mechanical room, community facilities, equipment and infrastructure, wires, pipes, conduits, ducts, mechanical equipment, public utility lines, and all other components of the building generally used for more than one Unit and/or not within the airspace of the individual Units.

The owners of the individual Units agree that in the event there is any discrepancy in the locations of any Unit's space set out on the Condo Map and the actual physical location thereof, the physical location shall supersede the Condo Map's description of locations. If the structure is partially or totally destroyed and then rebuilt, the owners of Units agree that minor encroachment of parts of the Unit areas and facilities due to construction shall be permitted and that valid easement for such encroachment and its maintenance shall exist.

SECTION 4. Description of Units and Common Areas

- A. Separate Ownership of Individual Unit. The individual Unit spaces as established herein and which shall be individually conveyed are described and shown on the Condo Map and as described above.
- B. Undivided Interest in Common Area. An equal undivided interest in the common areas and facilities as established herein and which shall be conveyed together with each individual Unit, is as follows: Appurtenant undivided interest consisting of a share equal to a fraction, the numerator of which is one (1) and the denominator of which is the number in individual Units now established (or hereafter established and expanded by Declarant) as part of the Association.

SECTION 5. Common Areas and Facilities

The common areas and facilities shall remain undivided, and no owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the condominium.

SECTION 6. Undivided Interests in Common Areas

The undivided interest in the Common Areas, established and to be conveyed with the respective individual Units, cannot be changed, and Declarant, its successors and assigns, and grantees, covenant that the undivided interests in the common areas and facilities, and the fee titles to the respective individual Units conveyed with the same, shall not be separated or separately conveyed, and each undivided interest in the Common Areas shall be deemed to be conveyed or encumbered with its respective individual Unit space, even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the individual space.

SECTION 7. Plan of Ownership

Declarant establishes a plan for the individual ownership of the real property estates consisting of the area or space contained in each of the individual Units, and the co-ownership by the individual and separate owners, as tenants in common, of all the remaining real property defined and referred to as the "Common Area."

For the purpose of this declaration, the ownership of each individual Unit space shall include the respective owner's undivided interest in the common areas and facilities specified and established in this instrument, and each space together with the undivided interest is defined and referred to as an individual "Unit."

The owners of the respective individual "Units" shall not be deemed to own the undecorated surfaces of the perimeter walls, floors, and ceilings surrounding the respective Unit spaces, nor shall owners be deemed to own pipes, wires, conduits, or other public utility lines running through the respective spaces that are used for, or serve, more than one space, except as tenants in common, as provided above in this Section 7. The owners, however, shall be deemed to own the walls and partitions that are contained within their respective Unit spaces, and also shall be deemed to own the inner decorated or finished surfaces of the perimeter walls, floors, and ceilings to the bottom of the roof system (bottom of joists), including sheetrock, paint, wallpaper, and the like.

SECTION 8. Title And Interest Of Grantees.

The proportionate shares of the separate owners of the respective Units in the profits and common expenses of the common areas and facilities, as well as their proportionate representation for voting purposes in the Association of owners, is based on one (1) equal share and one (1) equal vote for each Unit.

SECTION 9. Restriction On Use

The Units shall be occupied and used by the respective owners only for the uses permitted in the Whitney Plaza Declaration of Covenants for Whitney Plaza recorded October 18, 2007 in Book 490 at Page 0247 in the office of the Sheridan County Clerk, as may be amended (herein the "Whitney Plaza Covenants") -- Unit 1 on the first floor may be used for office or retail space; Unit 2 on the second floor may be used as office or residential space; Unit 3 and Unit 4 on the third floor may be used as office or residential space. Such Units may be used for such purposes by the owner, and family, tenants, and guests and invitees of the owner, and for no other purpose. Other than the foregoing obligations, the owner of a respective Unit shall have the right to lease the Unit provided the lease is made subject to the covenants and restrictions contained in this declaration and further subject to the Whitney Plaza Covenants, bylaws and regulatory agreement as may be adopted by the Association.

SECTION 10. Administration Of Project -- Association

An owner of a "Unit," on becoming the owner of a "Unit or Units," shall automatically be a member of VK Condo Owners Association, which shall be initially organized as an Unincorporated Association under the Statutes of Wyoming, (the "Association"), and the owner shall remain a member of the Association until such time as ownership ceases for any reason, at which time membership in the Association shall automatically cease.

All agreements and determinations made by the Association in accordance with the voting percentages established in the Association's statement of authority and/or bylaws, shall be deemed to be binding on all owners of individual Units, their successors and assigns.

The Association shall, at its earliest reasonable convenience but not later than 90 days after the fourth (4th) Unit is conveyed to grantees other than Declarant, organize itself by meeting and electing a President, Vice-President, and Secretary/Treasurer. Each officer is to have and exercise the duties expected and convenient for such officer as if a corporate officer. All meetings shall be conducted in an orderly manner according to Robert's Rules of Order, as near as reasonably practical, upon reasonable notice, and upon call of the President or two (2) members. Such officers shall also establish dual signature bank deposit checking and reserve accounts at a bank or banks within Sheridan County, Wyoming, and act as an unincorporated nonprofit Association pursuant to Wyoming Statutes §17-22-101 et. seq., as now in force and as may be amended from time to time.

SECTION 11. Rules and Regulations

The owners of Units agree that the administration of the condominium shall be in accordance with the provisions of this declaration and those statement of authority, rules, regulations and bylaws that may be regularly adopted by a 75% majority of Unit owners (i.e., at least 3 of the 4 Units).

Each owner, tenant, or occupant of a Unit shall comply with and be bound by the provisions of this declaration, the bylaws, decisions, rules and resolutions of the Association or its representative, as adopted from time to time, and failure to comply with any such provisions, decisions, or resolutions, shall be grounds for action to recover sums due for common expenses, damages or to seek injunctive relief.

SECTION 12. Contribution To Common Expenses

The Association shall meet at least annually, and at such other times as may be convenient, and among other business that may come before it, it shall establish for each calendar year:

- a) costs for maintenance, repair, replacement, improvements and the like of common areas, and a budget therefore, including specific dates that an equal share of such costs are due and payable by each Unit.
- b) annual or other periodic assessment for payment/contribution of each Unit owner toward common expenses, including common area taxes and insurance and future maintenance, alterations or improvements, or reserved therefore.

- c) determine the amount, premium cost and carrier of blanket insurance coverage for casualty loss to any or all Units and the common area.
- d) determine and act upon the need for rules, regulations and the like to govern the use of the condominiums and common areas.
- e) election of officers; and
- f) such other matters as may be necessary or convenient for the Association to consider.

No owner of a Unit may exempt such owner from liability for contribution toward the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by the abandonment of the Unit.

SECTION 13. Assessment Liens

All sums assessed by the Association but unpaid for the common expenses chargeable to any Unit shall constitute a lien on such Unit prior to all other liens except only: (i) tax liens on the Unit in favor of any assessing Unit and special district; and (ii) all sums unpaid on the first mortgage of record. Such lien may be foreclosed by suit by the officers of the Association, acting on behalf of the owners of the Units, in like manner as a mortgagee of real property. The plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect rent, if any. The officers, acting on behalf of the owners of the Units, shall have power to bid in the Unit at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the Unit. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the unpaid expenses. The defending Unit owner shall be liable for and pay all of the Association's attorney fees and costs.

SECTION 14. Assessments; Liability Of Mortgagee

Where the mortgagee of a first mortgage of record or other purchaser of a Unit obtains a title to the Unit as a result of foreclosure of the first mortgage, such acquirer of title, and successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such Unit that became due prior to the acquisition of the Unit by the acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from owners of all of the Units, including the acquirer, and successors and assigns.

SECTION 15. Assessments; Liability Of Subsequent Grantee

In a voluntary conveyance of a Unit, grantee of the Unit shall be jointly and severally liable for all unpaid assessments by the Association against the Unit for the Unit's share of the common expenses up to the time of the grant or conveyance. Any such Grantee shall be entitled to a statement from the officers of the Association, setting forth the amount of the unpaid assessments against the Unit to the Association.

SECTION 16. Blanket Property Insurance

The officers of the Association shall obtain and continue in effect blanket property insurance in forms and amounts, (1) satisfactory to mortgagees holding first mortgages covering Units but without prejudice to the right of the owner of a Unit to obtain individual Unit insurance, or (2) in such amounts and in such forms as required by the Association, or (3) the maximum insurable amount pursuant to the company affording the coverage.

SECTION 17. Insurance Premiums

Insurance premiums for any blanket insurance coverage shall be a common expense to be paid by assessments levied by the Association, and such payments shall be held in a reserve fund of the Association and used solely for the payment of the blanket property insurance premiums as such premiums become due.

**SECTION 18. Revocation Or Amendment of Declaration; Additional Access;
Additional Users/Units to Building/Association**

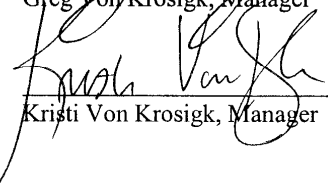
This declaration shall not be revoked or any of the provisions amended unless all of the owners and all of the mortgagees of Units unanimously agree to such revocation or amendment by recorded instruments. *Provided however*, until the date that 3 of the 4 individual Units are sold, Declarant retains and reserves to itself and its successors the right to amend this declaration in its sole discretion.

Provided further, however, Declarant retains and reserves the right of access in, along and through the common circulation areas of the building (i.e, hallways, stairways, second floor janitor's closet and the elevator) to provide access to a future building adjacent to the Property on Lot 4 and Lot 5 of Whitney Plaza. Declarant anticipates utilizing the zero lot line and common wall of the building on the Property for the expected future construction on Lot 4 and possibly Lot 5.

Provided further, if Declarant constructs the above-described adjacent building, the owners, users and occupants of the adjacent building shall be entitled to use the elevator, hallways and stairways of the VK Building for an access way in/out of the second floor and third floor thereof, and if such right is exercised, each separate unit in the adjacent building shall pay an equal share of the costs assessed by the Association and paid by each of the four Unit owners in the building. Declarant shall further have the right to add each unit of the anticipated adjacent building to the Association described above and, thereby, incorporating the adjacent building into the Association and condominium project of the VK Building, as a second phase thereof.

This Declaration is made effective the 4th day of December, 2009.

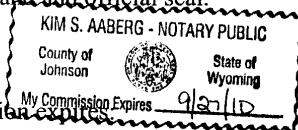
ROYAL WOLF DEVELOPMENT, LLC


Greg Von Krosigk, Manager

Kristi Von Krosigk, Manager

STATE OF WYOMIING)
)ss
COUNTY OF SHERIDAN)

This instrument was acknowledged before me by Greg Von Krosigk and Kristi Von Krosigk as the Member/Managers of Royal Wolf Development, LLC this 4th day of December, 2009.

Witness my hand and official seal.




Notary Public

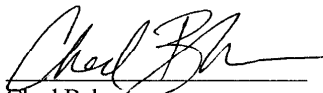
My Commission Expires

CONSENT OF LENDER

Security State Bank, Mortgagee pursuant to mortgage recorded June 23, 2009 in Book 744 at Page 0766, in the office of the Sheridan County Clerk, hereby consents to the foregoing Declaration of Declaration of Condominium of VK Building.

Dated this 4th day of December, 2009.

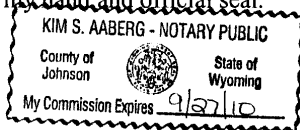
SECURITY STATE BANK


Chad Baker

STATE OF WYOMING)
)ss
COUNTY OF SHERIDAN)

This instrument was acknowledged before me by Chad Baker, President of Security State Bank, this 4th day of December, 2009.

Witness my hand and official seal.




Notary

My Commission Expires: