

PARTY WALL AGREEMENT

AGREEMENT made and executed into this 26 day of October, 2006.

WITNESSETH:

WHEREAS Grimshaw Investments, LLC is the fee owner(s) of certain real estate located within the City of Sheridan, Sheridan County, Wyoming, hereinafter referred to as "Parcel A" which is more commonly known as 484 Blue Sky Court, and more particularly described as:

All of Lot 4 of the Replat of Blue Sky Estates, a planned unit development of the City of Sheridan, County of Sheridan, State of Wyoming being platted and recorded on or about October 12, 2006 by instrument No. 555367 and filed in Drawer B, plat number 50 of the records of the Sheridan County Clerk, Sheridan, Wyoming.

AND WHEREAS, Grimshaw Investments, LLC is the fee owner(s) of certain real estate located within the City of Sheridan, Sheridan County, Wyoming, hereinafter referred to as "Parcel B" which is more commonly known as 486 Blue Sky Court, and more particularly described as:

All of Lot 3 of the Replat of Blue Sky Estates, a planned unit development of the City of Sheridan, County of Sheridan, State of Wyoming being platted and recorded on or about October 12, 2006 by instrument No. 555367 and filed in Drawer B, plat number 50 of the records of the Sheridan County Clerk, Sheridan, Wyoming.

AND WHEREAS, the Parties desire to enter into a party wall agreement to resolve any and all questions between any and all parties having any right, title or interest in "Parcel A" or "Parcel B" related to that certain wall, the approximate centerline of which is located on the common boundary of "Parcel A" and "Parcel B",

AND WHEREAS, the Parties desire to own and convey "Parcel A" and "Parcel B" subject to certain covenants, conditions, restrictions, reservations and easements as hereinafter set forth:

NOW, THEREFORE, it is agreed, upon the exchange of mutual consideration, the adequacy and receipt of which is acknowledged by each of the parties hereto as follows:

1. **PARTY WALL:** The wall which has been constructed as the common part of the dwelling units, including foundations, roofs, garages and fences, now situated on the "Parcel A" and "Parcel B" respectively, and which is located between said units along the approximate centerline of the common boundaries of said "Parcel A" and "Parcel B" shall hereinafter be defined as a Party Wall.

2. **OWNERSHIP AND USE:** It is intended that each part shall own its respective parcel in fee simple to the center of the Party Wall separating "Parcel A" and "Parcel B". In addition, each party shall have a cross easement as to the remaining one-half portion of the Party Wall and also as consistent with Paragraph 8, of the Agreement below.

3. **MAINTENANCE AND REPAIR:** (a) Except as otherwise provided herein, the cost reasonable repairs and maintenance of the Party Wall shall be the joint and equal expense of the Parties who share fee ownership of and hold cross-easements to the Party Wall.

(b) **FINISHED SURFACES:** Notwithstanding any provisions of this Agreement to the contrary, the cost of repairs and maintenance of the finished surfaces of the Party Wall which are located within the interior of the dwelling units located on "Parcel A" and "Parcel B" shall be the sole expense of the owner of that particular Parcel.

CONTINUED:

(c) **WILLFUL AND/OR NEGLIGENT DAMAGE OR DESTRUCTION:**

Notwithstanding any provisions of this Agreement to the contrary, if the Party Wall or any portion thereof is damaged or destroyed by any willful or negligent act or omission or by any default hereunder of one Party, such Party at its sole expense shall rebuild said Party Wall and shall compensate the other party(ies) for any damage suffered by the non-faulting party. Each party shall be fully responsible for all acts, omissions or defaults of the occupants of their particular parcel which may cause injury to the Party Wall.

(d) **EXPOSE TO NATURAL ELEMENTS:**

Notwithstanding any provisions of this Agreement to the contrary, any party, who by its negligent or willful acts or omissions or any portion thereof be exposed to the elements, shall bear the entire cost of furnishing the necessary protection against such elements.

(e) **UTILITY INSTALLATIONS:**

Notwithstanding any provisions of this Agreement to the contrary, a party shall have the right to maintain and repair any utility installation located within the Party Wall, but in doing so, shall restore the Party Wall to its original condition at its sole expense.

4. **RIGHT TO MODIFY:** (a) No party shall extend the Party Wall in length,

height, depth or thickness unless agreed upon in writing by both parties and unless such modification would not be in violation of any other covenant or restriction touching and concerning "Parcel A", "Parcel B" or both.

(b) Any Party Wall that is extended in length, height, depth or thickness under the terms of this Agreement shall be and remain a Party Wall with all rights and duties described herein.

5. **LICENSE GRANTED:**

For the purpose of maintaining, altering, or repairing the Party Wall in accordance with this Agreement as may reasonably be required, each party to this Agreement hereby grants a license to the other party to enter, personally or to delegate such right to enter on the other party's premise to perform the necessary maintenance, repair or rebuilding in accordance with the rights provided herein. Such license is conditional on the entering party or delegate's entrance is at a reasonable time of the day so not to unduly disturb the party whose premise is sought to be entered. The party whose unit is sought to be entered in accordance with this license may require that anyone entering its premise post an appropriate bond for protection against theft or other losses.

6. **MECHANIC'S LIEN:**

If either party neglects or refuses to pay their rightful share of maintenance, rebuilding or repair of a Party Wall in accordance with the terms of this Agreement within a reasonable time, then the other party may have the Party Wall repaired or rebuilt at its own discretion and shall be entitled to a mechanic's lien on the parcel of the non-paying party. In addition, such party which wrongfully fails to pay its share of expenses for maintenance, repair or rebuilding of the Party Wall shall pay all cost and expenses, including reasonable attorney's fees, of the party that is rightfully enforcing the provision of this Agreement. The right to a mechanic's lien shall comply with the terms of this Agreement and shall be in addition to any other rights that such party may have pursuant to law or equity.

7. **INSURANCE:** (a)

It shall be the individual responsibility of each party, at its own expense, to provide, as it sees fit, homeowner's insurance for fire, liability, theft and other coverage to insure against loss for its own particular parcel and the contents thereof.

(b)

To extent that damages to the Party Wall are covered by insurance, the full insurance proceeds shall be used and applied to repair, restore, and replace said Party Wall. Any deficiency shall be the joint and equal expense of the parties, without prejudice, however, to the right of any party to demand a larger contribution from the other Party (or occupant) under any rule of law or equity regarding liability for negligent or willful acts of omissions or any default hereunder.

8. **ENCROACHMENT:**

It is assumed by the parties that the Party Wall lies along the respective boundary line separating the "Parcel A" from "Parcel B". Should said Party Wall be inconsistent with said boundary line, however, the party whose building encroaches upon the parcel owned by the other party shall have an easement as to such encroachment. The

parties agree on this provision to resolve questions or disputes that may arise over the fact that the center line of the Party Wall may be determined to not lie precisely on the boundary line between the "Parcel A" and "Parcel B". The Party Wall referred to herein shall always remain in the same location as now exists or as otherwise agreed to in writing by the parties who share a Party Wall separating their respective dwelling units.

9. DISCREPANCIES: All future purchasers of each Parcel shall accept the Party Wall "as is" and shall not hold the parties herein liable for any encroachments or discrepancies in the boundary line. Furthermore, no party shall be responsible for changes in zoning, subdivision, building, or health laws, or changes in interpretations thereof.

10. In the event of any dispute arising concerning the described Party Wall or this agreement, the dispute shall be decided by arbitration as follows:

- (a) Each party shall choose one arbitrator;
- (b) The two arbitrators chosen shall choose a third arbitrator;
- (c) The three arbitrators shall decide the dispute by their majority vote.

11. GENERAL LAW: To the extent not consistent with the provisions of this Agreement, the general rules of law of Wyoming regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Owner (s) of "Parcel A"

GRIMSHAW INVESTMENTS LLC

By: [Signature]

STATE OF WYOMING)
) ss
COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me by Stephen Grimshaw this 26th day of October, 2006

Witness my hand and official seal.

My Commission expires:

Owner (s) of "Parcel B"

GRIMSHAW INVESTMENTS LLC

By: [Signature]

STATE OF WYOMING)
) ss
COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me by Stephen Grimshaw this 26th day of October, 2006

Witness my hand and official seal.

My Commission expires:

