

**SANDERSON**  
LAW OFFICE

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RECEIVED JUN 20 2011

June 17, 2011

Star Valley Ranch Association, Inc.  
Jere Kovach, Chairman  
Kirk Sessions, General Manager  
HC 62 Box 7008  
Star Valley Ranch, WY 83127

Re: *Reversionary Rights – Airport Property*

Gentlemen:

I have reviewed the "*Final Settlement Agreement Between Star Valley Ranch Association and Leisure Valley, Inc. dated the 10<sup>th</sup> day of August, 1998*" and the "*Deed*" dated January 21, 1985, No. 629478, 222 PR 732.

1. Issue:

Does Leisure Valley, Inc., or its successors or assigns, have any right to use the landing strip or "Airport Property"?

Short Answer:

No.

Analysis:

The details of the dispute between the parties are complex and have no significant bearing on the issue of whether or not there are any rights of use to the landing strip. However, there does seem to be some lingering controversy over whether or not Leisure Valley retained any reversionary rights in the landing strip.

A reversionary interest is a right retained by the grantor to take back or claim a use in a property if certain conditions or events occur. The reversionary interest in this case is contained in the "Deed" dated January 21, 1985. The reversionary language is as follows:

Star Valley Ranch Association, Inc.  
Jere Kovach, Chairman  
Kirk Sessions, General Manager  
June 17, 2011  
Page 2 of 3

"The GRANTEE shall perpetually maintain and repair said property in a reasonable manner as an airstrip for the use and benefit of the Members of the Star Valley Ranch Association and their guests until other equal facilities are provided by GRANTEE and approved by GRANTOR or its successors or assigns, in which case the title to the airstrip shall revert back to the GRANTOR or its successors."

"GRANTOR reserves for itself and its successors and assigns a perpetual easement in gross of ingress and egress over and across the subject property and for the use by aircraft of the GRANTOR, its assigns or successors, and their guests, invitees or licensees."

Thirteen years after the execution of the "Deed" the Leisure Valley's corporate officers executed a "*Release and Assignment of Reversionary Rights*". Included within the description of the documents covered by this release is the "Deed" dated January 21, 1985. The "Release" states:

"NOW THEREFORE, Leisure Valley releases, discharges and quitclaims to the Association all rights, restrictions, remedies or reversionary clauses set forth in the aforesaid documents or any other documents to which Leisure Valley is a party which contain rights, restrictions, remedies or reversionary clauses which might cause . . . airport property . . . to revert to Leisure Valley as the developer of the Star Valley Ranch Subdivision."

My interpretation of the above-cited language is that Leisure Valley has surrendered all rights, including easements in gross, in the landing strip property.

There is a "twenty foot" easement for a water line over the airstrip property that was granted to Leisure Valley as part of the "Settlement". This easement may still be valid.

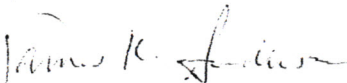
This opinion would change if a later drafted document, showing an intent by the Association to transfer the airport property, or any associated rights, back to Leisure Valley. However, with the documents I have received, I cannot find any such transfer.

Star Valley Ranch Association, Inc.  
Jere Kovach, Chairman  
Kirk Sessions, General Manager  
June 17, 2011  
Page 3 of 3

Conclusion:

Leisure Valley, Inc. relinquished any rights of reversion they may have held in the landing strip property. There can be no claim by Leisure Valley or its successors to any right in the airstrip or easement "in gross" over said property as described in the January 21, 1985 "Deed". The easement for a water line over the airstrip property may still be valid.

Sincerely,



James K. Sanderson

JKS:cls