

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by SANDSTONE HILLS, L.L.C., a South Dakota limited liability company, hereinafter referred to as declarants.

WITNESSETH

WHEREAS, declarants are the owners of the following described property:

Tract A of Sandstone Hills Addition to the
City of Spearfish, Lawrence County, South
Dakota

Block 1: Lot 26
Block 3: Lots 1 through 8, inclusive;
Block 4: Lots 1 through 8, inclusive;
Block 6: Lot 20;
Block 10: Lots 1 through 12, inclusive;
Block 11: Lots 1, 3 through 23, inclusive.

NOW, THEREFORE, declarants hereby declare that the property described above (hereinafter "subdivision") shall be held, sold and conveyed subject to this declaration for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. Declarants may annex nearby property from time to time.

ARTICLE I.

ARCHITECTURAL AND
LANDSCAPE CONTROL

Section 1. Appointment of Design Review Committee.

There shall be a design review committee which may have up to four (4) members consisting of two representatives appointed by declarants and two representatives appointed by the board of directors of the Sandstone Hills Homeowners Association. The following persons shall constitute the initial design review committee and shall serve until their successors and other members, as the case may be, are appointed:

<u>Name</u>	<u>Address</u>
Joe B. Jorgensen	1905 Stagebarn Circle Spearfish, South Dakota 57783

James A. Benning

215 Union
Spearfish, South Dakota 57783

Section 2. Plan Review. All construction, plat and landscaping plans and specifications showing the nature, kind, shape, height, materials, color and location must be submitted to and approved in writing as to the harmony of external design, color and location in relation to surrounding structures and topography before construction may commence by the design review committee. In the event that the design review committee fails to approve or disapprove such color design and location within thirty (30) days after said plans and specifications have been submitted, approval will not be required and the application will be deemed to have been approved. However, such deemed approval shall not waive compliance with the development standards set out herein. Approval of any plan shall require not less than three (3) votes therefor.

Section 3. Development Standards. The design review committee shall establish reasonable procedural rules, regulations and restrictions, architectural standards, design guidelines and development standards (collectively the "development standards"), which the design review committee may, from time to time in its sole discretion, amend, repeal or augment. The development standards may include, among other things, those restrictions and limitations set forth below.

ARTICLE II.

RESTRICTIONS

Section 1. Single Family Residential Use Areas. The lots designated as single family lots shall be used for single family residence purposes only and no business, trade, commercial or industrial purpose shall be permitted excepting a home occupation defined as a gainful occupation conducted only within the dwelling which is clearly incidental and secondary to the use of the dwelling. No home occupation signs may be displayed on the property. No facilities for the temporary care or keep of non-family members are permitted, including but not limited to day care and senior care homes. No lot may have more than one (1) residence. Only stick built structures may be constructed on a lot. The lots may not be further subdivided.

Section 2. Multi-Family Use Areas. The provisions of the Spearfish Zoning Ordinance governing multi-family use are incorporated herein by this reference and shall apply to areas designated as multi-family. Plans must be approved by the design review committee.

Section 3. Storage Use Areas. The storage use areas may only be used for storage. Plans must be approved by the design review committee.

Section 4. Building Setbacks and Heights. The provisions of the Spearfish Zoning Ordinance will apply in all areas as a minimum standard. The design review committee may establish stricter or greater setbacks based on topography or to promote lines of sight.

Section 5. Building Size. Single family ranch style homes must contain a minimum of 1,100 square feet on the main floor. Two story homes must have a combined minimum square footage of 1,300 square feet. Minimum floor size does not include a garage or outbuildings. The committee shall be more concerned with style and design than size.

Section 6. Garages. Each residential dwelling shall provide a garage suitable for the shelter of two or more automobiles. As a rule, the garage must be attached to the primary residential structure and must be offset a minimum of twelve (12) inches from adjacent wall areas when garage doors face the street. Garage doors may be wood, wood composition, insulated panel, or heavy-gauge metal panel. Garage doors shall be painted or stained to blend appropriately with the approved color scheme of the residence.

Section 7. Exterior Colors. The color combination of exterior materials should generally be subtle and tasteful to blend with the neighborhood and landscape. Traditional muted pastels, beiges, earthtones and grays are acceptable wall colors. Extreme contrast in colors of individual masonry units or between masonry units and their grout matrix should be avoided. Roofing materials shall be of darker tones. Bright red, yellow and purple colors are not permitted. All color schemes must be approved by the design review committee prior to use. Application for approval of colors must include samples of a size adequate to visualize the entire color scheme of the home.

Section 8. Roofs. As a rule, primary roof systems on all residences shall have pitched roofs with a minimum pitch of 4/12.

- (a) Allowable sloped roof forms include gable, hip, gambrel or mansard roofs.
- (b) Allowable roofing materials include wood shakes or shingles, flat concrete or clay tiles, non-reflective metal roofing with standing seams or battens, copper, fiberglass or premium dimensional

asphaltic shingles. Rolled roofing is not allowed.

- (c) All exposed metal or plastic on the roof (except for approved pre-finished products, copper or brass), including, but not limited to, flashing, vent pipes, spark arresters, eave troughs chimneys, ridge or eave vents and skylight frames, shall be primed and painted or be black plastic so as to blend unobtrusively with adjacent materials.

Section 9. Chimneys and Fireplaces. Zero-clearance chimneys must be concealed with a chimney enclosure; free-standing exposed chimney pipes will not be allowed.

Section 10. Exterior Materials. Predominantly, exterior wall materials will consist of stucco, dryvit, native stone, brick, and wood materials including shingles, natural logs, beveled or tongue-in-groove board siding, board-on-board, board-on-batt, lap siding or rough sawn textured hard board manufactured siding.

Section 11. Foundations. All unfaced visible surfaces of concrete masonry or concrete foundation walls and piers must receive a stucco, mortar-wash, paint, rock, stone or brick finish and shall blend unobtrusively with adjacent materials. Surfaces of more than 24 inches in height may not be painted or mortar-washed. A drain tile is recommended around all footings.

Section 12. Windows, Doors and Skylights. Highly reflective glazing material and reflective sunscreening films are prohibited for use in windows, glazed doors, skylights, or for other exterior applications. In addition, all metal windows, doors, skylight frames, etc. must be painted anodized or pre-finished with baked enamel; raw metal components, especially aluminum or galvanized iron, are prohibited.

Section 13. Solar Applications. Passive solar design is encouraged. Active solar applications can only be approved by the design review committee.

Section 14. Parking. In addition to garage space, each home shall have one off-street parking space for each vehicle owned by the household, which number shall not be less than two (2) for houses fronting on streets not less than 32 feet in width nor less than four spaces for lots fronting on streets of 22 feet in width.

Homeowners who possess trucks (larger than pickup trucks), buses, motor homes, camper vehicles, trailers, boats, motorcycles, snowmobiles, or any other motorized vehicle other

than a conventional automobile, must store or park such vehicles within an enclosed garage, or on an off-site location. The parking of a guest's motor home or other large recreational vehicle will be allowed for loading and unloading only for a period not to exceed three (3) days.

Driveway or vehicle access is not allowed onto Sandstone Hills Drive from any lot that has access from another street, excepting and excluding Lot 1 of Block 1.

Section 15. Lighting. A uniform lighting scheme has been implemented by the declarants. Supplemental lighting adjacent to the right-of-way may be no higher than 72 inches above grade. Additional site lighting is permitted within the lot's boundary, provided such lighting does not result in excessive glare toward the street or neighboring properties. All exterior lighting must be of a low-level subdued intensity and is subject to prior approval by the design review committee. Approval of lighting is not final but is rather subject at all times to additional regulation.

Section 16. Basketball Backboards. Wall-mounted or free standing basketball backboards will be allowed subject to design review committee approval. Support posts and brackets and the backboards for free standing and wall-mounted basketball goals shall be painted to blend unobtrusively with their visual backdrop surroundings.

Section 17. Clothes Lines. Clothes lines will be allowed in the back yard which must be taken down after each use such as retractable or collapsible clothes lines.

Section 18. Signs. Except for subdivision identification or directional signs, no other signs of any kind shall be permitted on the property or displayed to the public view, provided, however, that it shall be permissible to display on any lot one sign of not more than four foot square for the limited purpose of advertising the land for sale or lease by an owner or his agent or by a builder, except that it shall be permissible to display signs, of up to 100 square feet, for the purposes of advertising the property during the construction and sale period by the undersigned. Name signs are permitted, subject to color and design standards.

Section 19. Screening and Storage. No trash, rubbish, or refuse may be accumulated on the subdivision except in suitable receptacles screened from public view and protected from disturbances. Contractors shall use dumpsters during construction or such other receptacles as may be approved by the design review committee. There shall be no dumping or stockpiling of material on any lot.

Firewood shall be kept out of sight and stored in neat ricks or stocks. Cutting and splitting areas shall be maintained in a neat and orderly manner and all bulk wood shall be promptly cut and split. All lots shall be maintained in a neat and orderly condition according to rules adopted from time to time by the design review committee.

Section 20. Antennas and Satellite Dishes. Antennas and traditional large diameter (four feet and larger) satellite dishes are not allowed. Television reception is available via a central cable system. Newer 18-inch and smaller diameter "direct" television dishes are generally acceptable provided they blend with surrounding materials and are situated in a non-obtrusive location. All satellite dishes must be approved by the design review committee.

Section 21. Animals, Peace and Quiet. There shall be no commercial breeding or feeding of livestock, horses or poultry in the subdivision. Pets not exceeding a total number of four (4) are allowed if confined, not allowed to roam at large and which do not disturb the peace and quiet of the neighbors the neighbors shall have the right of enforcement and the association shall not be required to enforce this requirement, but may do so. No noxious or offensive activity shall be carried on within the subdivision; nor shall anything be done or permitted which shall constitute a public nuisance therein. Dog kennels are not allowed. Prior design review committee approval is required for dog runs.

Section 22. Utilities. Utility services are stubbed to the property lines of each lot at developer's expense, including water, sewer, electricity, natural gas, telephone and cable television. All utility service extensions to the house must be underground at the homeowner's expense.

Section 23. Mailboxes. Mailboxes may be clustered, at delcarant's discretion, in which case the homes so served may not erect additional mailboxes or newspaper boxes.

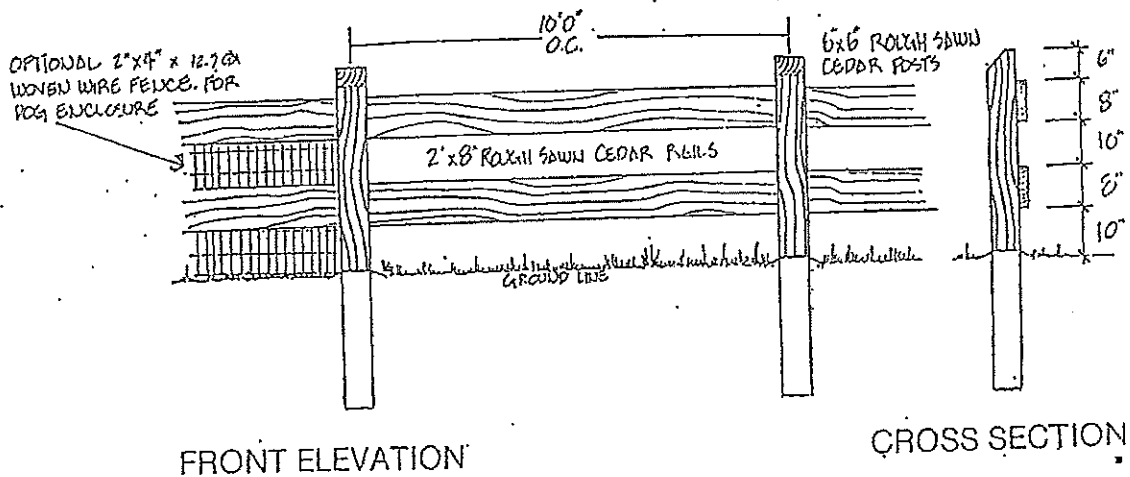
Section 24. Completion of Construction. Any building commenced on any lot shall be completed and landscaped within twelve (12) months unless such completion is unavoidably delayed by inclement weather, disaster or by approval of the design review committee.

Section 25. Changes or Additional Construction. All changes or additions to the approved plans before, during, or subsequent to their initial construction must be approved by the design review committee before the alteration may be implemented.

Section 26. Accessory Buildings. Design review committee approval is required for accessory buildings. Approval will be based upon, but not limited to the following criteria:

- (a) Outbuildings must be of the same or generally recognized as complimentary architectural style, color and materials as that of the residence.
- (b) The roof must match the roof style of the residence.
- (c) Outbuildings may not unreasonably obstruct adjacent neighbors' views.
- (d) Outbuildings should be located in the back or side yards.

Section 27. Fences. Fences and/or walls constructed by declarant along or abutting property lines, arterial streets, collector streets, and local streets may not be removed, replaced, or painted a different color or altered, including, adding a gate, without approval of the design review committee. If any such fences and/or walls constructed by declarant which are located upon a homeowner's property are damaged or destroyed, the homeowner shall repair or recondition the same at the homeowner's expense. Chain link fences may be permitted in Blocks 1 and 2 with design review committee approval. As a rule, all other fences will be constructed based on the design shown below. All fences must receive design review committee approval.



Section 28. Site Work. No excessive excavation or fill will be permitted on any lot except where specifically

allowed by the design review committee due to terrain considerations; every attempt should be made to balance, cut and fill with minimal use of retaining walls and engineered building pads.

Section 29. Grading, Drainage and Subsoil Conditions.

Site grading must be accomplished with minimum disruption to a lot, without altering natural discharge points of surface drainage from a lot, and without creating conditions that could precipitate unnecessary soil erosion, slippage, or subsidence. Residential design for hillside lots (having a variation of natural grade elevation in excess of five vertical feet across the footprint of a proposed structure), must incorporate slope conditions into the design solution so that the proposed structure terraces or steps with the natural slope.

Section 30. Trees. Living trees naturally existing upon a lot, except to the extent necessary for construction purposes, shall not be cut down or removed from any property. Routine thinning in conformity with good forestry practices will be permitted.

Section 31. Landscaping Suggestions.

- (a) General. The purpose of this section is to help prepare an appropriate landscaping plan for homesites. Careful landscape planning and design will greatly enhance the ultimate appearance of the community. The information set forth in this section is suggestive only and not mandatory.
- (b) Slopes. In some cases, there may be relatively steep slopes on an owner's property. It is important to note that if slopes are left unlandscaped, severe erosion and silting may occur. As a result, it is recommended that slopes be landscaped by the homeowner as soon as possible after moving in. Slopes and banks should be planted with drought tolerant plants. Erosion of slopes can be lessened by terracing, or surfacing with stone or other free-draining materials. Loose aggregate or wood chips are not recommended on slopes unless measures are taken to prevent erosion or displacement by wind and/or water. Slopes can also be seeded with ground covers, shrubs and bushes to prevent erosion. Rock gardens are another technique to help prevent slope erosion and create a landscape amenity. Slopes given proper design treatment can become an attractive, interesting part of the landscape.

- (c) Retaining Walls. Retaining walls may be used to accommodate or create abrupt changes in grade. Such walls should be properly anchored to withstand overturning forces. Stone walls should be made thicker at the bottom than at the top to achieve stability. To avoid destructive freeze-thaw action, all retaining walls should incorporate weep holes into the wall design to permit water trapped behind them to be released. Timbers for walls or other landscape use should be treated to resist decay. Walls should provide for adequate drainage over or through (by means of weep holes or drain tile) the wall structure. Approval is required.
- (d) Soil Preparation. Soil conditions may vary throughout the subdivision. Individual soil testing is suggested for each lot to determine the exact nature of the soil and the desired level of the amendment needed such as mulch, sand and fertilizer to optimize plant growth. Soil preparation is very important due to our soil and climate. Local nurseries may offer assistance in determining the proper quantity and type of soil amendment. After the soil has been amended, make sure that the existing drainage pattern is re-established on the lot.
- (e) Rockscapes. Boulders and cobbles present an attractive alternative landscape element if used appropriately within the overall landscape composition. Large expanses of this type material are discouraged. Approval of the design review committee is required.
- (f) Irrigation. Watering is recommended to be done early in the early morning or evening. One of the most common tendencies is to over-saturate the lot. We urge each homeowner to conserve water and as a result minimize problems on their own lots as well as on adjacent property owner's lots caused by over-watering. This can be accomplished by watering at shorter cycles more often during the course of the day.

Several system can be used to water lawns: manual and automatic sprinkler systems and portable sprinklers. The following are some facts to consider in selecting the type and location of the sprinkler system to be used: (a) Size and shape of areas to be watered; (b) type of turf or ground

cover; (c) available water supply and pressure; (d) environment of the area - wind, rain, temperature, exposure and grades; (e) low spraying irrigation devices may help to minimize wasted water due to wind; (f) installation of an irrigation system directly adjacent to front sidewalks may eventually cause undermining and deterioration to concrete and paved areas; (g) type of soil and its ability to accept water. Local nurseries or do-it-yourself sprinkler stores have detailed information concerning the type and installation of irrigation systems; (h) drip irrigation systems are recommended for tree and shrub areas.

- (g) Suggested Plant List. For your convenience, the following list of shrubs, trees, flowers and grasses is provided:

Large Deciduous Trees

Ohio Buckeye
Linden
Oak
Seedless Ash
Thornless Honeylocust
Hackberry

Evergreen Trees

Colorado Spruce
Cedar
Rocky Mountain Juniper
Austrian Pine
Ponderosa Pine

Small Deciduous Trees

Crabapple Species
Newport Plum
Russian Olive
Quaking Aspen
Canada Red Cherry
European Mountain Ash
Hawthorn Species
Chokecherry
Golden Raintree

Deciduous Shrubs

Ginnalle Maple
Amur Honeysuckle
Bluestem Willow
Bush Cinquefoil
Chinese Lilac
Common Purple Lilac
Red-Osier Dogwood
Rocky Mtn. Sumac
Serviceberry
Siberian Peashrub
Silver Buffaloberry
Viburnum
Western Chokecherry
Yucca
Barberry
Spirea

Evergreen Shrubs

Junipers
Mugho Pine
Arborvitae

Groundcovers, Vines

Boston Ivy
Clematis
Periwinkle
Sedum
Snow-in-Summer
Strawberries

Virginia Creeper
Woolly Yarrow
Comon Yellow
Honeysuckle
June Berry
Blue Fescue Grass
Trumpet

(h) Recommended Grasses, Wildflowers, Trees and Shrubs to attract birds.

- (1) High Maintenance Areas. Use a mixture of the grasses listed below for a quality lawn. This type of law will need to be irrigated during dry periods.

Kentucky Blue Grass
Park Kentucky Blue Grass
Other varieties of Blue Grass
Creeping Red Fescue
Annual Ryegrass

- (2) Low Maintenance Areas. Use a mixture of short grasses listed below. These types of grasses will need very little water after the grass is established.

Tall Red Fescue
Creeping Red Fescue
Annual Ryegrass
Buffalo Grass
Blue Grama
Alsike Clover
White Dutch Clover
Perennial Ryegrass

- (3) Wildflowers. "P" is for perennial; "A" is for annual

P Purple Cane Flower
P Perennial Lupine
P/A Lemon Mint
P Blackeyed Susan
P Tickseed
P Purple Prairie Clover
P Blanket Flower
P Blue Flax
P Ox Eyed Daisey
A Red Corn Poppy
A Blue Bell
P Prairie Coneflower
P White Prairie Aster
P Wild Rose
P Pale Purple Coneflower

(4) Trees and Shrubs that attract birds:

Juniper
Chokecherry
Chokeberry
Sarvus or June Berry
Bitter Sweet Vine
Dogwood
Russian Olive
Hawthorne
Mountain Ash
Black Elder
Sand Cherry
Buffalo Berry
Hanson Bush Cherry
Nankina Cherry
Flowering Crab

Section 32. Approval and Conformity of Plans. No building, fence, wall or other structure or improvement of whatever type shall be commenced, erected or maintained upon the property, nor shall there be any addition to or change to the exterior of any residence or other structure or improvement upon a lot or the landscaping, grading or drainage thereof, including, without limitation, the painting (other than painting with the same color of paint as previously existed) of exterior walls, patio covers and fences, except in compliance with plans and specifications therefor which have been submitted to and approved by the design review committee in accordance with the development standards as to harmony of external design and location in relation to surrounding structures and topography.

Section 33. Non-Liability for Approval of Plans. Plans and specifications shall be approved by the design review committee as to style, exterior design, appearance and location, and are not approved for engineering design or for compliance with zoning and building ordinances, and by approving such plans and specifications neither the design review committee, the members thereof, nor the declarant assumes any liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. Neither the design review committee, any member thereof, nor the declarant shall be liable to any owner or other person for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, or (b) the construction or performance of any work whether or not pursuant to approved plans, drawings and specifications.

Section 34. Utility Easements. Easements for installation, maintenance, repair and removal of utilities and

drainage facilities over, under and across the property are reserved. Full rights of ingress and egress shall be had by declarant and any bona fide utility company at all times over the easement areas for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility.

Section 35. Homestake Mining Company Reservations.

Homestake Mining Company has reserved the following, repeated verbatim:

1. All minerals, whether organic or inorganic, in whatever form or character, including, but not limited to gold, silver, uranium, coal, oil, gas and other metals and hydrocarbons; geothermal resources; sand; gravel and clay (all collectively referred to as "Minerals") in, on and under the Property together with the right to explore, develop, mine and remove Minerals by any and all exploration and mining methods, including surface and underground mining methods, all of which may involve Homestake's use or occupancy of the surface of the Property. Homestake shall compensate Grantee, its successors and assigns, for any injury or actual and direct damage to the surface and to any improvements on the Property arising out of the exercise of the reserved rights, based on the fair market value of the surface and the improvements. If the parties are unable to agree on the fair market value of the surface and any improvements and the amount of damage, either Homestake or Grantee may demand appraisal. Each of Homestake and Grantee shall designate a licensed South Dakota appraiser experienced in appraising like property. The two appraisers shall select a third similarly licensed and experienced appraiser. Each appraiser shall determine an amount of compensation. For all purposes, the amount of compensation payable to Grantee shall be the average of the two amounts determined by the appraisers which are the closest to each other.
2. Right of ingress and egress across, over, into and through the Property as required by Homestake in the exercise of Homestake's reserved rights in the Property.

ARTICLE III.

REPAIR, RESTORATION

In the event an owner of any lot in the properties shall fail to maintain the premises and the improvements located thereon in a manner satisfactory to the design review committee, the association, after approval by two-thirds (2/3) vote of the board of directors, shall have the right, through its agents and employees, to enter upon said lot and to repair, maintain or bring into compliance the lot and the exterior of the buildings and any other improvements erected thereon. The cost of such repair, maintenance, restoration or compliance shall be added to and become part of the assessment to which such lot is subject.

ARTICLE IV.

WAIVER OF LIABILITY

Section 1. Waiver of Liability. By the acceptance of their deed, all owners, heirs and assigns waive all claims against declarants, the association, its board, officers and design review committee except as provided herein.

Section 2. Condition for Liability. The determinations and actions of the declarants, the association, its officers, board, and design review committee must be first contested in a court of competent jurisdiction and the same shall be permitted opportunity to correct any errors in compliance with final judgment as to the same before liability can attach.

Section 3. Exceptions to Waiver of Liability. If the declarations, the association, its officers, board or design review committee deliberately refuse to correct or rectify any act or omission after a court order adverse to the association, its officers, board or design review committee, then the owner may sue it or them for actual damages, including reasonable attorney fees.

ARTICLE V.

GENERAL PROVISIONS

Section 1. Enforcement. The association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this declaration. Failure by the association or by

any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this declaration shall run with the land, for a term of twenty (20) years from the date this declaration is recorded, after which time they shall automatically be extended for successive periods of ten (10) years. This declaration may be amended at any time by the undersigned or by an instrument signed by not less than seventy-five percent (75%) of the lot owners. Any amendment must be recorded.

IN WITNESS WHEREOF, the undersigned, being the declarants herein, have set their hands and seals this 26 day of April, 1996.

SANDSTONE HILLS, L.L.C.

By: Joe B. Jorgensen
Joe B. Jorgensen
Its President

and
By: James A. Benning
James A. Benning
Its Secretary/Treasurer

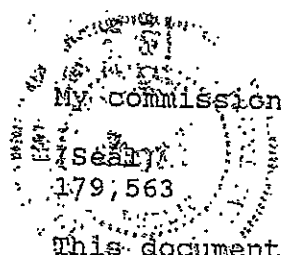
STATE OF SOUTH DAKOTA)
) ss.
COUNTY OF LAWRENCE)

On this, the 26th day of April, 1996, before me, the undersigned officer, personally appeared Joe B. Jorgensen and James A. Benning, who acknowledged themselves to be the president and secretary-treasurer, respectively, of Sandstone Hills, L.L.C., a limited liability company, and that they, as such president and secretary-treasurer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the company by themselves as president and secretary-treasurer, respectively.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Kimberly K. Halsworth
Notary Public

My commission expires: November 30, 2002.



This document was prepared by:
Mariah A. Schmidt
Attorney at Law
P.O. Box 1048
Spearfish, South Dakota 57783
605-642-2622

DOC. NO. 96-1701
FEE \$ 35.⁰⁰ JRM
1996, April 29
11:51 A.M.
Julie P. Mowbray
REGISTER OF DEEDS
LAWRENCE COUNTY
SOUTH DAKOTA
16 pages

president and secretary-treasurer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the company by themselves as president and secretary-treasurer, respectively.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Jerry Frank
Notary Public

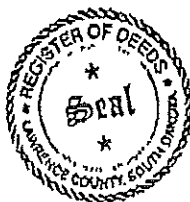
My commission expires: 3-13-2005

(Seal)
190,193

This document was prepared by:
Harlan A. Schmidt
Attorney at Law
P.O. Box 1048
Spearfish, South Dakota 57783
605-642-2622

DOC. NO. 97-2939
FEE \$ 12.00
1997, August 5
8:56 AM
Judy S. Meador
REGISTER OF DEEDS
LAWRENCE COUNTY
SOUTH DAKOTA
2 pages

First Amendment to Declaration - 2



Doc#:2004-01162
Recording Fee: \$ 12
Date:02/27/2004 Time:11:34
Lawrence County
Register of Deeds

Sherry Green
Deputy

This document was prepared by:
Harlan A. Schmidt
Attorney at Law
P.O. Box 1048
Spearfish, South Dakota 57783
605-642-2622

SECOND AMENDMENT TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

This is the second amendment to the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS filed in the office of the Lawrence County Register of Deeds on the 29th day of April, 1996 at 11:51 a.m., as Document No. 96-1701, as amended on July 9, 1997 which amendment was filed in the office of the Lawrence County Register of Deeds on the 15th day of August, 1997 at 8:56 a.m., as Document No. 97-2939, by SANDSTONE HILLS, L.L.C., a South Dakota limited liability company, hereinafter referred to as declarant.

NOW, THEREFORE, declarant hereby amends the aforementioned declaration and first amendment as follows:

I.

That Section 27 of Article II entitled "Fences" be and is hereby amended to provide that rough sawn brown treated lumber may be substituted for rough sawn 2"x8" cedar rails and 6"x6" rough sawn cedar posts.

II.

Declarant hereby ratifies and affirms all of the other provisions of the aforementioned declaration and first amendment.

Dated this 24 day of Feb., 2004.

SANDSTONE HILLS, L.L.C.

By: *Joe B. Jorgensen*
Joe B. Jorgensen
Its President

and

By:

[Signature]
James A. Benning
Its Secretary/Treasurer

STATE OF SOUTH DAKOTA)

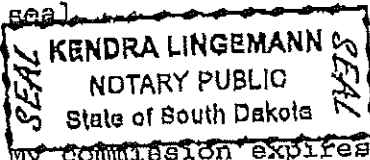
) ss.

COUNTY OF LAWRENCE)

On this, the 24 day of Feb., 2004,
before me, the undersigned officer, personally appeared Joe B. Jorgensen and James A. Benning, who acknowledged themselves to be the president and secretary-treasurer, respectively, of Sandstone Hills, L.L.C., a limited liability company, and that they, as such president and secretary-treasurer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the company by themselves as president and secretary-treasurer, respectively.

IN WITNESS WHEREOF, I hereunto set my hand and official

seal



[Signature]
Notary Public

My Commission Expires 6-25-2008

(Seal)
262,795

