

**DECLARATION OF PROTECTIVE COVENANTS,
RESTRICTIONS AND CONDITIONS OF:**

SANDSTONE

**Sheridan County, Wyoming
Legal Description and Plat - Attachment A**

**COVENANTS WILL BE IN SUBSTANTIALLY THE FOLLOWING FORM. FINAL COVENANTS WILL BE
FILED OF RECORD ON OR BEFORE THE CLOSING DATE OF THE FIRST LOT SALE.**

This Declaration of Covenants, Restrictions and Conditions is made this 19th day of May, 2010 by Sandstone, LLC, a Wyoming limited liability company ("Declarant").

The Declarant has developed the land described on Attachment "A" for the purpose of pleasant and orderly residential living, and therefore such land shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions and conditions (collectively "Covenants") set forth herein.

(1)

Architectural Control Committee. As soon as practical after these Covenants are recorded, the Declarant shall establish an Architectural Control Committee ("ACC"). The initial ACC committee shall consist of at least 3 members and no more than 7 members, as the Declarant may determine from time to time by written notice given by the Declarant to the then-owners of Tracts in Sandstone. The initial members and any additional or replacement members shall be appointed by the Declarant. The ACC shall review and approve all construction and landscaping plans, and establish such reasonable rules, regulations, architectural standards, design guidelines and development standards as the ACC may from time to time determine in its sole discretion to be appropriate or necessary.

The initial ACC shall have three members, who shall be Edward R. Schunk, Rosemary B. Schunk and Eda Schunk Thompson. Notwithstanding anything herein to the contrary, at least one position on the ACC shall be held by one of the aforementioned Schunk family members, or by a descendant of one of the aforementioned Schunk family members, unless and until a release of this requirement by a majority of that group consisting of Edward R. Schunk, Rosemary B. Schunk and all of their adult, surviving descendants is recorded with the Sheridan County Clerk and Recorder.

Each Tract owner shall submit such appropriate architectural and/or engineering drawings as the ACC determines necessary or advisable in order for the ACC to approve the same in writing prior to commencing construction of any dwelling. The drawings shall include exterior color schemes; landscaping and surface water drainage plans. The ACC shall use best efforts to review and offer comments and/or approval for each submission within thirty (30) days of receipt thereof, and may request additional information and/or detail before making its decision. No change from the approved plan may be made without first obtaining prior written approval of the ACC.

At such time as the homeowners association is established, the duties and enforcement rights of the ACC described herein shall be assumed by such association, which may establish an architectural control committee or other committees, panels or agents in accordance with its rules, after which the initial ACC shall be disbanded and its authority terminated; provided, however, that the association bylaws shall provide that until all of the Tracts are sold, the Declarant shall have the power to appoint a majority of the members of such committee.

All references in these Covenants to the ACC shall be to the initial ACC and/or to the architectural control committee and/or other authorized committees, panels or agents established under the homeowners association, whichever is active and authorized at the time of reference or enforcement.

(2)

Single-Family Dwellings. All Tracts in Sandstone shall be single family residential Tracts, and are restricted by all the Covenants contained herein.

(3)

General Provisions Regarding Dwellings. The ACC may adopt such rules and regulations regarding dwellings as are deemed appropriate, advisable or necessary to accomplish the goals of these Covenants.

No building shall be erected, altered, placed or permitted to remain on any Tract except as first approved by the ACC.

Any and all space used for residential garage, shop, storage or other residential purposes shall be fully enclosed and attached to the single-family residential dwelling or located on the Tract, as approved by the ACC. Any outbuilding not attached to the dwelling shall be located no less than 100 feet from the dwelling, determined by measuring the nearest wall of the dwelling to the nearest wall of the outbuilding. Any construction or remodeling of outbuildings, garages, additions and exterior renovations must first be approved by the ACC, which may consider any and all relevant factors in its determination as to whether approval is granted.

No structure shall be permitted within fifty (50) feet of any boundary line, unless necessity is established by the Owner, and the location is approved by the ACC. All construction shall take place within the building envelope identified on the plat.

All dwellings shall be new construction built on-site by approved and licensed contractors; provided, however, that an Owner who is not a licensed contractor may act as his or her own contractor if: a) such action complies with all applicable laws and regulations; b) the Owner obtains permission from the ACC by providing sufficient evidence of the Owner's ability to perform as his/her own contractor, and any other reasonably relevant information as may be requested by the ACC as a condition to its approval.

Generally, no building that is constructed off-site and requires transportation to any Tract, whole or in partial assembly, will be permitted. Prohibited structures include but are not limited to mobile homes, stock modular buildings, or any other structure requiring transportation and set up in a partially completed state. For purposes of this paragraph only, prohibited structures do not include log homes partially built off site and then dismantled and re-erected on site, provided that the ACC has given prior approval. Notwithstanding the foregoing, an exception may be granted by the ACC if the Owner, prior to any excavation or construction of any kind, submits to the ACC a request for an exception and the Owner establishes to the satisfaction of the ACC that the construction will be of comparable quality to a home built on site; the decision of the ACC on this shall be final.

(4)

Prior Approval. No building shall be erected, placed or altered on any Tract until the construction plans and specifications, and a plot plan, have been approved in writing by the ACC. No fence or landscaping, trees or shrubs, outbuildings or renovations of any kind shall be erected, constructed, placed, remodeled or altered on any Tract, unless first approved in writing by the ACC.

(5)

Architectural Review Standards. The general purposes expressed in this Declaration shall be enforced to assure that any improvements or changes in the properties shall be of good and attractive design; that they will be in harmony with the natural setting of the area; that they will serve to preserve and enhance existing features of natural beauty; and that they will require that materials and workmanship of all improvements are of consistently high quality.

No one-story dwelling shall be constructed having less than 1,400 square feet of living area. No bi-level dwelling shall be constructed having less than 1,600 square feet of living area above finish grade. No two-story dwelling shall be constructed having less than 1,800 square feet of living area. The living area does not include the garage area, nor does it include any unfinished or open area such as basements and porches.

The ACC may permit exceptions to this requirement where it determines in its sole and absolute discretion that a specific Tract and/or style of dwelling justifies such an exception.

Roofs shall have at least a 5:12 pitch for roof slope. Generally, roofing materials may include fire retardant wood shakes or shingles, slate, flat concrete or clay tiles, non-reflective metal roofing and premium asphalt shingles.

The dwelling must be compatible with the site elevation and that of neighboring Tracts. The use of extensive retaining walls, excessive addition or removal of dirt, and exaggerated building pads is generally discouraged.

All dwellings must have a garage for vehicle storage. All garages shall be a minimum of a two (2) car attached to the main dwelling.

Adjacent dwellings shall not be so substantially similar in architectural appearance that they are generally indistinguishable from one another.

No dwelling shall be erected, altered, or placed, which is more than two (2) stories or twenty-five feet (25') in height, whichever is lesser, unless a greater height is approved in writing by the ACC after consideration of the aesthetics of the structure and the effect upon neighboring Tracts.

Television, radio and other communication antennas or any satellite system (24" maximum diameter) shall be first approved by the ACC and shall be placed upon the dwelling's roof opposite the front of the Tract. All utility lines and wires shall be buried in durable conduit. Any roof exhaust systems shall be placed upon the dwelling's roof opposite the front of the Tract.

Access driveways and other areas for vehicular use on a Tract shall have a base of compacted gravel, crushed stone or other approved base material and paved with an asphalt or concrete. All driveways must be a minimum of 24 feet in length and must be at least as wide as the garage. Driveways must be completed prior to occupancy unless prior approval is received from the ACC.

There shall be no outdoor storage of any motor vehicle, appliances or other property, including but not limited to snow machines, jet ski machines, ATV's, 5th wheel trailers, camper trailers, boats, RV's and inoperable motor vehicles; provided, however, that the ACC may approve the presence of any of the foregoing if the Owner requests permission from the ACC in advance and the Owner establishes that the item belongs to a person or persons visiting the Owner for two (2) weeks or less.

All dwellings shall be affixed to permanent foundations.

The location of each structure, including driveways and culverts, on a Tract shall be subject to approval in writing by the ACC, giving consideration to setback lines, if any, on the recorded plat, provided that each Owner shall be given reasonable opportunity to recommend the suggested construction site.

Exterior wall materials shall be compatible with the setting. Preferred materials are native stone, brick, wood or natural-appearing synthetic or metal materials. Vinyl siding is prohibited; plywood siding is generally prohibited. Stucco may be used when warranted by the particular design style of the dwelling. The use of textured masonry block as an exterior finish material may be considered by the ACC, but should be limited to accent areas. Simulated or cultured stone may be allowed if, in the opinion of the ACC, the proposed product and pattern suitably resembles its natural native counterpart. Masonry grouts shall blend unobtrusively with the masonry.

The ACC shall consider the aesthetic merits of any combination of exterior materials and shall, in its sole discretion, make its determination giving consideration to the architectural integrity and consistent visual experience of Sandstone and its surrounding area.

Exterior colors shall be compatible with the natural setting, and shall generally be in the predominant colors of the surrounding area.

Solar homes must be constructed so as to minimize reflective and other impact on the surrounding homes and Sandstone.

(6)

Noxious or Offensive Activities Prohibited. No noxious or offensive activity shall be carried on, in or upon any premises, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No plants or seeds or other things or conditions, harboring or breeding infectious plant diseases or noxious insects shall be introduced or maintained upon any part of a Tract. It shall be the responsibility of each Owner to maintain his Tract free from accumulation of debris and from the overgrowth of weeds and noxious vegetation. If an Owner shall fail to maintain the Tract or fail to cut or control the grass, weeds, or vegetation thereon, the ACC, after ten (10) days written notice to Owner, shall be authorized to enter upon the Tract to cut and mow same. If the ACC shall cause such work to be performed, Owner agrees to pay to the ACC the sum of Two Hundred Fifty Dollars (\$250.00) for each instance where the ACC shall cut or mow Owner's Tract; and unless otherwise determined by the homeowners association, this amount shall increase in 2012 to \$300 and shall increase by an additional \$50 on January 1 of 2015 and every five (5) years thereafter. The Tract may be charged with a lien to assure payment of such charge upon the recording of a notice of such lien. An agent may be designated for the purpose of performing the mowing or cutting, and payment may be made directly to such agent. No burning or refuse shall be permitted on any Tract at any time.

(7)

Variance from Covenants and Restrictions. The ACC shall have the power to enter into agreements with the Owner of any Tract, without the consent of the Owner of any other Tract, including Owners of any adjoining or adjacent property, to grant a variance from the provisions herein where it is determined by the ACC that failure to do so would result in an extraordinary hardship upon the Owner. In such event, the variance shall be made in writing, stating the reasons therefore, and such variance shall not constitute a waiver nor set a precedent as to any other Tract or Owner in Sandstone.

(8)

Quality of Structures. It is the intention and purpose of these Covenants to insure that all structures shall be of a quality of design, workmanship and materials that are compatible and harmonious with the natural setting of the area and other structures within the development. All Structures shall be constructed in accordance with applicable government building codes and with such additionally restrictive standards as may be required from time to time by the ACC.

(9)

Controls Applicable During Construction. Each Owner shall be responsible for the conformance with all such rules by the Owner's builder and contractors:

- (A) At all times during the construction period, a trash dumpster shall be located on the site and all construction debris shall be placed in the dumpster.
- (B) The roads shall be kept clean at all times. Any dirt or debris deposited on any road or other Tract by any vehicle entering or leaving the Owner's site shall be cleaned and removed immediately.
- (C) Building materials shall be stacked neatly on the site and shall not be stored on adjoining property. Any damage to improvements located on any other Tract shall be restored or compensated promptly.
- (D) Except as otherwise provided herein, no signs of any kind or description shall be displayed on any Tract. The Declarant may use signs to advertise the property during the construction and/or initial sales period, and the size and content of such signage shall be at the Declarant's discretion.
- (E) Any equipment that is not rubber-tired and that is used in excavating or construction may only be loaded or unloaded within the boundary lines of each respective Tract where said excavating or construction is being performed.
- (F) Proper and adequate barricades shall be provided for protection of any open excavation, formed and/or poured foundation walls prior to back-filling and/or completion of first floor, horizontal openings in any floor (such as stairwells) prior to the completion of proper railings, stairs or other uses.
- (G) Completion of Construction: Any construction undertaken on any Tract shall be continued with diligence toward the completion thereof and construction of any dwelling shall be completed within one year from commencement of construction, except that such period may be extended for a reasonable time by reason of act of God, labor disputes or other matters beyond the Owner's control. No structure shall be deemed completed until installation of approved landscaping.
- (H) As per state statutes "in-line booster pumps" will not be allowed on any water service line.

(10)

Tract Appearance. No Owner shall allow junked or inoperative vehicles, litter, refuse or other unsightly materials on any Tract. Lawn ornaments shall be limited in number and shall be tastefully arranged. Garbage and other refuse shall be placed in approved receptacles and shall be properly screened.

Firewood shall be stacked neatly, and be generally located where it cannot be seen from the street and in a manner that does not harbor rodents, noxious insects or other nuisances.

No trampoline may be located in a front yard, nor any other location where it is prominently visible. No trampoline may be placed so that it is easily accessible to those not living on the Tract on which the trampoline is located.

The ACC shall have the authority and power to cause junked or inoperable vehicles, litter, refuse or other unsightly materials to be removed and to take such other action as may be appropriate or necessary to enforce these provisions. If an Owner fails to remedy within fifteen (15) days of receipt of notice describing the violation and the remedy to be applied, then the matter shall be remedied and the costs incurred for such removal shall be billed to the Owner at the rate of five (5) times the actual cost, such additional cost to the Owner constituting a penalty for breach of this covenant, and the Owner's failure to pay within ten (10) days of

receipt of the billing statement shall constitute a default that permits the ACC to file a lien against the Tract for the amount billed, and a further penalty equal to the costs of filing such lien, including reasonable attorney fees, costs of collection and interest at the statutory rate applicable to judgments.

(11)

Other Prohibited Matters. Except as otherwise permitted by this Declaration, no animals other than inoffensive, common domestic household pets such as dogs and cats, shall be kept on any Tract. No trade, business, or profession shall be conducted on any Tract except as may be authorized by the ACC. For purposes of determining such authorization, the ACC shall consider any and all impact such activity may have, and the decision of the ACC shall be final. Only one (1) commercial vehicle may be parked on a Tract, and only if it is in regular use and is not of a size or appearance so as to interfere with the aesthetics of the neighboring Tracts. Habitual parking (parking for seven (7) days or more) on roadways is prohibited.

(12)

Pet Control. Each pet owner shall be required to collect and remove any and all pet feces or other noxious leavings of pets on any property other than the Owner's Tract. No Owner shall allow an excessive or noxious accumulation of pet feces or other noxious leavings on any Tract. A pet Owner shall be strictly liable for any and all damage or injury caused by his or her pets. All pets shall be kept on a leash while being walked by the pet owner. At all times, Owners shall prevent dogs from creating barking nuisance or other nuisance. A pet may remain outdoors on a tract so long as it is restrained from leaving the tract and so long as the pet is not a nuisance.

(13)

Easements Reserved with Respect to Tracts. Declarant reserves for itself, its successors and assigns, specific easements over each Tract, and the right to ingress and egress to the extent reasonable necessary to exercise such easement, as follows:

(A) Utility easements shown on any recorded Plat of the Properties, except that if any plat fails to establish easements for such purposes, then the easement shall be the outermost five feet of the entire Tract. The utility easements are reserved for the installation and maintenance of utility facilities, and incidental usage related thereto.

(B) No Owner shall place any structure on any easement or plant bushes or trees within twenty (20) feet of an easement. Each Tract owner shall be responsible for maintaining the easement and any damages caused by any user of the easement shall be promptly repaired and restored by such user.

(C) No Owner shall have any claim or cause of action except as herein provided, against Declarant, its successors, assigns, or licensees arising out of exercise or non-exercise of any reserved easement except in cases of willful or wanton misconduct.

(14)

Occupation of New Construction. No dwelling shall be occupied until the exterior construction is entirely completed, all utilities have been installed and are operable, and, if applicable, a certificate of occupancy has been issued by an appropriate authority.

(15)

Temporary Structures Prohibited. No structure of a temporary character, including but not limited to a trailer, basement, tent, shack, garage, or other outbuilding shall be used on any Tract at any time as a residence either temporarily or permanently. No building material shall be stored on any Tract for a period of longer than ninety (90) days unless substantial construction is actually in progress.

(16)

Landscaping. Owners of Tracts having utility and/or access easements in accordance with County regulations on the sides of the Tracts, and as shown on the Sandstone Plat, shall maintain such easements free of any structures, trees, fences, shrubs unless approved by the ACC and, where appropriate, the County of Sheridan. Generally, no water-features landscaping is allowed.

The location and species of each and every tree planted shall first be approved in writing by the ACC. No trees shall be approved that have characteristics deemed undesirable by the ACC, as it shall determine from time to time. Trees with large thorns, invasive root systems or undesirable seed dispersion are prohibited. Trees that are generally acceptable include but are not limited to certain varieties of locust, ash, maple, linden, evergreens, and burr oak.

(17)

Livestock Prohibited. No birds, dogs, pets, animals, or livestock of any kind shall be kept, raised or cared for on a commercial basis within Sandstone, and no swine, poultry, goats, horses, chickens, ducks or other livestock shall be permitted to be kept within Sandstone. The Owner of any dog, cat or other approved pet, shall control the pet so that it shall not become a public nuisance. Any existing regulations of Sheridan County or other appropriate governing body relating to the ownership and control of dogs or other pets shall be applicable to Sandstone. No animal that is aggressive, destructive or noisy shall be allowed. No Owner shall allow the pet of a visitor or guest of the Owner to violate these provisions.

(18)

Fireworks and Weapons Discharge Prohibited. The discharge of fireworks, firearms or air guns on any part of Sandstone is specifically prohibited. Generally, the use of a bow and arrow is also prohibited, but may be allowed if approved by the Homeowners Association.

(19)

Fences, Walls and Hedges. No fences, walls or hedges may be erected, planted or placed without prior approval by the ACC of the location, materials, species, maintenance and/or height. No fences, walls or hedges of any kind shall be erected, planted or placed within twenty (20) feet of any easements. Barbed wire fences are prohibited; smooth wire fences with treated wood posts are acceptable. Fences or privacy walls may be constructed of wood board (cedar or redwood), split rail, natural log, or combination thereof. Wood fences shall have treated posts with three poles or double-faced so that stringers and posts are partially concealed. Fences may be left natural with a linseed oil-based preservative application, or may be stained or painted an earth tone color; white is not an earth tone color. Fences and hedges shall not exceed six feet (6') above the finished grade.

(20)

Signs. One "For Sale" sign, no larger than six (6) square feet, may be permitted on each Tract on a temporary basis. During construction, a contractor's sign not to exceed six (6) square feet may be allowed. No other signs or signage other than address numbers shall be allowed, unless otherwise determined by the ACC or the homeowners association. This provision shall not apply to signs placed by or on behalf of the Declarant until all Tracts are sold.

(21)

Re-subdividing Prohibited. There will be no re-subdividing of any Tract within this subdivision that would cause the Tracts to be smaller than their original size. It will be permissible to re-subdivide two or more Tracts such that the resulting Tracts are all larger than the prior Tracts that comprised the re-subdivision. Any re-subdivision process must be permitted through the appropriate governmental body and shall be subject to all rules, regulations and requirements imposed by the County. This provision shall not apply to the Declarant until all Tracts are sold.

(22)

Utilities. All utilities in Sandstone shall be placed underground unless otherwise approved by the ACC (or by the Declarant prior to sale of all Tracts) because of special circumstances. The appropriate utility company shall provide its customary installation of utilities to a point adjacent to, or within an easement, of each Tract; and the Owner of each Tract shall be responsible for the cost of installing the utilities from that point onto the Tract.

(23)

Enforcement of Covenants. The initial ACC shall have the right and authority to determine compliance with the Covenants contained herein. The Declarant is the designated agent with full authority to maintain and prosecute any and all legal actions on behalf of the initial ACC. The initial ACC may delegate such decision-making and enforcement to the Declarant as the ACC and the Declarant may agree in writing from time to time.

At such time as the homeowners association is established (see Section 32 below), the duties, rights and obligations of the initial ACC shall be assumed by the homeowners association. It is anticipated that the homeowners association will establish a number of committees and will allocate enforcement, decision-making and other powers and duties to such committees so as to operate in an efficient manner.

Except as otherwise provided herein, upon the violation of any of the Covenants, or upon the failure to pay any assessments, written notice of such violation or failure shall be directed to the violator, who shall have fifteen (15) days after receipt of the notice to correct the violation or pay the assessment due. If the violation is not completely corrected, the issuer of the notice (the ACC, Declarant and/or the homeowners association, as appropriate) may cause whatever action is appropriate or necessary to cause compliance and end the violation, including entering the premises and incurring costs. In such event the Owner shall be obligated to pay to the issuer any and all reasonable costs, including attorney fees, incurred in the process of notice and remedy of the violation. In addition, damages may be assessed against the violator at the rate of \$25.00 per day for each day the violation continues after the fifteen (15) day notice. In the event suit is required to collect any sums due, or to enjoin the violation of any of the Covenants contained herein, the violator, in addition to any of the other remedies provided herein or which may be assessed by a court, shall be liable for all reasonable attorney's fees and costs incurred by the ACC or its assign in bringing such action. An individual Tract owner should not construe this paragraph to limit standing to enforce these protective Covenants. It is the intent of the Declarant that an individual Tract owner may seek to enforce these protective Covenants with the same rights and remedies afforded to the Declarant, the initial ACC and/or the homeowners association, including the enjoining of any violations, recovery of damages, recovery of the \$25.00 per day penalty.

(24)

Amendment of Covenants. Until such time as all of the Tracts are sold, the Declarant may amend these Covenants, conditions and restrictions by a signed, written amendment thereto; thereafter, these Covenants may be amended upon the written approval of the owners of at least seventy-five percent (75%) of the Tracts in Sandstone, or if a homeowners association has been established and is active, by action authorized in a meeting duly held by the association. Each Tract shall be considered to have one owner for purposes of this paragraph. Should multiple owners of a single Tract disagree upon the vote on any issue, that Tract shall be registered as an abstention in the vote count. Any amendments shall be binding on all the Tracts located within Sandstone.

(25)

Term. These Covenants, conditions and restrictions shall run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these Covenants are recorded, after which time, these Covenants, conditions and restrictions shall be automatically extended for successive period of ten (10) years unless and until an instrument amending or revoking them is adopted by a duly authorized action of the homeowners association, or if a homeowners association is not active for any reason, then by a vote of at least seventy-five per cent (75%) of the Owners of the Tracts, each Tract allowing one vote.

(26)

Partial Invalidity. In the event any one of the Covenants contained herein is invalidated by a Judgment or Court Order, the remaining provisions shall remain in full force and effect.

(27)

Water Rights. The 35.52 acres, more or less, shall have certain water rights in Colorado Colony Ditch and Big Horn Reservoir Co. stock currently owned by the Declarant or Declarant's members. The form of ownership, the payment of dues and fees, assessments and maintenance, and all other issues related to the exercise of these rights to or for the benefit of the 35.52 acres, more or less, shall be determined by the

Declarant in writing prior to sale of the last of the eleven (11) Tracts, and thereafter any rights and obligations relating to water rights shall be held and enforced as provided therein. Certain water delivery will be provided by Edward and Rosemary Schunk, their heirs, successors and assigns, and dues for same will be assessed and shall be paid by Owners directly or if authorized, through the homeowners association.

(28)

Homeowners Association. A Homeowners Association shall be established, which shall have authority to enforce these covenants. The Homeowners Association may, by its bylaws or by resolution, incorporate the ACC and its functions within the Association. Until all Tracts are sold, the Declarant may revise the Bylaws for the benefit of Sandstone, and consistent with these Covenants.

(29)

Drying Lines Prohibited. Above ground lines for the purpose of drying clothes are generally discouraged and to the extent allowed, shall be of a non-permanent or retractable nature and shall never be allowed to remain intact over night. Any such line shall not be visible from the common access road.

(30)

Soils and Groundwater Testing. Owners of all Tracts shall be responsible for obtaining site-specific soils investigation from a licensed soils engineer or geologist whenever questionable soils or groundwater are encountered during the excavation of the foundation system and any foundation drain system that may be deemed necessary. Groundwater shall not be discharged into the sanitary sewer collection system or the street surface.

(31)

Enforcement. Enforcement of these Covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction. Such action may be either to restrain violation or to recover damages, or against the land, to enforce any lien created by these Covenants. Failure by the Association or any Owner to enforce any covenant or restriction herein contained in no event shall be deemed a waiver of the right to do so thereafter.

(32)

Homeowners Association: Annual Fees. The Owner of each Tract shall pay \$250 at closing on the purchase of the Tract to be applied to the cost of establishing a homeowners association. This fund shall be used to pay or reimburse costs incurred to establish the homeowners association and/or enforce the Covenants, and/or maintenance and shall be controlled and used by the Declarant only for these purposes. In addition, annual dues for operation, maintenance, enforcement and other common purposes shall be assessed by the ACC and/or the homeowners association and shall be paid by each Owner on or before March 1 of each year, without proration and in addition to the fee paid at closing. For purposes of this paragraph "Owner" shall not include the Declarant, and Tract 11 shall generally be excepted from maintenance charges relating to common areas. Once established, the homeowners association shall have the right to enforce any and all provisions of these Covenants, set dues, and adopt any other provisions as may be determined appropriate or necessary by the homeowners association. The funds collected prior to the establishment of the homeowners association may be used for the benefit of the Owners, including costs of establishing the homeowners association, in such amounts and for such purposes as the Declarant deems appropriate or necessary. Declarant shall cause a homeowners association to be established on or before December 1, 2013.

Notwithstanding any provisions herein to the contrary, after its establishment, the homeowners association shall have the authority to amend any and all provisions regarding fines, penalties, liens and other charges and remedies related to enforcement of these Covenants. In addition, the homeowners association may adopt such rules and procedures as it deems necessary or advisable to implement the letter and the intent of these Covenants.

The initial annual fees shall be \$200 per lot, payable on or before the date determined by the ACC until such time as the Homeowners Association is established, after which the amount of annual dues and the date payable shall be determined by the Homeowners Association.

(33)

Unless otherwise provided herein, any right, power or duty of the Homeowners Association shall be the right, power and duty of the ACC until such time as the Homeowners Association is established.

Adopted this 19th day of May, 2010.

Sandstone, LLC

Sandstone, LLC

By: Edward R. Schunk
Edward R. Schunk, Manager & Member

By: Rosemary B. Schunk
Rosemary B. Schunk, Manager & Member

STATE OF WYOMING)
) ss
County of Sheridan)

I, Edward R. Schunk, being first duly sworn, on oath depose and say: that I am the Manager and Member of Sandstone, LLC; that I have read the foregoing Declaration of Protective Covenants, Restrictions and Covenants of Sandstone Subdivision, Sheridan County, Wyoming; know the contents thereof; and that the statements therein contained are true.

Edward R. Schunk
Edward R. Schunk

Subscribed and sworn to before me this 19th day of May, 2010.

Witness my hand and official seal.

My Commission Expires: 8-18-2011



STATE OF WYOMING)
) ss
County of Sheridan)

I, Rosemary B. Schunk, being first duly sworn, on oath depose and say: that I am a Member of Sandstone, LLC; that I have read the foregoing Declaration of Protective Covenants, Restrictions and Covenants of Sandstone Subdivision, Sheridan County, Wyoming; know the contents thereof; and that the statements therein contained are true.

Rosemary B. Schunk
Rosemary B. Schunk

Subscribed and sworn to before me this 19th day of May, 2010.

Witness my hand and official seal.



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My Commission Expires: 8-18-2011

Notary Public

2011