DECLARATION OF ZONING RESTRICTIONS AND COVENANTS

SHERIDAN HEIGHTS, INC., a South Dakota Corporation, being the owner of the following described real property in Meade County, South Dakota, to wit:

A Portion of Wonderland Homes Subdivision in the County of Meade including: Lots One (1) through Twelve (12) of Block Nine (9); Lots One (1) through Twenty-three (23) of Block Ten (10); and Lots One (1) through Nineteen (19) of Block Eleven (11), all in Wonderland Homes Subdivision located in Lot One (1) of Lenlu Estates Subdivision which is formerly a part of Lot A of the Southwest Quarter (SW4) of Section Twenty-four (24), Township Three (3) North, Range Six (6) East of the Black Hills Meridian, Meade County, South Dakota.

hereby make the following declarations as to limitations, restrictions, and uses to which the lots constituting said real estate may be put, and hereby specify that said declarations shall constitute covenants to run with all of said land, as the same may be subdivided by Sheridan Heights, Inc., and shall be binding on all parties and all persons claiming under them, and for the benefit of and limitation upon all future owners of said property, this declaration being designated for the purpose of keeping said real estate desirable, uniform, and suitable in architectural design and use as hereinafter and specified:

1. EASEMENTS:

Easement of ten feet (10') shall apply only to the boundaries of and beneath all dedicated roadways, for the construction, location, and maintenance of water lines, sewer lines, telephone lines, electrical lines, gas lines, drainage, and any other such utilities which shall be a benenfit to any person living on said development.

2. SIGNS:

No signs, billboards, or other advertising structures shall be erected or maintained on any of the lots within this subdivision for any purpose whatsoever except for the identification of residence or signs advertising said property for sale, which may be placed upon lots wishing new ownership.

3. FENCES:

No woven wire fences or barbed wire fences may be erected on any of the lots included within the subdivision. Fences erected around a lot shall not encroach upon any right-of-way easements as set forth in these covenants or as platted. Fences erected on lots shall not exceed five feet (5') in height with the exception that fences erected around patios or recreation areas for the purpose of secluding the same, shall be a reasonable height, but shall not be erected in such a position as to disrupt the ability of motorists traveling on any of the roads in this subdivision from having a clear and unobstructed view of intersection and adjoining roads. For the purpose of this covenant, picket fences, woven board fences, split rail fences, or

board fences and chain link fences shall be included within the definition of permissbile fencing. All fences shall be maintained and kept up and not allowed to fall into a condition of delapidation or disrepair.

4. TRASH:

No trash, ashes, or other refuse shall be dumped or thrown on any lots within this subdivision. Each property owner shall provide a suitable receptacle or receptacles to be used for the temporary storage or collection of refuse, garbage, and waste, and such receptacle shall be screened from public view, shall be in a sanitary condition, and shall be protected from disturbance by animals or elements. This restriction applies also during the period of construction of site improvements and dwellings within the subdivision. Each property owner shall provide for a suitable means of refuse disposal service, which shall be in accordance with rules and regulations of the County Governing Body and County and State rules and regulations.

5. LIVESTOCK:

No animals or poultry shall be kept on any of the lots within this subdivision except dogs, cats or other household pets. No animal of any kind shall be kept or bred for commercial purposes within this subdivision. No household pets which are dangerous or obnoxious to others shall be kept in said subdivision.

6. TREES AND SHRUBS:

No trees or shrubs are to be planted, cultivated, or allowed to grow within the access easement boundaries of any lot within said subdivision.

7. SETBACK REQUIREMENTS:

All setbacks from lot lines shall be as required by Meade County Ordinances.

8. TEMPORARY STRUCTURES:

No trailer, basement, tent, shack, garage, barn, or other buildings shall be erected or maintained upon any of the lots in this subdivision for use as a residence, either temporarily or permanently.

9. LANDSCAPING:

All natural surface areas disturbed by the construction of any dwelling shall be returned as promptly as possible and as nearly as possible to the original natural state. No natural surface shall be disturbed or changed in such a way as to disturb the natural water flow or surface configuration of the existing lots.

10. CONTINUITY OF CONSTRUCTION:

All structures commenced within this development shall be prosecuted diligently to completion and shall be completed within eighteen (18) months from the commencement of construction, unless such completion is not permitted by inclement weather or disaster.

11. NUISANCE AND FIREARMS:

No obnoxious or offensive activity shall be carried on within any of the lots within this subdivision, nor shall anything be done or permitted which shall constitute a public nuisance therein, nor shall any firearm be discharged within the subdivision.

12. OCCUPANCY:

No more than one (1) family occupancy shall be permitted to exist on a permanent basis on any lot, except that this provision shall not exclude any person from residence with the pricipal occupant's family in the common living arrangement and otherwise maintain a home in common with the principal occupant.

13. EFFECT AND DURATION OF THE COVENANTS:

The conditions, restrictions, stipulations, agreements, and covenants contained herein shall be for the benefit of and binding upon each of the lots within this area and development and each owner of property therein, his successors in interest, representatives, or assigns, and shall continue in full force and effect until the year 2018. Absent objections or actions to the contrary, all covenants contained herein shall be self-renewing on the above date and shall continue in full force and effect until changed as prescribed herein below.

14. AMENDMENTS OR CHANGES OF COVENANTS:

The conditions, restrictions, stipulations, agreements, and covenants contained herein shall be in full force and effect and binding as aforesaid and shall not be waived, changed, abandoned, terminated, or amended except by an instrument duly acknowledged and recorded in the office of the Meade County Register of Deeds, Sturgis, South Dakota, and executed by seventy-five percent (75%) of the then owners of the privately owned lots within the above described area and included within the boundaries of said subdivision. The above referred to method of changing or amending any of these covenants shall not be in effect until the year 2018 and thereafter, however, this shall not prevent the amendemnt of the covenants, conditions, and restrictions, stipulations, and agreements herein contained by an agreement signed by one hundred percent (100%), that is, all of the then owners of the lots included within the boundaries of the above-entitled subdivision.

15. ENFORECEMENT:

If any person shall violate or threaten to violate any of the provisions of this instrument, any person or persons owning real estate within this development may enforce the above and foregoing covenants and restrictions and may institute proceedings at law or in equity to enforce the provisions of this instrument to restrain the person violating or threatening to violate and to recover damages, actual and punitive, for such violations.

16. SEVERABILITY:

Invalidation of any of the provisions of this instrument by judgment or court order or decree shall in no way affect any of the other provisions which shall remain in full force and effect.

17. COMMERCIAL ACTIVITY:

No businesses and commercial activity shall be conducted in this subdivision except for those businesses conducted entirely within the confines of an ordinary residence where the proprietor of the business also resides in the same residence and where the business is not

conducted in such a way as to interrupt or interfere with the quiet enjoyment of the surrounding property owners' dwellings.

18. MOTOR VEHICLES:

No motor vehicles, cars, buses, tractors, trailers that are not in normal running condition and in average daily use shall be kept on any of the above described real property, it being specifically understood that this covenant is to prohibit and forbid the keeping of any wrecked motor vehicles not in normal public use and operation and any other like debris upon any of the above described property. A vehicle not currently licensed is prohibited.

19. SIZE OF LOT:

No lot shall have an area of less than 7,490 square feet.

20. SEWAGE DISPOSAL:

Each owner maintaining a residence upon any lot or site in said subdivision shall maintain a sewage disposal system which meets all current state health standards; provided, however, in the event a sewage disposal system is furnished to said lot on a commercial basis, then, in that event, no individual sewage system shall be permitted.

21. WATER SYSTEMS:

Each owner maintaining a residence upon any lot or site in said subdivision shall purchase water from the Wonderland Water System. Nothing herein shall prevent an owner, however, from maintaining a private water system for non-residential purposes.

IN WITNESS WHEREOF, the undersigned owners do hereby set their

hands to these covenants on this 26th day of April, 1978.

SHERIDAN HEIGHT, INC. By: David R. Knecht, President With Seal

Acknowledged April 26, 1978, with seal. Filed May 4, 1978 at 2:45 p.m. Recorded in Book 347 on Page 444 Register of Deeds office, Meade County, South Dakota.