

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HORSESHOE HILLS SUBDIVISION

THIS DECLARATION is made this day by **COMBINED INVESTMENTS, LLC**, a Wyoming limited liability company, hereafter referred to as "Declarant. "

The Declarant is the owner of following described lands to be known as **HORSESHOE HILLS SUBDIVISION**, hereinafter referred to as the "Properties":

Tracts 1 through 13 of the Horseshoe Hills Subdivision, located in Section 15, Township 48 North, Range 81 West, Johnson County, Wyoming

The Declarant intends to sell all of the land contained in Horseshoe Hills Subdivision as separate tracts as depicted in the plat which is attached hereto as **Exhibit "A"**. Reference to the tracts shall be to the Tracts designated on Exhibit "A" hereto.

All of the tracts shall be held, transferred, sold, conveyed, or contracted to be conveyed by Declarant subject to the conditions, restrictions, reservations, and covenants now on record and upon the following express conditions, provisions, reservations, restrictions, servitudes, and covenants (hereafter referred to as covenants). Each and every covenant is for the benefit of the Horseshoe Hills Subdivision and for the benefit of each owner of land therein. These covenants shall run with the land and inure and pass with this property and each and every tract therein. These covenants shall be binding on all owners of Properties and their successors in interest regardless of how that interest is acquired. This includes, among others, adverse possessors, lessees, and purchasers at mortgage foreclosure sales. It is the purpose of these covenants that the present natural beauty, view and surrounding of Horseshoe Hills Subdivision shall always be protected insofar as is possible in connection with the uses and structures permitted by this instrument.

It is the intention of the Declarant that the lands located in the Properties shall be developed and maintained as a highly desirable residential recreational area.

These covenants are imposed upon the lands comprising the Horseshoe Hills Subdivision as an obligation or charge against the same for the benefit of each and every tract in the Properties and the owner or owners thereof. Each and every owner of land in this Properties shall have a right to enforce these covenants in accordance therewith which are imposed upon each and every tract in this Properties.

ARTICLE I

DEFINITIONS

1. "Architectural Board" shall be the same persons who consist of the Board of Directors of the Horseshoe Hills Homeowners' Association as herein established.
2. "Association" means Horseshoe Hills Homeowners' Association, its successors and assigns.
3. "Owner" means and refers to the record owner whether one or more persons or entities, of a fee simple title to any tract which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
4. "Properties" means and refers to that certain real property hereinbefore described.
5. "Tract" shall mean and refer to any tract of land shown upon the map of the Properties attached hereto.

STATE OF WYOMING **061221**
COUNTY OF JOHNSON
This instrument was Filed for record
on 12-29-2006 at 10:50 M and was
duly recorded in book 86A-62 page
169-177 Fee \$ 32.00
Register of Deed
By Jane Car Deputy

6. "Developer" or "Combined Investments" shall mean and refer to Combined Investments, LLC, a Wyoming limited liability company, its successors and assigns.

7. "Mortgage" means mortgage or deed of trust and "Mortgagee" means the holder of a mortgage or the holder of a note secured by a deed of trust.

ARTICLE II

PROTECTIVE COVENANTS

1. **Use of Tracts.** Each tract within the Properties shall be improved, used and occupied only for private residential and related recreational purposes. No more than two single family recreational residences are permitted on any tract.

2. **Pets and Other Animals.** All pets shall be confined to owner's tract and shall not be allowed to run at large. No pigs, other than for 4-H or FFA projects, or for owner's own personal consumption, not to exceed two (2), may be kept within the properties. No tract of land shall be over grazed as defined by customary grazing practices in the area.

3. **Commercial Use.** No part of the property shall ever be used or caused to be used for any business, commercial, manufacturing, mercantile, storing, vending or such other non-residential purpose. Not to exclude home-based businesses so long as they do not become an annoyance or nuisance to the neighborhood.

4. **Signs.** Signs shall not be permitted other than the "For Sale" sign or the developer sign, not to exceed two foot by two foot (2' x 2') size, except that the Developer may place appropriate signs on its properties. Direction signs and name signs shall be permitted only as directed by the Association.

5. **Other Structures.** No structure of a temporary character, mobile home (except one "camper" trailer not exceeding forty (40) feet in length), tin shack, or other temporary building shall be used on any tract at any time; provided, however, that during construction of any home, a trailer shall be permitted for the occupancy of the workmen not exceeding a total of six months, whether consecutive or not. Two detached garages or barns, or storage shed shall be permitted for each single family dwelling if of the same architecture as the residence and approved by Architectural Board. All other buildings must be approved by the Architectural Board. No mobile homes may be placed on a tract for a residence, however new modular homes placed on permanent foundations are permitted as approved by the Architectural Board.

6. **Drilling and Mining.** Except for water wells, no drilling or mining operation shall be permitted.

7. **Trash Collections.** All rubbish, trash and garbage shall be regularly removed from the Properties and shall not be allowed to accumulate.

8. **External Antennae.** External antennae shall not be allowed without approval of Architectural Board, which shall not be unreasonably withheld.

9. **Parking.** No trailer, camper, boat, or truck larger than a one ton pickup or similar equipment shall be parked or maintained upon any property unless placed or maintained within an enclosed garage or in such area as may be established for the same by the Architectural Board. Every tract may establish parking for not to exceed four vehicles per tract. There shall be no parking permitted on or along established roadways or easements.

10. **Tanks.** There shall be no above-ground tanks, except for fuel or butane, not to exceed 300 gallons, or propane tanks not to exceed 1000 gallons. These shall be screened from view by a suitable screening approved by the Architectural Board.

11. Water Use. The Association shall have the right to construct and control any future common water system and to expand its use. The Association shall have the right to make such uses of this future system as it shall desire. The power of the Association shall include but not be limited to the right to conduct, construct, install, maintain, and operate a water distribution system and in such event shall have the right to limit the uses of such water.

12. Fencing. All fencing on perimeter of each tract shall be a lawful wire fence to keep out livestock. Interior fencing other than lawful wire must be approved by the Architectural Board. Each owner is responsible to construct a lawful fence if he desires to keep livestock off his tract. During construction, the owner shall construct temporary or permanent fencing around any excavation or construction site to protect livestock.

13. Sewage Systems. All individual sewage systems shall meet all requirements of the Department of Environmental Quality of the State of Wyoming and any applicable county regulations.

14. Water Supply. All individual water supplies shall meet all requirements of the State of Wyoming and any applicable county regulations. All wells shall be cased and surface cemented and perforated in the water zone.

15. ReSubdivision. The owner of any tract, excluding the developers, is prohibited from resubdividing a tract or selling a portion of a tract to a third party for the purposes of further subdivision.

16. Association. The Association shall have the right, power, and authority to construct, operate, maintain and repair a road in the Properties, including snow removal; construct, operate, maintain and repair a common water system for the Properties; and enforce this Declaration and levy assessments, as set out in Article IV below, for these purposes. The Association has the right to borrow money for these purposes; provided, however, that such borrowing shall require the consent of two-thirds of the members.

ARTICLE III

ARCHITECTURAL CONTROLS

1. No building, fence, wall or other structure or landscaping, shall be erected, altered, repaired, or accomplished until the building plans, specifications, tract plans, elevations, grade line and other description of the proposed work, including the nature, kind, shape, heights, materials and location have been submitted to and approved by the Board of Directors of the Association, which shall be the Architectural Board, as to the quality of the workmanship and materials, harmony of exterior design with existing structures and buildings, location with respect to topography and finished grade, and compliance with these covenants.

2. The following architectural controls are also established:

a. Set back. No building shall be located on any tract nearer than fifty (50) feet to any tract line.

b. Size. The ground floor of any dwelling located on any tract shall be not less than 1000 square feet, which area shall not include floor space of any garage.

c. Roofing. The roof shall be wood, metal, or asphalt composition. Metal roofs must be permanently colored in earth tone or other colors which may be harmonious with the environment as may be determined by the Architectural Board. Roof construction shall have a slope of no less than a 3" rise for each 12" run.

d. Exterior Colors. All exterior colors shall be earth toned or other colors which may be harmonious with the environment as may be determined by the

Architectural Board.

e. Foundations. All residences shall be permanently affixed to a foundation without utilizing tie-down straps.

f. Construction Standards. All residences shall be wired in accordance with the National Electrical Code of 1991. All plumbing shall be in accordance with the National Plumbing Code. All septic systems shall meet the requirements of the Department of Environmental Quality of the State of Wyoming. No sewage effluent shall be allowed to discharge onto open grounds, into drainage streams, or into other drainage sources.

g. Height. No structure shall exceed 40 feet in height unless the Architectural Board grants a variance.

h. Occupancy. No dwelling shall be occupied until the exterior construction is entirely completed. All exterior coloring of the buildings and roofs must be approved by the Architectural Board.

i. Use. No building material shall be stored on any tract for a period of longer than 90 days unless substantial construction is in actual progress.

j. New Construction. Only new construction will be allowed in the Properties.

k. General Conditions. The intent of these restrictions is to insure that all buildings will be harmonious with the natural surroundings in an effort to retain the setting and to insure that all structures will be able to withstand expected live loads. In all cases not herein provided for, the Architectural Board shall endeavor to achieve these principles.

l. Underground Utility Lines. All water, gas, electrical, telephone and other electronic pipes and lines and all other utility lines within the limits of the property must be buried underground and may not be exposed above the surface of the ground.

m. Service Yards. All equipment, service yards or storage piles on any lands in the area shall be kept screened by approved planting or fencing so as to conceal them from the view of neighbors, streets, access roads and areas surrounding the property.

n. Maintenance of Property. All property and all improvements shall be kept and maintained by the owner thereof in clean, safe, attractive and slightly condition and in good repair.

o. No Noxious or Offensive Activity. No noxious or offensive activity shall be carried on upon any property nor shall anything be done or placed on any property which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others.

p. No Hazardous Activities. No activities shall be conducted on any property and no improvements constructed on any property which are or might be unsafe or hazardous to any person or property.

q. No Unsightliness. No unsightliness shall be permitted upon any of the property.

3. Approval by Architectural Board: No improvements of any kind, including but not limited to dwelling houses, swimming pools, ponds, parking areas, fences, walls, garages, drives, antennae, flag poles, curbs and walks shall ever be erected, altered, or permitted to remain on any lands described herein, nor shall any excavating, alteration of

any stream, clearing, removal of trees or shrubs, or landscaping be done unless the complete architectural plans and specifications, a site plan, and a grading or excavation plan showing the location and orientation thereof for such erection or alteration and landscaping are approved by the Architectural Board prior to the commencement of such work. All of such plans and specifications shall be prepared and signed by the applicant thereof.

4. Variances: Where circumstances, such as topography, hardship, location of property lines, location of trees, brush, streams or other matters require, the Architectural Board may, by an affirmative vote of a majority of the members of the Architectural Board, allow reasonable variances as to any of the covenants and restrictions contained in this instrument, on such terms and conditions as it shall require.

5. Preliminary Approvals: Persons who anticipate constructing improvements on lands within the area shall submit preliminary sketches of such improvements to the Architectural Board for informal and preliminary approval or disapproval. All preliminary sketches shall be submitted in duplicate and shall contain a proposed site plan together with sufficient general information on all aspects that will be required to be in the complete architectural plans and specifications to allow the Architectural Board to act intelligently on giving an informed and preliminary approval or disapproval. The Architectural Board shall never be finally committed or bound by any preliminary or informal approval or disapproval until such time as complete architectural plans are submitted and approved or disapproved.

6. Architectural Plans: The Architectural Board shall disapprove any architectural plans submitted to it which are not sufficient for it to exercise the judgment required of it by these covenants.

7. Architectural Board Not Liable: The Architectural Board shall not be liable in damages to any person submitting any architectural plans for approval, or to any owner or owners of lands within the area, by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, with regard to such architectural plans. Any person acquiring the title to any property in the area or any person submitting plans to the Architectural Board for approval, by so doing shall be deemed to have agreed and covenanted that he or it will not bring any action or suit to recover damages against the Architectural Board, its members as individuals, or its advisors, employees, or agents. The complainant shall pay all legal fees in an action against the Architectural Board, no matter what the outcome.

ARTICLE IV

HOMEOWNERS ASSOCIATION

1. General Purposes and Powers. Horseshoe Hills Homeowners Association ("Association") has by these premises been formed to perform functions as provided in this Declaration and to further the common interests of all owners of property which may be subject, in whole or in part, to any or all of the provisions, covenants, conditions and restrictions contained in this Declaration. The Association shall be obligated to and shall assume and perform all functions and obligations imposed on it under this Declaration and any similar functions or obligations imposed on it under any Supplemental or Amended Declaration with respect to any Property now or hereafter subject to this Declaration, except that it shall not infringe upon or lessen the power and authority of the Architectural Board. The Association shall have all powers necessary or desirable to effectuate these purposes. It shall not engage in commercial, profit making activity.

2. Membership in Homeowners Association. All persons who own or acquire the title in fee to any of the property by whatever means acquired, shall automatically become Members of the Association and bound by the terms hereof.

3. Organization of Homeowners Association. As soon as practical after the

recording of this Declaration, Combined Investments shall select a Board of Directors consisting of not less than two (2) nor more than five (5) members. After the sale of all tracts, selection of the Board of Directors shall be by vote of the property owners (one vote for each tract held by the owner), and the members of the Board of Directors shall serve for a term of three years and until their successor is chosen. The Board of Directors may appoint such officers as they deem necessary and may adopt such by-laws as they deem prudent and reasonable so long as said by-laws do not contradict or conflict with any of the terms of this Declaration.

4. Creation of Lien and Assessment as Personal Obligation. Each owner of any tract, by acceptance of a deed therefor, is deemed to covenant and agree, to pay to the Association annual assessments or charges for the common expenses set forth in these covenants, and special assessments for capital improvements, such assessments to be established and collected as herein provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, if incurred, shall be a charge on the tract against which an assessment is made and if not paid when due, shall be a continuing lien upon said tract. Each such assessment, together with interest, costs, and reasonable attorney's fees, if incurred, shall also be the personal obligation of the person who was the owner of the tract at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to an individual's successors in title unless expressly assumed by them.

5. Purpose of Assessments. The assessments levied by the Association shall be used for the purposes of operating, maintaining and repairing roads, easements, and common water systems, paying insurance premiums for liability and other insurance, and paying all administration, legal, engineering, accounting and management expenses.

The Association shall maintain a reserve of funds in such amount as it deems necessary to pay for expenses as they accrue. Such reserves shall be funded by regular monthly payments and not by special assessments.

6. Special Assessments for Capital Improvements. In addition to the assessments authorized herein, the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of constructing roads or a common water system, provided that any such assessment shall have the assent of two-thirds of the votes of the members who are voting in person or by proxy at a meeting duly called for the purpose of authorizing construction of such capital improvement.

7. Effect of Nonpayment of Assessments and Remedies of the Association. Any assessment not paid within thirty days after the due date shall bear interest from the due date at the rate of eight percent per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of any facilities or abandonment of his tract. The Association shall give notice in writing to the first mortgagee of any owner who is in default in the payment of any assessment hereunder and who has not cured such default within thirty days after the due date, provided that such first mortgagee has previously given notice in writing to the Association of the existence of such mortgage.

8. Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any tract shall not affect the assessment lien. However, the sale or transfer of any tract pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No sale or transfer shall release a tract from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE V

GENERAL PROVISIONS

1. **Enforcement.** The Association, Combined Investments, 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, Combined Investments, or 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.

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

3. **Amendment.** The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten years unless within thirty days prior to the commencement of said ten year period more than fifty percent of the Owners execute a document terminating this declaration. This Declaration may be amended at any time hereafter by an instrument signed by the Owners of not less than seventy five percent of the tracts. Any amendment must be recorded.

ARTICLE VI

BREACH

1. Breach of any of the covenants contained in this Declaration and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by any Owner or by the Association or their successors

2. The result of every act or omission whereby any of the covenants contained in this Declaration are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors in interest.

3. The remedies herein provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

4. The failure of the Association to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

5. A breach of the covenants contained in this Declaration shall not affect or impair or change any bona fide mortgage or deed of trust made in good faith and for value on any tract or the improvements thereon, provided, however, that any subsequent Owner of such property shall be bound by said covenants, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

ARTICLE VII

DISCLOSURES

1. NO PROPOSED CENTRALIZED SEWAGE SYSTEM.
2. NO PROPOSED CENTRAL WATER SUPPLY SYSTEM.
3. NO PUBLIC MAINTENANCE OF STREETS OR ROADS.

DATED this ____ day of _____, 2006.

COMBINED INVESTMENTS, LLC:

By [Signature]
Title Member

STATE OF WYOMING)
) ss.
County of Johnson)

The foregoing instrument was acknowledged before me by _____ of Combined Investments, LLC, who acknowledged said instrument to be the free act and deed of said company, this 28 day of December, 2006.

Witness my hand and official seal.

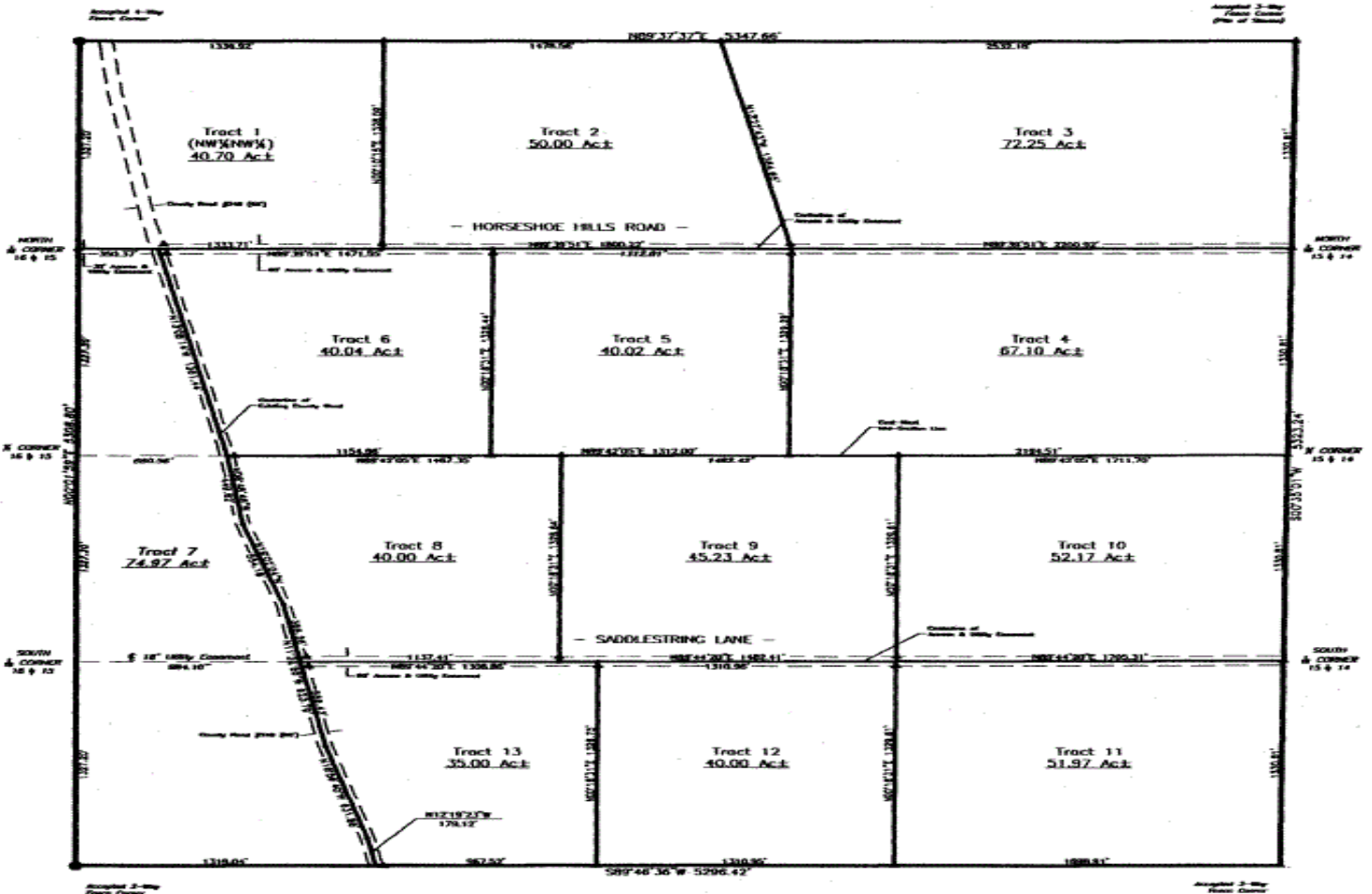


[Signature]
Notary Public

My commission expires:



SCALE: N.T.S.



HORSESHOE HILLS
SECTION 15,
T48N, R81W, 6th PM
JOHNSON COUNTY, WYOMING

EXHIBIT
 A