

EAGLE RIDGE ESTATES

DECLARATION OF RESTRICTIVE COVENANTS

January 1, 1999

I. INTRODUCTION

The undersigned representing two-thirds of the owners of the following described property:

Lots 1 through 39 inclusive a subdivision of E1/2 NE1/4 Sec. 36, T6N, R2E, BHM and NW1/4 Sec. 31, T6N, R3E, BHM Lawrence County, South Dakota

collectively referred to as "the Development" makes the following declarations as to limitations, restrictions and uses of the real property. Specifically, these declarations constitute covenants to run with the land, as provided by law. They shall be binding on all parties and all persons claiming ownership or interest in "the Development" as long as these declarations remain in effect.

These covenants and restrictions are made for the purposes of creating and keeping "the Development" desirable, maintenance and improvement of the roads used for access to the Property, protecting the value of the lots, promoting the purpose of the development of the Property, attractive, beneficial, free from nuisance, and guarding against fires and unnecessary interference with the natural beauty of "the Development", and for the mutual benefit and protection of all the owners of lots in "the Development".

DEFINITIONS: For the purpose of this declaration, the following words or terms shall be defined as follows:

1. "Owner" shall refer to the record owners, whether one or more persons or entities, of the fee simple title of any Lot within the Property, except contract sellers, in which event the contract purchaser shall be deemed for purposes of this declaration to be the owner; except Eagle Ridge Estates Developers or those having such interest solely as tract sellers; and excluding those having such interest solely as security for the performance of an obligation. The rights of the owner may be exercised by any other party or entity upon such party or entity having the express written consent of the owner.
2. "Property" means all of the lots legally described above and any subdivision or replat of any portion thereof or of any lot added thereto by Petition for Inclusion, and excepting any lot removed therefrom by Petition for Exclusion.
3. "Class A Lot" means any lot within the Property that has been built upon and ready for occupancy.

4. "Class B Lot" means any lot within the Property that has not been built upon and is ready for occupancy, and excluding Class C Lots.
5. "Class C Lot" means any lot within the Property owned by the Eagle Ridge Estates Developers unless the lot is defined as a Class A Lot or Class B Lot.
6. "Member" shall mean every owner of a Class A, Class B or Class C lot.
7. "ERED" shall mean Eagle Ridge Estates Developers. THEREFORE, the undersigned owners declare, the following covenants:

II. RESTRICTIVE COVENANTS

1. **Access Drives:** Each lot shall be accessed by a private driveway constructed with proper drainage and culverts and a minimal width of 16 feet with turning radius sufficient for easy access in case of fire.
2. **All-Terrain Vehicles, Snowmobiles, Trail Bikes and Tracked Vehicles:** All-Terrain vehicles, snowmobiles and trail bikes shall not be operated within "the Development" unless licensed for use of public roads. Tracked vehicles shall not be operated on paved roads.
3. **Animals:** No more than a total of two of any combination of dogs and cats for household enjoyment and not for commercial purposes shall be allowed. All animals are to be restrained, kept on a leash or fenced. Not more than two horses shall be allowed on Lots of six (6) acres or less with a maximum of three (3) horses on lots larger than six (6) acres provided that appropriate shelter is constructed with a minimum of 150 feet setback from the front lot line. Shelter must be approved in writing by the Board of Directors or its representative prior to construction.
4. **Antenna and Satellite Dishes:** Television and radio antennae and satellite dishes are to be located as inconspicuously as possible. They shall be located at the side or rear of the home.
5. **Approval and Conformity:** No building, fence, storage shed, pool, spa, or other structure of improvement of any type shall be commenced, erected or maintained upon the property, nor shall there be any additions or changes to the exterior of any residence or other structure except in compliance with plans and specifications approved in writing by the accordance with external design and location in relation to surrounding structures and topography.
6. **Building Setbacks:** The minimum building setbacks for all structures on any lot shall be sixty (60) feet from the center of the road easement and thirty (30) feet from all other lot lines.
7. **Changes in Construction:** All exterior changes or additions to the approved plans before, during or after construction shall be approved in writing by the Board of Directors or its representative prior to the changes or additions being implemented.

8. **Continuity of Construction:** the exterior of all structures started in "the Development" shall be completed within twelve (12) months from commencement of construction unless completion is prevented by inclement weather.
9. **Dwelling:** No dwelling shall be constructed, erected, or maintained without a minimum of the following finished square footage (excluding garages). Each dwelling must have at least (1) one but not exceeding (2) two garages either attached or detached of not less than 350 square feet:

Ranch Style Home	1200 sq.ft.
Split Foyer	1200 sq.ft.
One & one-half Story Home	1000 sq.ft. Main floor 500 sq.ft. Second floor
Two Story Home	1000 sq.ft. Main floor 500 sq.ft. Second floor
Tri-Level or More	800 sq.ft. average per floor

All plans for construction must be submitted for written approval to the Board of Directors or its representative.

All buildings shall be of new materials, new construction, and set on a permanent foundation. No houses shall be moved onto any lot from any other location. Homes constructed of pre-fabricated wall and roof sections are allowed. Mobile, single or double wide homes are not permitted.

All structures must comply with the latest editions of the local, state, and national building codes, rules and regulations. Including, but not limited to the following:

U.B.C. Standards of the Uniform Building Code
 U.S.F.A United States Fire Administration
 N.E.C.A. National Electrical Code Association
 South Dakota State Plumbing Code

10. **Easements:** Easements for installation and maintenance of utilities, public or private, including water or sewer services, are reserved with a ten (10) foot strip either side of all lot lines. Special easements also exist for access to any water storage and wells.
11. **Exterior Colors:** The color combination of exterior materials must be subtle and tasteful to blend with the environment. Earthen tones are required. Extreme contrasts in color of paints, stains, and masonry are discouraged. Roofing materials must be of darker tones. All color schemes must be approved in writing by the Board of Directors or its representative.
12. **Fences:** The construction of any type of fence must have written approval of the Board of Directors or its representative.
13. **Firearms:** No firearms shall be discharged within the Development.
14. **Garbage and Trash:** No garbage or trash shall be maintained on any Lot so as to be visible from another Lot. All garbage and trash will be placed in tight garbage cans of the type in normal use in this locality, and shall be disposed of at least every seven (7) days. No refuse pile, garbage or unsightly objects are allowed on any lot.

15. **Fireplaces (outdoors) and Fires:** No outdoor fireplaces, incinerators, open fire pits, or related structures or devices shall be operated except as permitted by applicable State or Federal Laws.
16. **Gardens:** All gardens shall be set back at least thirty (30) feet from any lot line.
17. **Homeowners Association:** Each person(s) who purchases a lot or enters into a contract for deed to purchase a lot as described above shall join and thereafter continue to be a member of the Eagle Ridge Estates Homeowners association and shall be bound by all rules and regulation as may be promulgated and approved by said Association.
18. **Hunting:** No hunting shall be allowed in the Development.
19. **Landscaping:** All landscaping must be completed within six (6) months after substantial completion of dwelling. The extent of landscaping shall be determined by the lot owner. A ground disturbed by construction shall be returned to a natural condition or landscaped within six (6) months.
20. **Logging:** Removal of more than ten (10) trees of 8" or more in diameter requires pre-approval in writing by the Board.
21. **Lot Size:** No lot shall be subdivided into smaller lots or conveyed in less than full or original dimensions excepting Lot 2 which may be subdivided 1 time. However, two or more adjacent lots may be combined into one Lot and conveyed as one lot. Replatted lots, combining two or more adjacent lots, shall be subject to general and special assessments as a single lot after the lots have been replatted and filed in the Lawrence County Register of Deeds office. Should any replat lots be subsequently separated and replatted into multiple lots, all additional lots created shall be subject to all assessments which would have accrued against each lot except for the combination into a single lot.
22. **Lot Restrictions:** Not more than one (1) single family dwelling may be constructed on any lot or combination thereof.
23. **Mining:** No portion of "the Development" shall be used to explore for or remove oil or minerals of any kind.
24. **Nuisances:** No owner shall permit anything to be done or kept on or within his or her Lot, or on or about the "Development", which will obstruct or interfere with the rights of other owners occupants, or other authorized persons to use and enjoy the "Development". Use and enjoyment include unreasonable noise and barking dogs. No owner may permit any nuisance nor commit or allow any illegal act to occur on their lot.
25. **Outdoor Storage:** No outdoor storage of any material, firewood containers, automotive accessories, equipment or other items shall be kept or stored between the home and the roadway(s) fronting the property.
26. **Residential Use:** Each lot shall be used only for single family residential purposes. However, owners, may use a portion of their home for limited business purposes. No extraordinary traffic is allowed.
27. **Roads:** All roads within the "Development" are for the owners and their guests. No parking is allowed on the roads or utility easements.

28. **Safe conditions:** Without limiting any other provisions in this Section, each owner shall maintain his or her lot in a safe, sound, sanitary manor and in good repair at all times. Owners shall correct any condition and refrain from any activity which might interfere with other owners rights.
29. **Sewage Disposal Systems:** Only sewage disposal systems designed & approved by a licensed engineer shall be permitted in Eagle Ridge Estates. All septic tanks must have a inspection access and must be pumped at least once every three years and evidence of such must be kept and provided to the Board of Directors or their agent prior to the annual meetings on the first Monday or June each year.
30. **Signs:** No signs, billboards or other advertising devices shall be used on any lot except for identification of a residence, road name, speed, direction or sale. Signs may be directive or informative and will not be more than eight (8) square feet in size. Signs erected by the Eagle Ridge Estates Homeowners Association and the Developers are exempt. Sale signs must be removed upon the day of the sale.
31. **Temporary Structures:** No trailer, basement, tent, shacks, garage, barn, or other outbuildings shall be built on any Lot for use as a residence, either temporarily or permanently. No camper, tent or recreational vehicle shall be placed on any Class B or C Lot.
32. **Utilities:** Electrical and telephone services may be clustered in utility easement located near a property corner. The extension of services from these locations to a residence is the responsibility of the owner. No utility extensions shall be undertaken without notification and written approval of the Board of Directors.
33. **Vehicles:** Not more than one properly licensed motor vehicle, trailer, or other type of motorized or non motorized vehicle, not in normal daily use may be kept on any lot. Equipment of this type shall not be kept between the home and the roadway(s) fronting the property. No campers or recreational vehicles shall be maintained on a Class A Lot as a residence for more than fourteen (14) consecutive days.
34. **Violation of Law:** No owner shall permit anything to be done or kept in his or her Lot which would be in violation of any local, state or federal law.

III. COVENANTS FOR ASSESSMENT

It is the duty of the Board of Directors of the Eagle Ridge Estates to determine the amount of the general assessment for each lot subject to assessment. General assessments are due and payable on dates specifies be the Board. The Board shall make reasonable efforts to determine the amount of the general assessment and to give written notice of the assessment for each Lot to the owner with due dates of periodic installments to be paid. The Board shall maintain a roster of the lots and the general assessments due and shall make the roster available of the inspection of a Member on request. Assessment may be collected on a monthly, quarterly, semiannual or annual basis at the discretion of the Board.

Each owner, whether or not it is expressed in any deed or document of conveyance, agrees to pay to Eagle Ridge Estates Homeowners Association general assessments or charges levied on a monthly, quarterly or annual basis, and special assessment or charges to be fixed, established and collected from time to time, as hereinafter provided. The general assessments, together with interest thereon, at the judgment rate from time to time from, after the date the same becomes due and payable, together with costs of collection, shall be a charge on each Lot subject to assessment and shall be continuing lien against which such assessment is made. Each assessment, together with interest thereon, and costs of collection, in addition to becoming a lien against each lot, shall also be a joint and several personal obligations when the assessments became due and payable, or who acquired ownership thereafter.

General of special assessments shall be used to promote welfare and safety, and to protect the investment of the owners and residents of "the Development". Assessments shall be used for, but not be limited to, the following:

- (a) Operating Expenses
- (b) Management and Administration
- (c) Taxes
- (d) Insurance Costs
- (e) Reserves
- (f) Improvements
- (g) Maintenance

1. **General Assessments:**

- A. The Board may set the general road assessments on Class A Lots at \$200 per year, subject to increase as provided. The Board may set the general assessment on Class B Lots at 50% of the general assessments on a Class A Lot.
- B. Assessments after January 1, 2000 may be increased by the Board of Directors not more than a maximum amount of ten percent (10%) each year without a vote of the owners. The maximum general assessment may be increased by a resolution approved by two-thirds of the votes of the property owners present or represented by proxy at an annual meeting or at a special meeting called for that purpose.
- C. The general assessment for each Class B Lot shall begin on the first day of the month following date of purchase or date of contract for deed of the Lot by the owner. Any assessment shall be prorated for the balance of the assessment period. The general assessment for each class A Lot begins on the first day of the month following the date of change of status from a Class B to a Class A Lot.

Any assessment shall be prorated for the balance of the assessment period in relation to the general assessment, which would have been imposed if so subject and shall become due and payable and a lien on the Lot.

- 2. **Special Assessments:** Special assessments, in addition to the general assessments, may be imposed by the Board for capital replacements. Special assessment shall only be levied by a resolution approved by two thirds of the votes of the property owners present or represented by proxy at annual meeting or at a special meeting called for that purpose. Any special assessment shall be on a per lot basis only. Class C Lots shall not be subject to special assessments.

3. **Reserves:** The Board may establish a reserve fund for replacements and for general operating expenses by the allocation and payment monthly or other term of an amount to be designated. Such fund or funds shall be deemed to be a common expense of the Association and shall be deposited in F.D.I.C. insured accounts as the Board deems appropriate. The reserve for replacements of improvements or for operating contingencies of non recurring nature. The proportionate interest of any Lot owner in any reserve shall be considered an appurtenance of the Lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Lot which it appertains and shall be deemed to be transferred with the Lot.
4. **Notice of Payment Status:** The Board shall, upon request at any reasonable time, furnish to any Lot owner liable for assessment a certificate signed by an officer or other authorized agent of the Board stating whether such assessment is paid or unpaid. This certificate shall be conclusive evidence that payment has been received. A charge may be levied for each certificate issued.
5. **Breach of Payment:** Any general or special assessment not paid on the date due shall be deemed delinquent and shall accrue with interest at the rate of judgement and cost of collection, become a continuing lien on the lot. The assessment shall be binding upon the Lot Owner, his heirs, devisees, personal representatives and assigns. The obligation of an owner to pay an assessment shall also remain his or her personal, joint and several obligations. (See ENFORCEMENT).

IV. GENERAL

1. **Administration:** The Eagle Ridge Homeowners Association Restrictive Covenants shall be administered by the Eagle Ridge Homeowners Association. The Board is empowered and has the right to implement, provide, perform and to enforce any or all of the following within "the Development":
 - (a) All of the provisions in this Declaration of Restrictive Covenants and the By-laws of Eagle Ridge Homeowners Association.
 - (b) Regulations, maintenance and improvements of all roads within "the Development".
 - (c) Reasonable rules and regulations, which owners, their families, guests and visitors shall comply with.
 - (d) Penalties for violations of rules, regulations and failure to pay assessments.
 - (e) Constructions, improvements, and maintenance to any Association property necessary.
 - (f) Contract with third parties for necessary services.
 - (g) Purchase or lease of any equipment necessary for construction, maintenance, or improvements.
 - (h) The amount, payment period, payment schedule and levy of assessments pursuant to these covenants.
2. **Duration and Amendments:** The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the

Eagle Ridge Homeowners Association, its legal representatives, successors and assigns. However, this Declaration may be amended at any time, except where permanent easements or other permanent rights of interests are created, or rights or interests are created in third persons, by an instrument signed by Owners of a majority of the lots described within the Property, (One vote per lot owned) and placed on record where this Declaration is recorded. No such amendment shall be effective unless written notice of the proposed amendment is sent to every Owner thirty (30) days prior to action being taken on the proposed amendment. No change of circumstances or conditions shall amend any of the provisions of this Declaration, which may be amended only in the manner described. None of the provisions of this Declaration shall be construed as a condition subsequent or as creating a possibility of reverter.

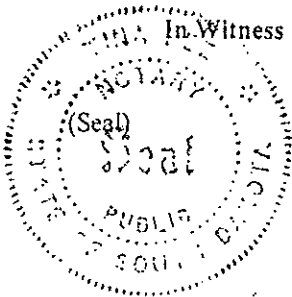
3. **Incorporation by Reference on Resale:** If any owner sells or transfers a lot(s), any deed effecting the transfer shall contain a provision incorporating these covenants, conditions and restrictions. Failure to do so shall not be deemed to defeat, alter or terminate any of these covenants, conditions and restrictions.
4. **Notices:** Any notice required to be sent to any Owner of a Lot(s) or any first mortgagee, shall be deemed to have been given when mailed by first class mail to the Owner or mortgagee at the address appearing on the records of the Association at the time of the mailing. It shall be the duty of each Owner to provide written notice of addresses or changes of address to the Association.
5. **Enforcement:**
 - A. If any person violates any of the provisions of this document it shall be lawful for the Association or any Lot owner in " the Development" to initiate proceedings to enforce the provisions of this document, to restrain the person violation them and recover damages, actual and punitive.
 - B. These covenants and restriction shall be enforced by the Association. Enforcement of these covenants and restrictions shall be by legal proceedings against any person violating any covenant or restriction either to restrain or enjoin violation or to recover damages, and against the property or any lot to enforce any lien created by these covenants. The failure of the Association to enforce any covenant or restriction shall in no event be deemed a waiver or work as an estoppel of the right to do so.
 - C. If an assessment is not paid within thirty (30) days after the due date, the Association may bring action against the owner. The Association may also foreclose a lien against the lot in the amount provided by law. In either event, the Association shall recover from the owners or out of the proceeds of a foreclosure, accrued interest and costs of collection, including but not limited to reasonable attorney's fees. No owner may waive or otherwise escape liability for assessments provided for in this Declaration by non-use or abandonment of his or her Lot.
 - D. In a voluntary conveyance of a Lot, the grantee of the Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the Lot.
 - E. Invalidation of any of the covenants by court order shall not affect any of the remaining covenants which shall remain in effect.

6. **Invalidity and Severability:** All of these covenants, conditions and restriction are deemed severable. In the event any one or more of these covenants, conditions and restrictions are declared invalid, all remaining covenants, conditions and restrictions shall remain in effect.
7. **Binding Effect and Compliance:** Each Owner, the Owner's heirs and assigns or any person acquiring any rights of privileges therefrom shall be fully bound by and shall comply with the provisions of these declarations, by the by-laws and Articles of Incorporation of Eagle Ridge Homeowners Association, decisions and resolutions of the Board of Directors or their authorized agent of Eagle Ridge Homeowners Association and any amendments adopted to these covenants or by-laws or Articles of Incorporation. Failure to comply with these provisions, decisions, or resolutions shall be grounds for action to recover sums due or for: damages, or action for injunctive relief.

Owner(s) of Lots 1 thru 39
Thomas C. Crawford Mary J. Crawford
 State of South Dakota)
 County of Lawrence) ss.

On this the 11th day of March, 1999, before me, the undersigned officer, personally appeared Thomas C. Crawford, known to me or satisfactorily proven to be the person(s) subscribed to within the foregoing document, and acknowledge that he executed the same for the purposes therein contained as his own free act and deed.

In Witness Whereof, I hereunto set my hand and official seal.



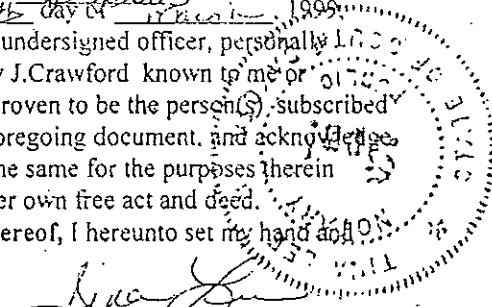
Thomas C. Crawford
 NOTARY PUBLIC

My Comm. Expires: 5/25/2003
 On this the 11th day of March, 1999,

Before me the undersigned officer, personally appeared Mary J. Crawford known to me or satisfactorily proven to be the person(s) subscribed to within the foregoing document, and acknowledge she executed the same for the purposes therein contained as her own free act and deed.

In witness whereof, I hereunto set my hand and official seal.

Prepared By: THOMAS C. CRAWFORD
2720 MAITLAND RD.
Spearfish, S.D. 57783
641-5494



My Commission Expires May 25, 2003

DOC. NO. 99-1297
 FEE \$ 28.00
1999, March 19
4:36 P.M.
Judy G. Mowbray
 REGISTER OF DEEDS
 LAWRENCE COUNTY
 SOUTH DAKOTA

