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DECLARATION OF RESERVATIONS  
AND RESTRICTIVE COVENANTS AND  
CONDITIONS FOR

the **RIDGE**

Subdivision, Deadwood, South Dakota

*June 27, 2023*



# Declaration of reservations and restrictive covenants and conditions for the RIDGE

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## Homeowners Association General Information

the RIDGE Homeowners Association shall have as its purpose the promotion of the health, safety, recreation, welfare, and enjoyment of the residents of the Residential Property.

Committees:

Homeowners Association Board  
Design Review Committee

Monthly Fee for Vacant Lot:

\$ 50 / Monthly for all Residential Properties

Monthly Fees:

\$ 100 / Monthly for all Residential Properties (once house is complete)

HOA fees begin when the Lot is purchased starting at \$600/yearly. Upon completion of the house, fees will change to \$1,200/yearly.

Fees that are to be collected and used for the purpose of lease of HOA and covenants enforcement and construction/maintenance of the open space and planned trail system. Fees are to be paid annually, due January 31<sup>st</sup>.

HOA fees shall commence in the year 2025. The first HOA fees shall be paid and due by January 31, 2025.

The developer, during the first five (5) year period, will serve as the Board until a maximum of the five (5) year period has expired. Fees outlined in this section are the applicable minimum fees for a duration of 15 years following the recording of this document.

The HOA has two general business meetings throughout the year: The Semi-annual in the Fall and the Annual Meeting in the Spring.

The development website is: [theridgesd.com](http://theridgesd.com) and provides resources such as governing documents. Email contact is: [info@theridgesd.com](mailto:info@theridgesd.com)

## Summary of the RIDGE Legal Requirements

Protective Covenants, Conditions & Restrictions (CCRs), and Planned Unit Development (PUD) requirements have been put into place at the RIDGE Development, see Exhibit A for a map of the Development area, for the purpose of enhancing and protecting the value and attractiveness of property and to set the stage for a positive experience for all homeowners in the neighborhood.



ARTICLE I:  
**Definitions**

- I) "Owner" shall mean and refer to the record owner.
- II) "Properties" shall mean and refer to that certain real property herein before described, and such additions thereto as may hereafter be brought within the jurisdiction of the Declarant in the RIDGE.
- III) "Lot" shall mean and refer to any plot of land shown up on any recorded subdivision map of the Properties.
- IV) "Association" shall mean and refer to the RIDGE Homeowners Association, Inc. a non-profit corporation registered with the Secretary of State, the Members of which shall be the Owners of Lots in the Project.
- V) "Dedicated Common Area" means all real property owned or which may hereafter be acquired by the Association.
- VI) "Member" shall mean every owner holding membership in the Association.
- VII) "Declarant" means TRD LLC, and/or its successors or assigns.
- VIII) "Developer" Means TRD LLC, and/or its successors or assigns.
- IX) "Covenants" shall mean the Covenants, Conditions, Restrictions and Reservations Set forth in this Declaration.
- X) "Architectural Review Committee" (ARC): shall mean and refer to those persons appointed by the Developer to maintain control and consistent high quality of all buildings, structures, and improvements including all new construction, additions, and alterations within the Development.

Article II:  
**ASSOCIATION ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS**

Membership

The Owner of a Lot shall automatically upon becoming the Owner of same, be a Member of the Association, and shall remain a Member thereof until such time as his ownership ceases for any reason, and consents to such membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Membership shall be held in accordance with this Declaration, the Articles, Bylaws and Rules. Declarant shall be a Member of the Association for all Lots owned by Declarant and all parcels designated in the Master Plan to become Lots in the future.



### Transferred Membership

Membership in the Association shall not be transferred, encumbered, pledged, or alienated in any way, except upon the sale or transfer of the Lot to which it is appurtenant, and then only to the purchaser, in the case of a sale, or to a Mortgagee that has foreclosed or received a deed in lieu of foreclosure, in the case of an encumbrance. On any transfer of title to an Owner's Lot, Membership shall automatically pass with such transfer. A Mortgagee shall not have Membership rights until it obtains title to the Lot through foreclosure or deed in lieu thereof. Any attempt to make a prohibited transfer is void. No Member may resign his Membership. On receipt of notice of a transfer, the Association shall record the transfer on its books.

### Membership Voting Rights

There shall be two classes of voting rights.

#### Class A

Class A members shall be the owners of the single-household and townhouse lots. Class A members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an ownership interest in any Lot, all such persons shall be Members, but no more than one vote shall be cast with respect to any Lot. The vote for any such Lot shall be exercised as the Members holding an interest in such Lot determine among themselves.

#### Class B

Class B members shall be the owners of the commercial use lots in Phase 1A and multi-family apartment lots in Phase 1B (this excludes the PUD approved areas of CH – Limited by covenants). When more than one person holds an ownership interest in any Lot, all such persons shall be Members, but no more than one vote shall be cast with respect to any Lot. The vote for any such Lot shall be exercised as the Members holding an interest in such Lot determine among themselves.

- i. Class B Members shall be applicable to all section of this document except as noted in the following items.
- ii. Class B Members shall not have to pay HOA fees.

### Association Operations

The Association shall be governed and operated by a Board of Directors consistent with this Declaration and the Association's Articles of Incorporation and Bylaws. Declarant shall have the right to appoint all members of the Board of Directors until such time as the Development Period terminates or Declarant voluntarily relinquishes control at an earlier date as provided herein. After the Development Period, Declarant shall transition the governance of the Association via the Board of Directors to the other Owners who shall elect the Board in the manner provided in the Bylaws.

## ARTICLE III:

## **DUTIES AND POWERS OF THE ASSOCIATION**

In addition to the duties enumerated in the Articles and Bylaws, or elsewhere provided in this Declaration, and without limiting the generality thereof, the Association, acting through its Board of Directors, shall perform the following duties & powers:

- A. Owners shall be responsible for keeping their Lots in good maintenance and repair, at the Board's discretion. If the responsible Owner fails to take the necessary steps to keep



its Lot in good repair and well maintained, make the repairs within a reasonable time under the circumstances, but no more than 90 days, the Association shall cause the repairs to be made and charge the cost thereof to the responsible Owner, which costs shall bear interest at the rate of ten percent (10%) per annum until paid in full.

- B. Assessments: The Association shall fix, levy, collect and enforce Assessments as set forth in Article V hereof.
- C. Payment of Expenses and Taxes: The Association shall pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitation, all licenses, taxes, assessments, and governmental charges levied or imposed upon, or which are or may become a lien against, the property of the Association.
- D. Preparation of Financial Documents: The Board shall cause the preparation of budgets and financial statements as required by the Bylaws.
- E. Manager: The Association may employ a manager or other Persons and contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, except for the responsibility to levy fines, impose discipline, hold hearings, file suit, record or foreclose liens, or make capital expenditures.
- F. Adoption of Rules: The Board shall have the right to adopt, promulgate and enforce reasonable rules and regulations ("Rules"), not in conflict or inconsistent with this Declaration relating to the Project and all aspects thereof including, without limitation, the operation, maintenance, use and enjoyment of the Project, and individual Lots. It is the intent of this section that the Board have broad discretion with respect to the Rules and that the Board's authority in this regard be construed liberally in order to effectuate the objectives of the Board with respect to the Rules. In general, the objectives of the Board should be to promote and enhance the Project, its attractiveness and economic viability, and provide for the orderly operation, maintenance, repair, and upkeep of the Project, including procedures relating to the conduct of Association business. Anything contained herein to the contrary notwithstanding, until a majority of the Lots planned for the overall Project (including subsequently planned phases), the adoption or amendment of any Rules shall require the consent of Declarant.
- G. Assessments, Liens, Penalties, and Fines: The Board shall have the power to levy and collect Assessments in accordance with the provisions of Article VIII hereof. The Association may impose fines or take disciplinary action against any Owner for failure to pay Assessments or for violation of any provision of the Project Documents and the unrecorded Rules adopted by the Board or the Association. Penalties may include but are not limited to fines, temporary suspension of voting rights, or other appropriate discipline, provided the Member is given notice and a hearing as provided in the Bylaws before the imposition of any fine or disciplinary action. The Board shall have the power to adopt a schedule of reasonable fines and penalties for violations of the terms of this Declaration, and for violations of any Rules adopted. The penalties prescribed may include suspension of all rights and privileges of Membership; provided, however, that suspension for failure to pay Assessments shall be for a maximum period of thirty (30) days, renewable by the Board for an additional thirty (30) day period or periods until paid; and provided further that suspension for infraction of Rules or violation of this Declaration, other than for failure to pay Assessments, shall be limited to a maximum period of thirty (30) days per infraction or violation, and shall be imposed only after a hearing before the Board. The Board may extend said period for an additional period or periods in the case of a continuing infraction or violation, and no hearing need be held



for such extension. The Board shall assess fines and penalties and shall enforce such Assessments as appropriate under applicable law.

- H. Enforcement: The Board shall have the power to enforce this Declaration, the Articles, Bylaws and Rules.
- I. Acquisition and Disposition of Property: The Board shall have the power to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, or otherwise dispose of real or personal property in connection with the affairs of the Association. Except to the extent authorized herein, any transfer of fee title to Association property shall be by document signed or approved by majority of the total voting power of the Members of the Association.
- J. Contracts: The Board shall have the power to contract for goods and/or services subject to limitations set forth in the Bylaws, or elsewhere herein.
- K. Delegation: The Association, the Board, and the officers of the Association shall have the power to delegate their authority and powers to committees, officers, or employees of the Association, or to a manager employed by the Association, provided that the Board shall not delegate its responsibility:
  - 1) To make expenditures for capital additions or improvements chargeable against the reserve funds.
  - 2) To conduct hearings concerning compliance by an Owner or his tenant, lessee, guest or invitee with the Declaration, Bylaws or Rules promulgated by the Board.
  - 3) To make a decision to levy monetary fines, impose special Assessments against individual Lots, temporarily suspend an Owner's rights as a Member of the Association or otherwise impose discipline.
  - 4) To make a decision to levy general or special Assessments; and
  - 5) To make a decision to bring suit, record a claim of lien or institute foreclosure proceedings for default in payment of assessments.
- L. Other Powers: In addition to the powers contained herein, the Board may exercise the powers granted to a nonprofit mutual benefit corporation under SOUTH DAKOTA law.

## ARTICLE IV: **USE RESTRICTIONS**

### Use of Lot

Each residential lot shall be used for the residential purposes only and not for any business, trade, commercial, or industrial purposed whatsoever except that individuals may conduct non-nuisance, inoffensive businesses as established by the HOA Board. Traffic to all businesses within the development may be restricted by the HOA Board if traffic becomes an issue.



### Nuisance

No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the community or which endangers the health or unreasonably disturbs the quiet of the occupants of adjoining Lots. No grass, weeds or other vegetation will be grown or otherwise permitted to commence or continue, and no dangerous, diseased, or otherwise objectionable shrubs or trees will be maintained on any Lot so as to constitute an actual or potential public nuisance, create a hazard or undesirable proliferation, or detract from a neat and trim appearance. Vacant Lots shall not be used for dumping of earth or any waste materials. No vegetation on vacant Lots, excluding vacant Lots owned by Declarant, shall be allowed to reach a height in excess of eighteen (18) inches. In the event vegetation on a vacant Lot not owned by the Declarant is allowed to reach a height in excess of eighteen (18) inches, the Association shall have the right to enter and mow the Lot, and to assess the mowing charges against the owner. See the City of Deadwood Ordinances pertaining to abatement.

### Commercial Activity

No business, professional or commercial activity shall be conducted on any Residential Lot, except for Declarant's activities in connection with development of the Project and marketing and sales of the Lots as provided or contemplated herein. Nothing in this section is intended to restrict or prohibit Owners from using portions of their homes or units for home offices and related purposes such as operations of personal computers, the internet and similar equipment and facilities, so long as such activities do not materially increase the volume of vehicular traffic into the Project, are conducted within the home or unit, and there are no signs or other indications of home-based business activities occurring on the premises.

### Signage

No advertising signs, billboards, or other advertising devices shall be erected, placed, or permitted to remain on any Lot except a Short Term Rental / Vacation Rental by Owner (VRBO) sign, no larger than 480 Sq. Inches (example: 16"x30") may be displayed. However, Declarant may erect signs advertising Lots for sale within the Residential Property and a sign advertising a lot as "For Sale" may be erected upon any Lot.

### Repair on Lot

No repair of any boats, automobiles, motorcycles, trucks, campers, or similar vehicles requiring a continuous time period in excess of one (1) week or one hundred sixty-eight (168) hours shall be permitted on any Lot at any time; nor shall vehicles offensive to the neighborhood be visibly stored, parked, or abandoned on any Lot.

### Storage on Lot

No more than (2) properly licensed trailer, camper, RV or motor vehicle or other type of motorized or non-motorized vehicle, not in normal daily use may be kept on any part of a Lot other than in an enclosed structure. Equipment of this type shall not be kept between the home and roadway fronting the property. No tractors or semi tractors/trailers shall be stored, parked, kept, or maintained in any yards, driveways, or streets. No campers or recreational vehicles shall be maintained on a Lot and used as a temporary or long-term residence for more than (14) consecutive days, within a month. Rentals of RV's or space to rent RV's, etc., is not permitted. Parking of any vehicles, including trailers, campers, cars/trucks, boats, RV's, etc., is prohibited on all roadways within the RIDGE Development. However, this Paragraph shall not apply to trucks, tractors or commercial vehicles which are necessary for the construction of residential dwellings or other improvements during the period of construction.





### Animals

No animals, pets or insects of any kind shall be raised, bred, or kept on any Lot except that no more than Five (5) usual and ordinary household pets such as dogs or cats provided, they are not kept, bred, or maintained for any commercial purposes, and are always kept under reasonable control. No dangerous or poisonous animals, pets or insects of any kind shall be allowed in the Project. Owners shall prevent their pets from soiling other's property and shall promptly clean up any mess left by their pets. Owners shall be fully responsible for any damage caused by their pets. Conventional household pets are permitted subject to the condition that the pet(s) is not allowed to unreasonably annoy and/or disturb the normal residential occupancy of the neighborhood or constitute a hazard to public health or safety.

### Garbage and Refuse Disposal

All rubbish, trash and garbage shall be regularly removed from the Lots and shall not be allowed to accumulate thereon. Trash, garbage, and other waste must be kept in appropriate containers. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition, and shall be screened from view of neighboring Lots, and streets. No toxic or hazardous materials shall be disposed of within the Project by dumping in the garbage containers or down the drains, or otherwise.

### Power Equipment and Car Maintenance

No offensive power equipment, hobby shops, or recreational vehicle, truck, car, motorcycle, or boat maintenance (other than emergency work) or similar maintenance shall be conducted or stored outside of a garage as defined by the HOA Board. The Association shall have sole discretion in determining what constitutes "offensive"; provided however, the Association recognizes that the reasonable use of lawnmowers, string trimmers, power washers and other power tools that are operated in the normal course of conducting maintenance and repair of the grounds and structures on a Lot at reasonable hours are not offensive. All hazardous waste shall be disposed of properly by each Owner.

### Temporary Structures

No structure, facility or appurtenance of a temporary character shall be placed upon any Lot except in accordance with the Rules.

### Owner's Right and Obligation to Maintain and Repair

Each Owner shall, at his sole cost and expense, maintain and repair his Unit and Lot and all improvements and lawn and landscaping thereon, including snow removal, keeping the same in good condition. In the event an Owner of any Lot shall fail to so maintain his Lot, the Association's agents may, after notice and a hearing as provided in the Bylaws, enter the lot, and perform the necessary maintenance. The cost of such maintenance shall immediately be paid to the Association by the Owner of such Lot, together with interest at the rate of ten percent (10%) per annum (but not to exceed the maximum interest rate authorized by law) from the date the cost was incurred by the Association until the date the cost is paid by the Owner.



ARTICLE V:  
**ARCHITECTURAL REVIEW COMMITTEE**

Lots Subject to Architectural Controls

All Lots are subject to architectural review to determine compliance with the Design Regulations, the Declaration, and the other Project Documents. A \$250 review fee is required and can be reduced or waived at the ARC's discretion based on approval involvement. If a pre-approved builder is selected the review fee of the ARC shall be \$0. See the pre-approved builders list within this Article.

No structure shall be placed, erected, or installed upon any Lot, and no improvements (including staking, clearing, excavation, grading and other site work, exterior alteration of existing improvements, and planting or removal of landscaping materials) shall take place except in compliance with this Declaration and approval of the Architectural Review Committee (ARC); provided, however, that homes constructed by and for Declarant do not require Committee approval. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed structures and improvements shall be submitted to the Committee for review in accordance with the Design Regulations.

Purpose of Architectural Review Controls and Committee

The purpose and intent of this Article V is to empower the Declarant to preserve property values within the Project. Until the end of the Development Period, the Declarant shall act as the ARC, but may delegate that authority to the Association and a separately created Committee. To the extent any building or landscape design provisions in this Declaration conflict with the Design Regulations, this Declaration shall control.

Modifications to Existing Improvements

Any Owner may remodel, paint, or redecorate the interior of structures on his or her Lot without approval. Modifications to the exterior of a structure (and the interior of screened porches, patios, and similar portions of a structure visible from outside the structure on a Lot) shall be subject to review by the ARC. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to repair or rebuild in accordance with originally approved plans and specifications.

ARTICLE IV:  
**PROJECT DEVELOPMENT REQUIREMENTS**

The architectural review process, the following requirements must be met for the development of any Lot.

Driveways

All driveways and parking areas shall be surfaced in concrete or asphalt.

Driveway Swale Prohibitions

No Lot owner shall fill or obstruct the natural flow of any borrow ditch or drainage swale except for the materials placed for the location of the driveway culvert. No borrow ditches may be filled.



### Fences

Visible perimeter fences shall be permitted to be constructed on residential lots within this subdivision, no above ground fencing is allowed in the front yard. Rear yard fencing, kennel or dog runs area are allowed but must be approved by the ARC.

### Tanks

All tanks and elevated tanks including tanks for fuel, propane, gas, or water must be temporary or sufficiently concealed them from view of neighboring lots, roads, and street. All tanks that are not temporary in nature must be buried.

### No Fire Pits

No outdoor incinerators or open fire pits shall be constructed on the property. Outdoor fireplaces for fire pits that are operated solely on natural gas or liquid propane gas are permissible.

### Accessory Buildings

No detached accessory buildings, sheds, greenhouses, or any structure of any kind (not including swing sets) shall be constructed or placed on any Lot without the prior written approval of the Declarant/ARC/HOA.

- Storage needs (in the form of exterior storage sheds) should be anticipated in the planning stage and will be required to be an integral part of the design of the garage so that all storage is within the garage or attached structure.

### Privacy Screening

Privacy screens will be allowed but must be constructed of wood siding, stucco, brick, stone, or may be vegetative and shall be an integrated part of the main building. Privacy Screening shall not extend into more than 1/3 of the required setback on the front or sides, nor more than 1/3 of the setback on the rear elevation, nor be more than 1/3 the width of the structure on the front (street) or rear elevation, nor 2/3 the length on the side elevations.

### Exterior Lighting

Incandescent or residential fluorescent lighting is encouraged, and the use of mercury vapor, and obtrusive flood lighting is prohibited. All light fixtures shall be arranged to deflect down and/or away from adjoining properties or streets. They will be placed at a minimum height of six (6') feet measured from the top of the sidewalk adjacent to it to the bottom of the light fixture itself. Light fixtures must incorporate cut-off shield to direct light downward. Fixtures should be compatible with architecture and site design. Luminaries shall not be visible from adjacent streets or properties.

### Utilities

All utilities including, but not limited to, natural gas, electricity, telephone, and cable T.V. shall be located underground.

### Temporary Structures

No temporary structures, trailers, campers, motor homes, tents, shacks, or similar structures shall be used as a residence on any Lot.

### Solid Waste Containers

All solid waste containers must be stored out of view except during reasonable periods prior to and after pick-up, and only on day of pick-up.



### Recreational Vehicles

Recreational vehicles and boats may not be stored or parked at any location within the Project except within a fully enclosed garage or designated area approved by the Association so as not to be visible from the Right-of-Way or from any other Lot within the Project.

### No Mobile Homes

No tents, barns, teepee, or temporary living or camping structures shall be placed on the property. This excludes the Motorcoach Park/Lots. All construction shall be new. No building or structure previously used at another location no building or structure originally constructed as a mobile dwelling or mobile home shall be moved onto the property. Notwithstanding the foregoing, however, construction trailers, and portalets for use in connection with construction on the property shall be permitted but shall be promptly removed when a) no longer used for their designated purpose, or b) upon substantial completion of the dwelling structure, whichever event the Architectural Review Committee Determines first occurs.

### Completion

Once a lot is purchased the owner has 24 months to commence construction. Once construction has commenced all work must proceed continuously and must be fully completed in 12 months unless written approval of an extension has been granted by the Declarant/ARC/HOA.

### Right of First Refusal

During the ROFR Period (defined below), Declarant reserves a first right of refusal to repurchase any Lot subject to these Covenants in the event the Owner of that Lot receives a bona fide offer to purchase which the Owner intends to accept. In that event, the Owner shall provide Declarant with a copy of such bona fide offer, and shall grant to Declarant the right to exercise this right of first refusal to purchase the Lot subject to the bona fide offer for a period of thirty (30) days following Declarant's receipt of a copy of the bona fide offer (such period, the "ROFR Election Period"). At any time within the ROFR Election Period, Declarant may elect to repurchase the Lot on the same terms and conditions as set forth in the bona fide offer. Any election by Declarant to repurchase the Lot shall be set forth in a written notice provided to the Owner prior to the expiration of the ROFR Election Period (such written notice, an "Election Notice"). Upon the exercise of this right of first refusal, the closing for the sale and repurchase of the Lot shall occur not later than thirty (30) days following the date the Owner receives the Election Notice unless the bona fide offer provides for a different closing date. In the event Declarant shall fail to elect to repurchase the Lot subject to the bona fide offer prior to the expiration of the ROFR Election Period, the right of first refusal granted to Declarant as to the Lot in question shall lapse and be null and void, and the Owner, and all successors and assigns of the Owner shall be free to sell that Lot without any further restriction of the right of first refusal in favor of Declarant. Any failure of the part of Declarant to exercise the right of first refusal granted herein shall not, however, excuse the Owner from again extending the right of first refusal to Declarant if the sale to the buyer making the bona fide offer is not completed or if the Owner and the buyer making the bona fide offer agree to sell the Lot on terms and conditions which differ materially from those contained in the bona fide offer. In such event, the Owner shall be required to provide Declarant with a copy of any new bona fide offer or such different terms and conditions between the Owner and the buyer that made the bona fide offer and Declarant shall be granted a right of first refusal to purchase the Lot on such different terms and conditions in accordance with this paragraph. The right of first refusal provided for in this paragraph applies to each Lot sold by Developer to an Owner beginning on the date of the recording of the deed for the conveyance of the Lot in question and expiring eighteen ( 18) months after the recording of such deed (or, if a ROFR Election Period extends



past such eighteen (18) month period, then expiring at the end of that ROFR Election Period) (as applicable, the "ROFR Period") without the need for any party to take any further action or record any further document. All references to "the Owner" in this paragraph mean only the first Owner that receives a deed for the Lot in question from Declarant and not any subsequent Owner of that Lot. Notwithstanding anything in this paragraph to the contrary, the term "bona fide offer" as used in this paragraph includes a transfer of a Lot for no or nominal consideration (unless Declarant waives its right of first refusal as to that transfer in writing) in which event (a) the right of first refusal shall continue to be applicable as to any subsequent transfer of the Lot in question during the ROFR Period, but (b) the beginning of the ROFR Period shall continue to be measured from the recording of the first deed from Declarant to the first the Owner of that Lot.

#### Plan Approval

- Improvements: Prior to the construction on any Lot, a set of building plans along with a five-hundred-dollar (\$250) review fee shall be submitted by the Lot Owner to the Declarant for approval.
- Said building plans shall be signed and certified by the Lot Owner as a true and correct copy of the building plans for the structure(s) to be constructed on such Lot and contain a statement that the Lot Owner will submit to the Declarant, for written approval, any amendments, modifications, or changes to such building plans.
- Such building plans shall show the size, exterior material, design, and plot plan for the residence to be constructed on such Lot and shall indicate the location of the structure, attached or detached garage and any other structures to be placed or constructed on such Lot.
- Such plans shall also include erosion control measures which will contain erosion of soil on the Lot during construction.
- One set of such building plans, and all amendments, modifications, and changes thereto, signed by the Lot Owner shall be left on permanent file with the Declarant.
- Declarant shall have the right to request the Lot Owner provide samples of the Lot Owner's proposed exterior materials.
- No construction of any single-family residence on any Lot shall be commenced unless and until written approval of the building plans for such residence has first been obtained from the Declarant. Written approval or disapproval of such building plans shall be given by the Declarant within ten (10) days from and after receipt thereof by the Declarant.
- Approval of such building plans shall not be unreasonably withheld; provided, however, that the Declarant shall have the sole and exclusive right, in its sole discretion, to approve or reject any such building plans if, in the opinion of the Declarant, either the style, size, material or plot plan of such does not conform to the general standard and character of the structures constructed or to be constructed on other Lots located within the Property.
- Prior to the construction of any addition to any residence constructed on any Lot, or the change or modification in the exterior of any residence constructed on any Lot, the Lot Owner shall first obtain the written approval of the Declarant to proceed with any such construction, change or modification, which approval shall not be unreasonably withheld.

#### Landscaping

Prior to the occupancy of any single-family residence on any Lot, a landscape plan signed by the Lot Owner shall also be submitted to the Declarant for approval. Any landscape plan must include at a minimum:

- i. A landscape plan for the entire portion of the Front Yard.



- ii. Show a minimum planting schedule for such Lot of:
- iii. all the plantings required will be installed within nine (9) months of completion of construction of the single-family residence to be constructed on such Lot, and that such Lot will be seeded or sodded, as required herein, prior to occupancy of the single-family residence.

No single-family residence constructed upon a Lot shall be occupied unless and until written approval of the landscape plan has first been obtained from the Declarant. Written approval or disapproval of such landscape plan shall be given by the Declarant within ten (10) days from and after receipt of such plans by the Declarant. Approval of such landscape plan shall not be unreasonably withheld; provided, however, that the Declarant shall have the sole and exclusive right, in its sole discretion, to approve or reject any such landscape plan if, in its opinion, such landscape plan does not conform to the general standard and character of landscape plans for other Lots located within the Residential Property.

Minimum Standards

The minimum standards to be applied in the review of any plans for any residence submitted for approval within the Residential Property. The standards, requirements and restrictions set forth below shall not be relied upon, interpreted, or applied as absolute requirements for plan approval. The Declarant shall have the right, in the Declarant’s sole and absolute discretion, to modify the application and interpretation of these standards, requirements and restrictions when exercising plan approval authority.

Building Setbacks

The minimum building setbacks for all structures on any Lot shall be 25 ft front and rear, 15 ft on all side Lot lines or as set forth by the plat or established City Ordinance, whichever is greater.

Minimum Floor Area

The minimum floor area for any single-family residence constructed upon a Lot, exclusive of basements, garages, porches, patios, decks, or enclosed decks, are set forth below. Each dwelling must have at least a three (3) car garage, attached or detached, with the option of having one stall, only, capable of parking a recreational vehicle with the maximum height of 16’ side walls for the RV stall. One detached outbuilding is permitted of not more than 2,000 sq. ft in size, 16’ maximum sidewalls, Detached building exterior must match the exterior of the house.

Ranch Style Home	1,200 sq.ft.	(Main Floor)
One story with loft	1,400 sq. ft.	(Total both floors)
One and One-half story home	1,600 sq. ft.	(Total both floors)
Two Story Home	1,800 sq. ft.	(Total both floors)
	With exception to twin/triple/quad homes shall be 1,400 sq. ft. (Total both floors)	
Bi/Tri-level or More	1,200 sq.ft.	(Main floor)

Unless written approval has been granted by the Declarant/ARC/HOA.

Tree Removal and Protection

Any removal of a tree on a site, equal or greater than three (3) inch caliper or six (6) feet in height, must have Developer or HOA Board Approval. Construction practices must use extreme care during grading and excavation to avoid damage to existing trees, shrubs, and their root structures. Trees to be removed shall be identified with surveyor ribbon and pre-approved.



- Any tree removed without prior review and approval shall result in penalty and fine at the discretion of the Developer or HOA Board.

Exterior Finish Requirements

The front and any side of any single-family or multi-family residence constructed upon a Lot that faces a public street or private roadway must be faced with at least twenty five percent (25%) any combination of brick, natural stone, wood or metal product, and each side (excluding the rear) not facing a street or private roadway must be faced with at least twenty five percent (25%) any combination of brick, natural stone, wood or metal product. The front of any single-family or multi-family residence constructed upon a Lot shall be faced with at least twenty five percent (25%) any combination of brick, natural stone, wood or metal product. All fireplace chimneys constructed as part of a single-family or multi-family residence on any Lot shall be faced with any combination of brick, natural stone, wood or metal product. All exposed foundations constructed as part of a single-family or multi-family residence on any Lot exceeding 12 inches in height shall be faced with brick or natural stone, except on a side yard when the slope is 4:1 or greater, then all exposed foundations on such side yards exceeding 18 inches in height shall be faced with brick or natural stone. Prohibited exterior materials include: vinyl siding, unless written approval has been granted by the Declarant/ARC/HOA.

Short Term Rentals / Vacation Rentals by Owner (VRBO)

Short Term Rentals / VRBO's are permitted in designated areas "CH" – Limited use by covenants, as approved by the City of Deadwood within the PUD boundary, on file with the City of Deadwood.

The CH District with Limited use by covenants designation is for commercial highway district to use as specified as in the R2 District of the City of Deadwood except the lots have the option of Short Term Rentals as specified or restricted by the City of Deadwood.

The owners and renters are required to operate/use the vacation rental in compliance with City, State and HOA Rules and Regulations, and any amendments thereto. The current City of Deadwood requirements are as follows but it is the responsibility of the property owner to verify current requirements and stipulations at all times:

South Dakota State Excise Tax through the Department of Revenue.

Proof of Lodging License from the South Dakota Department of Health.  
SD Lodging License information

Proof of enrollment into Business Improvement District Tax 1 - 6.  
Please contact the City Finance Office for assistance (605) 578-2600 Ext 5

Obtain City of Deadwood Business License.  
Deadwood Business License

Establishment of commercial accounts for water, sewer and refuse.  
Please contact the City Finance Office for assistance (605) 578-2600 Ext 5

It's the responsibility of the owner to require/enforce 10 p.m. quiet time, plan for excess garbage and make sure adequate parking is available to accommodate all renters on the VRBO Lot, no on street parking is allowed to carry overflow.



ARTICLE VII:

**DESCRIPTION OF PROJECT, DIVISION OF PROPERTY,  
CREATION OF PROPERTY RIGHTS, FUTURE DEVELOPMENT**

Description of Project

The Project is a development consisting of the property on Exhibit A, including but not limited to, the Residential Lots, commercial Lots, multi-family Lots and all improvements thereon. The Project is intended to be developed in phases. All phases are subject to the terms of this Declaration.

Application of Declaration to the Project

All the Property shall be held, sold, used, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of and which shall run with title to the real property subjected to this Declaration. This Declaration shall be binding on all parties having any right, title, or interest in the Property or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

Delegation of Use

Any Owner may delegate, in accordance with the Rules, his or her right of enjoyment to the facilities to the members of his or her household, guests, tenants, or contract purchasers, who occupy such Owner's Lot.

Annexation of Additional Property

Declarant reserves the right from time to time to add additional property ("Annexed Property") to the Project. This right is irrevocable. Declarant shall not be required to add such additional lands to the Project and Declarant may add a portion or all thereof at Declarant's discretion. Declarant reserves an easement through the Common Elements herein described for access, ingress, and egress, and for utility and service lines, and the hookup to existing access and utility and service lines. The manner of subjecting the Annexed Property to this Declaration shall be accomplished by the filing of record in the office of the County Clerk and Recorder for Lawrence County an amendment to the legal description of the lands covered by this Declaration. Any Annexed Property shall be deemed annexed to the Project and made subject to the Declaration and the jurisdiction of the Association, and shall be held, sold, leased, transferred, occupied, and conveyed subject to the terms, provisions, covenants, conditions, restrictions, reservations, and easements of this Declaration. The right of unilateral annexation provided for in this paragraph constitutes a covenant running with the land and is as such enforceable by any successor or assignee of Declarant who acquires any part of the Annexed Property, and who assumes the role of Declarant.

No Subdivision of Lots

There shall be no further division of any Lot without written approval of Declarant and the Board, which approval may be withheld or conditioned in the discretion of Declarant and the Board, and which approval would be subject to the Laws of the State of South Dakota.

No View Rights

This Declaration is not intended and shall not in any way confer or grant (or be construed to confer or grant) to any Residential Lot or Residential Unit or the Owner thereof any right to the maintenance of any view, viewscape or scenic corridor or area. Each Owner, by acceptance of a deed to his or her Lot, acknowledges and agrees that no representations or warranties have





been made concerning any view, present or future, that may be enjoyed from all or any portion of the Project or such Owner's Lot or Unit, and that the same may change and/or be affected or obstructed by construction or installation of improvements, structures, fences, walls and/or landscaping by Declarant or other owners of property within or outside the Project and/or the growth of trees, landscaping and/or vegetation within or outside the Project. This Declaration does not contain any provisions intended to protect the view from any Lot or Unit or any other portion of the Project.

## ARTICLE VIII:

# **MAINTENANCE AND ASSESSMENTS**

### Creation of the Lien and Personal Obligation of Assessments

Each Owner of any Lot by acceptance of a deed or conveyance thereto, whether or not it shall be so expressed in such deed or conveyance, covenants, and agrees:

- 1) to pay to the Association general and special Assessments, to be established and collected as hereinafter provided; and
- 2) to allow the Association to enforce any Assessment lien established hereunder by non-judicial proceedings under a power of sale or by any other means authorized by law.

The general and special Assessments, together with interest, late charges, collection costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such Assessment is made, the lien to become effective upon recordation of a notice of delinquent Assessment. Each such Assessment, together with interest, late charges, collection costs, and reasonable attorneys' fees, shall also be the personal obligation (joint and several) of each Person who was the Owner of such property at the time when the Assessment fell due.

### Purpose of Assessments

The Assessments levied by the Association shall be used to pay expenses, to promote the economic interests, recreation, health, safety, and welfare of Owners in the Project, and to enable the Association to perform its obligations hereunder.

### Assessments:

- A. General Assessments: The Board shall annually establish and levy general Assessments in an amount that the Board estimates will be sufficient to raise the funds needed to pay expenses and perform the duties of the Association during each fiscal year. The general Assessments shall include a portion for reserves in such amounts as the Board in its discretion considers appropriate to meet the costs of the future repair, replacement or additions to the major improvements and fixtures that the Association is obligated to maintain and repair. Reserve funds shall be deposited in a separate account and the signatures of at least two (2) Persons, who shall either be Members of the Board or one officer who is not a Member of the Board and one Member of the Board, shall be required to withdraw monies from the reserve account. Except to the limited extent otherwise provided herein, reserve funds may not be expended for any purpose other than repairing, restoring, maintaining, or replacing the major components that the



Association is obligated to maintain without the consent of Owners holding a majority of the voting power either at a duly held meeting or by written ballot.

- B. **Special Assessments:** The Board may at any time levy a special assessment in order to raise funds for unexpected operating or other costs, insufficient operating or reserve funds, or such other purposes as the Board in its discretion considers appropriate. Special Assessments shall be allocated among the Lots in the same manner as general Assessments, except in the case of an Assessment levied by the Board against a Member to reimburse the Association for costs incurred in bringing the Member and his Lot into compliance with provisions of the Project Documents.

#### Restrictions on Increases in General and Special Assessments

The Board may not impose a general Assessment on any Lot which is more than twenty percent (20%) greater than the general Assessment for the immediate preceding fiscal year, or levy a special Assessment to defray the cost of any action or undertaking on behalf of the Association which in the aggregate exceeds ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year, without the vote or written assent of Members casting a majority of the votes at a meeting of the Association at which a quorum is present. Any meeting of the Association for purposes of complying shall be conducted in accordance with the South Dakota Non-Profit Corporation Act. The Board may increase general Assessments by more than twenty percent (20%) over the general Assessment for the immediately preceding fiscal year only if the Board has complied with the provisions set forth in the Bylaws and this Declaration.

Notwithstanding the foregoing, the Board, without Membership approval, may increase general Assessments or levy special Assessments necessary for an emergency. For purposes of this section, an emergency situation is one of the following:

- 1) an extraordinary expense required by an order of a court.
- 2) an extraordinary expense necessary to repair or maintain the Project or any part of it for which the Association is responsible where a threat to personal safety on the Project is discovered; or
- 3) an extraordinary expense necessary to repair or maintain the Project or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the pro forma operating budget, provided, however that prior to the imposition or collection of the Assessment, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process and the resolution shall be distributed to the Members with the notice off the Assessment.

#### Notice and Quorum for Action Authorized

Any action authorized which requires a vote of the Membership, shall be taken at a meeting called for that purpose, written notice of which shall be sent to all Members no less than ten (10) days, no more than sixty (60) days in advance of the meeting, specifying the place, day, and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken. The action may also be taken without a meeting pursuant to the provisions of the Bylaws.



### Date of Commencement of General Assessment Due Dates

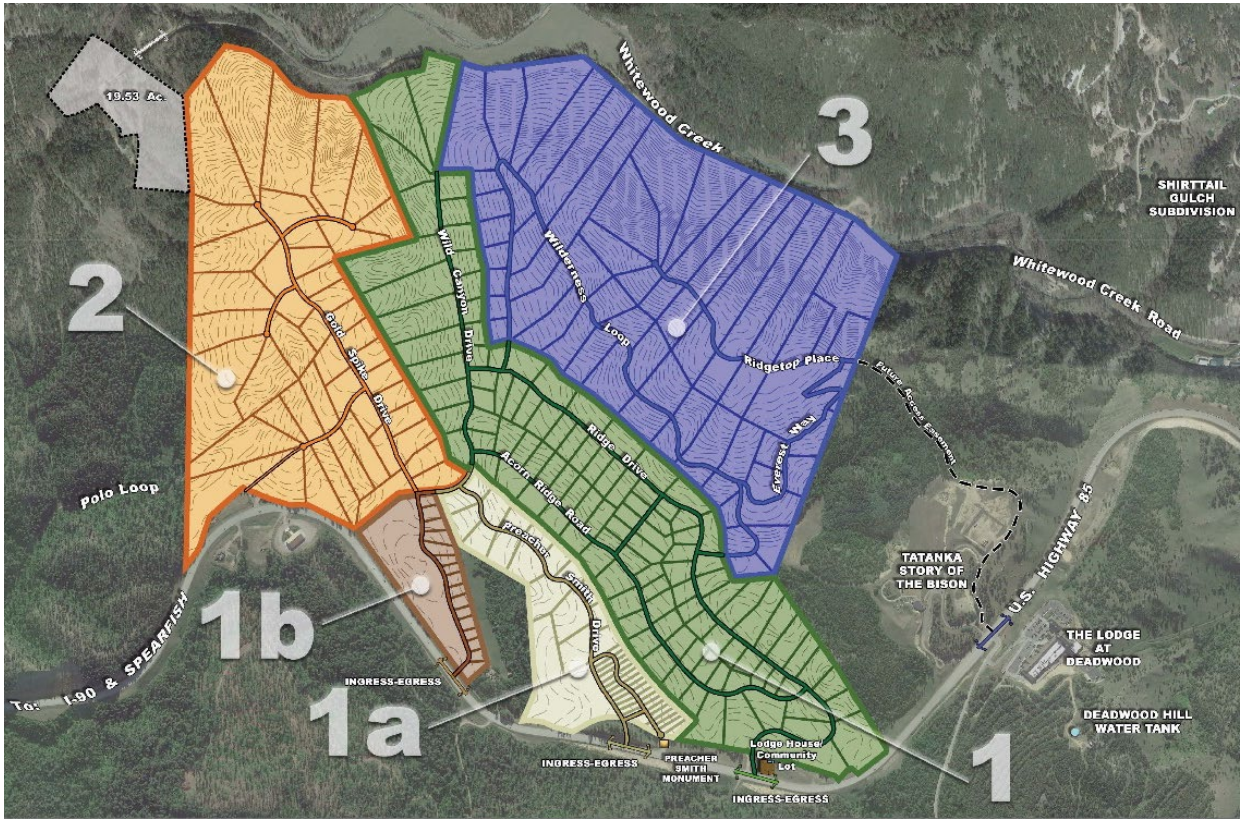
The General Assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance from Declarant of the Lot to an Owner. However, in no case shall any Lot owned by the Declarant be subject to any assessment, whether General Assessment or Special Assessment, at any time while owned by Declarant. As Lots in each phase become subject to Assessments, the Board shall determine whether the amount of general Assessments payable by all Owners will change and, if so, the amount of such change, and the Board shall then send out revised Assessment notices as appropriate. The Board of Directors shall use its best efforts to fix the amount of the general Assessments against each Lot and send written notice thereof to every Owner at least forty-five (45) days in advance of each fiscal year, provided that failure to comply with the foregoing shall not affect the validity of any Assessment levied by the Board. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association stating whether the Assessments on a specified Lot have been paid. Such a certificate shall be conclusive evidence of such payment.

### Effect of Nonpayment of Assessments

- Any Assessment not paid within fifteen (15) days after the due date shall be delinquent, shall bear interest at the rate of ten percent (10%) per annum from thirty (30) days after the due date until paid, and shall incur a late payment penalty in an amount to be set by the Board from time to time, such interest, and penalties not to exceed the maximum permitted under South Dakota law.
- Board has the ability to file a lien if general Assessment is not collected within sixty (60) days after the due date. Property will not be sold or transferred until fees on Assessment Lien have been paid in full



# EXHIBIT A



Master Plan of the RIDGE development property, Phases shown: 1, 1a, 1b, 2 & 3

- END OF DOCUMENT -

