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DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
ARDLUSSA TOWNHOMES
CITY OF FORT PIERRE, STANLEY COUNTY, SOUTH DAKOTA

THIS DECLARATION IS MADE ON THE DATE HEREINAFTER SET FORTH BY JERALD W. PETERSON, L. L. C. , AS THE OWNER AND DEVELOPER OF ARDLUSSA TOWNHOMES, HEREINAFTER REFERRED TO AS "DECLARANT".

WITNESSETH:

WHEREAS, Declarant owns property in the City of Fort Pierre, Stanley County, South Dakota, in a planned unit development known as Marion's Garden Subdivision of Compton-Newman River Subdivision, according to the plat thereof, which is recorded in the office of the Stanley County Register of Deeds;

WHEREAS, Declarant intends to sell townhome units located on the property which he owns in said Subdivision and intends to impose upon all of such property covenants, conditions and restrictions contained herein, which are to be in addition to those filed by the developer of Marion's Garden Subdivision which also effect the property. These covenants intended to develop a general scheme or plan for the benefit of the owners of all of the townhomes which shall hereinafter be described.

NOW, THEREFORE, Declarant hereby declares that all of the property described in Article II be sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are imposed to protect the value of the property and improvements thereto and which shall run with the land and be binding upon all persons having any right, title or interest in the property and their heirs, successors and assigns.

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ARTICLE I.

DEFINITIONS

1. "Association" means the Ardlussa Townhome Association.
2. "Owner" shall refer to the record owners, whether one or more persons or entities, of the fee simple title of any lot or portion thereof which is a part of or located within the property, including contract sellers but excluding those having such interest solely as security for the performance of an obligation. The rights of the owners may be exercised by the owner's written consent, by contract purchaser, or mortgagee.
3. "Property" means all the land described in Article II of this document.
4. "Common Area" shall mean that real property which by easement is designated for the use and enjoyment of all of the owners.
5. "Lot" means any plot of land shown on any recorded subdivision map on the property upon which a dwelling unit can be constructed.
6. "Townhome Unit" means any building or portion of a building situated upon the property and designated and intended for use in occupancy as a residence by a single family.
7. "Member" shall mean every owner holding membership in the Association.
8. "Declarant" means Jerald W. Peterson, L. L. C., owner and developer of the townhome project.

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ARTICLE II.

1. The real property which is, and shall be, held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to this declaration is:

Lots 23 thru 30, Marion's Garden Subdivision of ComptonNewman River Subdivision, to the City of Fort Pierre, Stanley County, South Dakota, according to the recorded plat thereof recorded in Book of Plats G, page 79, office of Register of Deeds, Stanley County, South Dakota.

2. The lots subject to this declaration are part of a planned unit development in Fort Pierre, South Dakota, known as Marion's Gardens. The declarant plans the construction of sixteen townhome units on the above property, each to be the subject of a survey so as to establish a legal description for each unit.

3. Declarant may, without the consent of any member of the Association, annex additional property to this Declaration by recording a supplementary Declaration of Covenants and Restrictions with the Stanley County Register of Deeds. The supplementary Declaration may expand the property subject to the terms and conditions of this declaration as may be necessary to reflect any different character of the annexed property, except that no changes shall be inconsistent with or incompatible with the provisions of this declaration and no additional provisions shall apply to this property without consent of all of the members.

4. All owners shall have a right and easement of access and enjoyment in and to that portion of the described property

developed for use as a boat docking facility on the canal system

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associated with the Marion's Garden Subdivision. The docking facility shall have capacity for one watercraft per townhome unit and all expenses associated with maintenance and operation of the docking facility, including the dock systems, shall be included among those expenses paid by the Association and borne equally by each member as further provided herein. Watercraft utilizing the docking system shall be limited in size so as not to occupy more space than that allocated to each townhome unit or interfere with the use of the docking facilities allocated to other units unless otherwise delegated by another owner. The Association shall have the right to suspend voting rights and the rights to use the docking facility by any member for any period during which any assessment against that member's townhome remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the townhome published rules and regulations including the violation of the boating rules and regulations established for the use of the canal system within the Marion's Garden Subdivision. The right of an owner to use the common area is delegable to members of his family, his tenant or contract purchasers who reside on the property or to other owners.

ARTICLE III.

1. There is hereby created an Association to be known as Ardlussa Townhome Association.

2. Membership in the Association shall be appurtenant to and may not be separated from ownership of a lot of townhome unit.

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3. The Association shall operate and supervise the Ardlussa Townhome Development for the benefit of the members. Members, families and guests shall be subject to reasonable rules and regulations promulgated by the Association.

4. Every owner shall, upon the purchase of a lot of townhome unit, automatically become a member of the Association. Membership shall continue until the member no longer holds property or until the member assigns his membership to a new contract purchaser.

5. The Association may provide penalties for violation of its duly adopted rules and regulations and for failure to pay assessments due and payable to the Association, including loss of privileges and loss of voting rights in the Association.

6. The Association shall have the right to permit construction of such buildings as may be necessary for proper protection and maintenance of equipment and utilities, subject to the control, direction and supervision of the Board of Directors with respect to its authority as herein set forth. Upon a two thirds (2/3) vote of the members, the Association may borrow money to improve, maintain or repair the property. The rights of owners shall be subordinated to the lien of any mortgage securing such indebtedness.

7. No building, fence, wall or other structure shall be commenced, erected or maintained upon the property nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, color, height, materials and location of the same shall have been

submitted to and approved in writing to insure harmony of external design and location in relation to surrounding structures and topography by the members of the Association. In the event that the members fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to the Association, approval will not be required and this provision shall be deemed to have been fully complied with.

8. The Association shall have the right to levy annual assessments upon its members pursuant to the provisions contained herein.

9. No satellite receivers larger than three (3) feet in diameter, large antennas, chimneys, fireplaces or wood burning stoves, solar heating systems or other large items may be installed on or to any lot or structure without written approval of a majority of the members.

ARTICLE IV.

COVENANT FOR ASSESSMENTS

1. Each person, group of persons or entity who become an owner by acceptance of a deed for a lot, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

- a. Annual assessments or charges; and
- b. Special assessments to be fixed, established and collected from time to time, as hereinafter provided.

The annual and special assessments, together with interest thereon

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and costs of collection, shall be a charge on the lot or portion thereof of each unit and shall be a continuing lien upon the property against which such assessment is made. Each assessment, together with interest thereon and costs of collection, shall also be the joint and several personal obligation of the person, group of persons or entity who was the owner of such unit at the time when the assessment became due.

2. Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, scenic enjoyment, health, welfare and safety of the residents on the property and in particular for the improvement and maintenance of the property and common area, including, but not limited to:

- a. All operating expenses of the Association, including services furnished;
- b. The cost of necessary management and administration, including fees paid to any management agent by the Association;
- c. Taxes and assessments, if any, levied against the Association or upon any property which it might ultimately come to own or otherwise is required to pay;
- d. The cost of fire and extended liability insurance on the property and common area and the cost of such other insurance as the Association may procure;
- e. The cost of furnishing water, garbage and trash collection, snow removal, lawn maintenance or other utilities or services to the property and common area; and
- f. The cost of funding all reserves established by the Association, including, when appropriate, a general operating reserve and/or a reserve for replacements.

ARTICLE V.

ASSESSMENTS

1. Annual Assessments. It shall be the duty of the

Association to determine the amount of the annual assessment, if any, for each unit for any assessment year (after the first annual assessment as provided in Section 3 of this article) and such assessment shall become due and payable and a lien against the lot on the first day of the following calendar year, unless the Association shall otherwise provide. The Association shall make reasonable efforts to determine the amount of the annual assessment against each unit for each assessment year and to give written notice of the assessment for each unit to the owner thereof, together with the due dates of periodic installments if such assessment is allowed by a decision of the members to be paid in installments at least thirty (30) days prior to the first day of such assessment year. The Association shall prepare and maintain a roster of the lots and the assessment currently applicable thereto and shall make such roster available for the inspection of members upon request. Assessments may be collected on a monthly, quarterly, semi-annual or annual basis in the discretion of the Association.

2. Special Assessments. In addition to the annual assessments authorized by this Article, the Association may from time to time levy a special assessment for such purposes as the Association deems necessary. Provided, however, that any special assessments shall only be levied by a resolution approved by a majority of the votes of the members.

3. Commencement of Annual Assessments. The annual assessment period for each lot shall commence on the first day of the month following the covenants by the declarant to the owner of

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the unit to which such assessment is appurtenant. The first annual assessment for any unit shall be prorated for the balance of the assessment year in relation to the annual assessment which would have been imposed on the unit if so subject and shall become due and payable and a lien on the unit as of the date of conveyance of the unit.

4. Assessments by Declarant. Any provision of this declaration of bylaws of the Association notwithstanding, the declarant shall be required to pay an annual assessment or a special assessment for any unit in which he is the owner.

5. Reserve for Replacements. The Association may establish and maintain a reserve fund for replacements by the allocation and payment to such reserve fund of an amount to be designated from time to time by the Association. Such fund shall be conclusively deemed to be a common expense of the Association. Such fund shall be deposited in a special account with a lending institution whose accounts are insured by an agency of the United States of America, or of the State of South Dakota, or in the discretion of the members be invested in obligations which guaranteed as to principal by the United States of America. The reserve for replacements may be expended only for the purpose of effecting improvements upon the property and for operating contingencies of a nonrecurring nature. The proportionate interest of any member in any reserve for replacements shall be appurtenant to his unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the unit to which it pertains and shall be deemed to

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be transferred with such unit.

6. Nonpayment of Assessment. Any assessment levied pursuant to these covenants which is not paid on the date when due (or on the dates when due, if such assessment is allowed to be paid in installments) shall be delinquent and shall, together with interest thereon and costs of collection including reasonable attorney's fees become a continuing lien upon the unit against which such assessment is levied; and such assessment shall bind such unit in the hands of the owner thereof, his heirs, devisees, personal representatives and assigns. The obligation of such owner to pay such assessment, however, shall also remain his personal joint and several obligation for the statutory period.

If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest at the rate set out in the assessment resolution and the Association may bring an action at law against the owner personally obligated to pay the same or may foreclose the lien against the lot in the amount provided by law. In either event, the Association shall also recover from such owner or out of the proceeds of such foreclosure, accrued interest and costs of collection, including but not limited to, reasonable attorney fees. No owner may waive or otherwise escape liability for the assessments provided for in this declaration by nonuse or abandonment of his unit.

7. Subordination of First Mortgages. The lien of the assessments provided for in this declaration shall be subordinate to the lien of any mortgage now or hereafter placed upon any unit

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subject to assessment. Sale or transfer pursuant to a decree of foreclosure shall not relieve such unit from liability for any assessments becoming due after such sale or transfer nor from any lien of any such subsequent assessments.

8. Declarant shall be initially responsible for developing, grading, sloping and contouring all common areas to provide and ensure adequate drainage to prevent water and soil erosion which may be hazardous to established grass and surrounding property. In addition, Declarant shall be responsible for sodding or seeding, with a good grade of lawn seed, the areas adjacent to and serving developed units and shall be responsible for the maintenance of such lawns until such time as the grass shall have become established. The Association shall be responsible for all maintenance and upkeep after the initial leveling and seeding.

VI.

EXTERIOR MAINTENANCE

1. Exterior Maintenance of Dwellings. The Association may, in the interest of the general welfare of all owners, provide periodic exterior maintenance of the units and property subject to the annual assessment including, but not limited to, periodic painting of exterior building surfaces and trim, repair and maintenance of gutters, downspouts and roofs, care of shrubs, lawns, walks, driveways and other exterior improvements, all as and when it becomes necessary; provided, however, no such action shall be taken without prior resolution of the members of the Association, and only after reasonable notice to the owner of any

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unit or dwelling proposed to be so maintained.

2. Assessment of Costs. The cost of any exterior maintenance performed pursuant to Section One (1) of this Article may be assessed against the unit upon which such maintenance is done and, when so assessed, a statement for the amount thereof shall be rendered to the owner of the unit at which time the assessment shall be a continuing lien against the unit and an obligation of the owner and may be enforced as provided in Article V. of this declaration.

3. Access at reasonable times. For the purposes of performing the exterior maintenance required or authorized by this article, the Association, through its duly authorized agents or officers, shall have the right, after reasonable notice to the owner of a lot to enter upon such unit and to perform such maintenance at any reasonable hour.

VII.

RESTRICTIONS

1. Land Use. . No part of the property shall be occupied or used for other than single family, townhome residential purposes. A single family shall be defined as a group of persons related by blood or marriage, together with up to two (2) additional persons not so related, or any unrelated group of not more than four (4) persons. Declarant and contractors may use dwelling units on a temporary basis as model homes or offices for the sale of units and conduct of business in the Ardlussa development.

2. Nuisances. No noxious or offensive activity shall be

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carried on upon any part of the property, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

3. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, barn or outbuilding shall be used on the property at any time as a residence, either temporary or permanent.

4. Signs. No signs of any kind shall be displayed to public view on any part of the property except one professional sign per dwelling of not more than one square foot in area, one sign not more than sixteen (16) square feet advertising a dwelling for sale or rent, and signs approved by the Association used by the Declarant to advertise dwelling units during the construction and sales period.

5. Pets, Animals and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of the property, including animals kept for pets.

6. Garbage and Refuse Disposal. No part of the property shall be used or maintained as a dumping ground for rubbish or garbage. Trash, garbage or other waste shall not be kept except in sanitary containers, and in any event shall be removed from the property with ten (10) days. All equipment used for storage or disposal of such material shall be kept in a clean and sanitary condition and screened from public view.

7. Outdoor Storage. No outdoor storage of any nature is permitted.

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8. Offstreet Parking. Offstreet parking of motor vehicles is restricted to those kinds, types and numbers as may be determined by resolution of the Association.

9. Subdivision of Units. No unit shall be divided or subdivided and no portion of any other unit other than the entire unit shall be transferred or conveyed for any purpose. No townhome unit shall be transferred separately from the garage, or garage from the townhome unit, as originally received from the Declarant without a written consent of the owners. No portion of any unit other than the entire unit shall be leased. The provisions of this subsection shall not apply to the Declarant and the provisions hereof shall not be construed to prohibit the granting of any easement or right of way to any political subdivision, public utility or other public body or authority or to the Association.

10. Right of the Association to Remove or Correct Violations of this Article. The Association may, in the interest of the general welfare of all members and after reasonable notice, enter upon any unit or the exterior of any dwelling at reasonable daylight hours for the purpose of inspecting, removing or correcting any violations or breach or any attempted violation of any of the covenants and restrictions contained in this Article, or for the purpose of abating anything herein as a prohibited use or nuisance, and no such entry or inspection shall be considered a nuisance, or otherwise be considered a wrongful act; provided, however, that no such action shall be taken without a resolution of the board of directors of the Association. The cost of such

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removal or correction shall be added to and become part of the assessment to which such lot is subject.

VIII.

PARTY WALLS

1. Definition General Rules of Law to Apply. Each wall built as a part of the original construction of any dwelling on the property and placed on the dividing lines between lots, shall constitute a party wall, and the general rules of law regarding party walls and liability property damage due to negligent or willful acts or omissions shall apply to the extent not inconsistent with the provisions of this Article.

2. Repair and Maintenance. The costs of reasonable repairs and maintenance of the portion of the party walls which is of common benefit shall be shared equally by the owners who make use of the wall.

3. Destruction by Fire or other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owner thereafter makes use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such owners to call for a larger contribution of the others under any law regarding liability for negligent or willful acts or omissions.

4. Weather Proofing. Notwithstanding any other provision of this Article, an owner who permits a party wall to be exposed to

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the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

5. Right to Contribution Runs With the Land. The right of an owner to contributions from any other owner under this Article shall be appurtenant to the land and shall pass to such owners expressed in title.

IX.

EASEMENTS

1. Easements for public utilities over and across the lots shall be those shown upon the recorded plan and any additions or annexations thereto. There shall also be sewer and power easements over and across the lots for purposes of serving each lot with such utilities. There shall also be utility easements through the walls, floors and ceilings of the individual units for the benefit of all other units on the property.

2. There is hereby created a utility easement behind each townhome structure from the back of the structure to the rear property line and along the rear property line from side lot line to side lot line for purposes of installation, maintenance, repair or shut-off of water, electricity, gas, telephone and cable television service to each of the units. An easement of access and enjoyment is also established pursuant to Article II, Section 4, upon such property which shall allow each unit owner the right to cross the property to access the boat docking facility on the canal system.

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MANAGEMENT OF ASSOCIATION

1. Management Agent. The Association may employ a professional management agent (the "management agent"), at a rate of compensation to be established by the members of the Association, to perform such duties and services as they shall authorize, including without limitation:

- a. Collection of assessments provided for in this declaration and enforcement of liens therefor in a manner consistent with law and the provisions of this declaration;
- b. Care, upkeep, maintenance and surveillance of the property;
- c. Employment of such personnel as may be required for the good working order, maintenance and efficient operation of the property;
- d. With the approval of the members, promulgation and enforcement of such rules and regulations and such restrictions or requirements, "house rules", or the like as may be deemed proper respecting the use of the property; and
- e. Provision of such other services, including accounting services, for the association, as may be consistent with law and the provisions of this declaration.

XI.

INSURANCE

1. Association Responsibility to Insure. Insurance policies upon the property covering the items described in section two (2) of this Article shall be purchased by the Association as trustee for the benefit of the Association and the individual unit owners and their mortgagees, as their interests may appear. Provisions shall be made for the issuance of certificates of mortgage

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endorsements through the mortgagees of the units.

2. Insurance Coverage. Insurance shall cover the following:

- a. All dwellings and building, including, without limitations, improvements owned or operated and maintained for the benefit of the Association, in an amount equal to the insurable replacement value, as determined annually by the members of the Association. Such coverage shall afford protection against "all risks" or direct physical damage or loss and liability of the Association;
- b. Fidelity Bond of the Association's Agent handling its money in an amount as the members shall determine from time to time, and Worker's Compensation as required by law;
- c. Such other insurance as the members of the Association shall determine necessary.

3. Premium Payment and Assessment. Premiums on insurance policies purchased and paid for by the Association for all coverage set forth in this Article shall be assessed and billed to each owner as follows:

- a. For that portion of the insurance attributable to only the unit or units owned by the member, the premium amount so attributable;
- b. For all other insurance required by this article to be purchased by the Association each member will be assessed prorata in proportion to the number of completed units in the project for each unit owned of the total premises.

4. Owner Responsibility to Insure. The insurance of personal liability, personal property and improvements and betterments of individual dwellings, shall be the individual responsibility and cost of the owners thereof.

5. Payment of Proceeds. All insurance policies purchased by the Association shall provide that proceeds covering property losses shall be paid to the Association for the purposes herein

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provided. The Association shall receive such proceeds as are paid, and hold in trust for the benefit of the unit owner and their mortgagees. Proceeds on account of units, if any, shall be held for the owner of damaged unit in proportion to the cost of repairing the damages suffered by each owner, which cost shall be determined by the Association. In the event a mortgagee endorsement has been issued as to a dwelling, the share of the unit owner shall be held in trust for the mortgagee and the unit owner, as their interests may appear.

6. Disbursement of Proceeds. Proceeds of insurance policies received by the Association shall be disbursed as follows:

- a. All expenses of the Association incurred in connection with such insurance shall be paid first.
- b. If it is determined that damage for which the proceeds are paid shall not be reconstructed or repaired, or if there are excess proceeds remaining after the reconstruction and repair, the remaining proceeds shall be distributed to the unit owner and mortgagee, being payable jointly to them. This is a covenant for the benefit of any mortgagee, and may be enforced by such mortgagee.

ARTICLE XII.

DAMAGE TO STRUCTURES

1. Property of Unit Owner. If damage occurs only to a unit for which the responsibility of maintenance and repair is that of the owner, then the owner shall be responsible for reconstruction and repair of the casualty.

2. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, or if not, then according to the plans and specifications

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approved by the Association as provided in this declaration. If a unit or units sustain 80% or more total damage, approval is required by all of the owners, including the owners of the damaged unit or units, before reconstruction or repair may be commenced.

XIII.

RIGHTS OF MORTGAGEES

1. Rights of First Mortgagees. Other provisions of this declaration notwithstanding the Association, and the members shall not without the prior written approval of all first mortgagees of record of lots:

- a. Totally abandon all the covenants and restrictions established by this declaration, or
- b. Partition, subdivide, sell or otherwise dispose of common areas or community facilities for any purpose other than the repair or restoration of such common area or community facilities.

No first mortgagee of record of any lot shall:

- a. Be required to cure any breach of this declaration which is not readily curable as to a lot acquired by such mortgagee by foreclosure or by conveyance in lieu of foreclosure; provided, however, that such mortgagee is liable for all assessments which become due after such foreclosure or conveyance in lieu of foreclosure, or
- b. Be affected by any amendment to this declaration unless prior to such amendment all first mortgagees of record have been given sixty (60) days advance written notice of the proposed amendment and at least two-thirds (2/3) of such mortgagees have given their written approval to such amendment.

2. Notice of Default. Upon written request therefor, first mortgagees of record shall be given written notice by the Association of any default in payment of assessments or in the discharge of other obligations pursuant to this declaration not

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cured within thirty (30) days by the owner of a lot in which such mortgagee has a security interest.

3. Examination of Records. First mortgagees of record of lots shall have the right to examine the books and records of the Association at reasonable times and to obtain upon written request therefor annual reports and financial data prepared by the Association.

XIV.

MISCELLANEOUS

1. Duration and Amendment. 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 Association or any owner, their respective legal representatives, heirs, successors and assigns for a term of thirty (30) years from the date of recordation of this declaration, after which the said covenants shall be automatically extended for successive periods of ten (10) years each. This declaration may be amended, except where permanent easements or other permanent rights or interests are herein created, by an instrument signed by owners of all of the units and placed of record where this declaration is recorded. No change of circumstances or conditions shall operate to amend any of the provisions of this declaration, which may be amended only in the matter hereinabove provided for. None of the provisions of this declaration shall be construed as a condition subsequent or as creating a possibility of reverter.

2. Incorporation by Reference on Resale. In the event any

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owner sells or otherwise transfers his lot, any deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants and restrictions set forth in this declaration.

3. Notices. Any notice required to be sent to any member or owner of a lot or any first mortgagee of a lot under the provisions of this declaration shall be deemed to have been given when mailed by first class mail, postage prepaid, to such member or owner or mortgagee at his address as it appears on the records of the Association at the time of such mailing.

4. Enforcement. These covenants and restrictions may be enforced by the declarant, the Association or any member or owner. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain or enjoin violation or to recover damages, and against the property or any unit to enforce any lien created by these covenants; and the failure of forbearance by the Association 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.

There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or any attempted violation or breach of any of the within covenants or restrictions cannot be adequately remedied by action at law or by recovery of damages. The remedies provided for in

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this declaration shall be cumulative and not exclusive.


5. No Dedication to Public Use. Nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any common areas or community facilities by any public or municipal agency, authority or utility.

6. Severability. Invalidation of any one of these covenants or restrictions by judgment, decree or order shall in no way effect any other provision hereof, each of which shall remain in full force and effect.

7. Caption and Gender. The captions of this declaration are intended for convenience only and shall not be used to interpret or define the provisions hereof. Wherever the context so requires, all references to the singular shall include the plural and all references to the masculine gender shall include the feminine and in both instances, vice versa.

IN WITNESS WHEREOF, the undersigned, being the declarant herein, has hereunto set his hand and seal the 3rd day of December, 1996


JERALD W. PETERSON, L.L.C.


State of South Dakota)
ss

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County of Stanley)

On this, the 3rd day of December, 1996, before me, the undersigned officer, personally appeared JERALD W. PETERSON, of JERALD W. PETERSON, L.L.C., known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledge that he executed the same for the purposes therein contained.

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

[Signature]
Notary Public - South Dakota

My Commission Expires: July 26, 2004

(SEAL)



Prepared By:
Properties West, Inc.
Mark Reed
P.O. Box 1115
Fort Pierre, SD 57532
(605) 223-9611

#30698

STATE OF SOUTH DAKOTA
County.....Stanley..... } ss.

I hereby certify that the within instrument

was filed in this office on the 4th day
of December A.D. 19.96. at 2:00 o'clock
P.M. in Misc. Record 253
on pages 746-769

[Signature]
Register of Deeds

Fee \$51.00

Deputy