

*Constitution and Declaration
of
Rolling Hills Homeowners' Association*

(This document replaces document #94-836)

THIS CONSTITUTION AND DECLARATION is hereby made by the undersigned, hereinafter referred to as declarants, the singular to include the plural, who have this day voluntarily associated themselves for the purpose of forming a nonprofit lot owners' association of the lot owners of the real property more specifically described as follows, to-wit:

Lots 1,2 3, Block 1; Lots 1-10 , Block 2; Lots 1,3,5-9, Block 3;
Lots 1-15, Block 4; Lots 1-11, Block 5; Lots 1-12 and 14, Block 6;
Lots 1 and 2 , Block 7; recorded as Plat Document No. 92-3964,
and lots 3-16 , Block 7 recorded as Plat Document No. 98-220,
Rolling Hills Addition, a subdivision of Tract "B" of the NW 1/4
NE 1/4 of Section 24, T6N R2E, Lawrence County, South
Dakota.

WHEREFORE, THE UNDERSIGNED DECLARE AND CERTIFY AS FOLLOWS:

ARTICLE I.

NAME

That the name of the association is the ROLLING HILLS HOMEOWNERS' ASSOCIATION.

ARTICLE II.

AGENT AND OFFICE

That John Meade, whose address is 104 Stone Street, Lead, South Dakota 57754, is hereby appointed as the initial agent of the association and that the principal office of the association is located at 501 Wildwood Drive, Spearfish, South Dakota, 57783.

ARTICLE III.

PURPOSE

That the association is formed as a nonprofit association to provide for the operation of a homeowner's association for owners of lots in the Rolling Hills Homeowners' Association.

ARTICLE IV.

MEMBERS

Every tract or lot owner shall be a member of the association and shall have one (1) vote per lot. Membership runs with and is appurtenant to a lot and each lot owner has an easement and right of enjoyment of any common area or property owned by the association. Subsequent owners of the property will acquire seller's rights in the association, subject to payment of association assessments and service charges. Where more than one person holds an interest in a lot, all such persons as they may among themselves determine and in no event shall more than one vote be cast with respect to any one lot. No member may be expelled from the association or be denied voting rights. No interest held as security for the performance of an obligation shall be entitled to any membership rights.

ARTICLE V.

BOARD OF DIRECTORS

The affairs of the association shall be managed by a board of three (3) or more directors, who shall be elected by the members of the association for staggered terms of three (3) years, shall serve without compensation, and who shall adopt bylaws for the association. The initial board of directors, as required by court order CR 94-50067 Sec. 10, who shall serve until their successors are elected and qualify are:

Name	Address
John Meade, President	104 Stone Street, Lead, SD
Laverne Cook, Vice President	401 Aspen Drive, Spearfish, SD
Marie Hanson, Secretary/Treasurer	501 Wildwood Drive, Spearfish, SD

ARTICLE VI.

APPURTENANCES

The undersigned hereby declare that the above described property shall be held, sold and conveyed subject to this constitution and declaration, which shall run with the real property and shall be binding on all parties having any right, title or interest in the property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE VII.

POWERS AND OPERATION

The association shall have the power to fix and collect annual or special assessments; to acquire, deal in or dispose of real or personal property in connection with the affairs of the association; borrow money with the assent of seventy-five (75) percent of the members; and to dedicate, sell or transfer all or any part of the property.

Section 1. Annual Assessments. On or before the 1st day of December of each year, the board of directors shall determine the annual assessments required to operate the association during the twelve (12) months beginning on the 1st day of January. After approval, the treasurer shall notify, by mail or by hand delivered notice, each member, before March 1st, of the assessments, which shall be paid in semi-annual installments on April 1st and October 1st or in such other installment payments as the board of directors may determine.

Section 2. Maximum Annual Assessments. The board of directors of the association may fix the annual assessment at any amount not in excess of \$600.00 per year.

(a) The maximum annual assessment for lots may be increased above the limit imposed by a resolution approved by not less than seventy-five (75%) percent of the members.

Section 3. 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 not less than seventy-five (75%) percent of the members.

Section 4. Uniform Rate of Assessments. All assessments must be uniformly fixed for all lots.

Section 5. Nonpayment of Assessments. Any assessment not paid within thirty (30) days of the due date shall bear interest from the due date at the rate established for judgments under the laws of the State of South Dakota. Assessments are both a personal obligation of the member and a charge against the member's lot, subordinate to the lien of any first mortgage. Mortgagees are not required to collect assessments. The member is personally obligated to pay the same and the association shall have the right to take such action as is necessary to enforce payment of the assessments, but failure to pay assessments shall not constitute a default under an insured mortgage.

