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SECOND AMENDED
MASTER DEED
OF
SANDSTONE RIDGE CONDOMINIUMS HOMEOWNERS' ASSOCIATION

This amendment to the Master Deed of Sandstone Ridge Condominiums Homeowners' Association is made in Rapid City, Pennington County, South Dakota, effective _____, 2012, shall amend the Master Deed of Sandstone Ridge Condominiums Homeowners' Association and recorded in the office of the Register of Deeds, Pennington County, South Dakota on May 28th, 2004, in Book 132, page 2890. This amendment will also amend the amendment to the Master Deed dated December 21, 2004 and recorded in the office of the Register of Deeds, Pennington County, South Dakota, Book 140, page 901.

ARTICLE I
DEFINITIONS

For purposes of brevity and clarity, certain words and terms used in this Master Deed are defined as follows:

1. "Association". Sandstone Ridge Association, Inc., a non-profit corporation Incorporated under SDCL Chapter 47-22, operating in accordance with the Master Deed and ByLaws.
2. "Board of Directors." The Board of Directors of the Association.
3. "Building." The main structure located on the Parcel containing the Condominium units, as more specifically described in Article III.

4. "By-Laws." By-Laws governing the conduct of the Association and attached as Exhibit A.
5. "Common Areas and Facilities." All portions (Common Elements) of the Property except the Units, storage area assigned to each unit and the garage area assigned to each Unit.
6. "Garage Parking Space." The spaces provided for the parking of vehicles in the underground parking level, each parking space having the numerical designation shown on the attached Exhibit B which may be assigned to an individual unit for the use of the Unit Owner to which it is assigned.
7. "Master Deed." This instrument by which the property is submitted to the Provision of the Act, and such Master Deed as from time to time amended.
8. "Occupant." Person or persons, other than a Unit Owner, in possession of a Unit.
9. "Parcel." The entire tract of land herein described in Article II.
10. "Person." A natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.
11. "Property." The Parcel, all improvements and structures constructed or contained thereon, including the Building, and all the easements, rights and appurtenances belonging thereto, and all articles of personal property intended for the mutual use, benefit or enjoyment of the Unit Owners.
12. "Storage Unit Compartments." The storage areas located on each of the three unit levels and garage level having the numerical designation shown on Exhibit B on file with the Association may be assigned to an individual unit for the exclusive use of the unit to which it is assigned.
13. "Unit." That part of the Property within the Buildings including one or more rooms, balcony or patio, parking space and storage area, if assigned to such unit, designed and intended for a one-family dwelling, and having lawful access to a public way and each such unit having the numerical designation as shown on Exhibit B.
14. "Unit Owner" or "Owner." The person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.
15. "Unit Ownership." A part of the Property consisting of one Unit and the undivided interest in the Common Areas and Facilities appurtenant thereto.

ARTICLE II
LEGAL DESCRIPTION

The legal description of the Parcel on which the Building and improvements are located is:

Lot Two (2) of Sandstone Ridge Subdivision to the City of Rapid City, Pennington County, South Dakota, as shown on the plat recorded in Plat Book 26, page 118, in the office of the Register of Deeds of Pennington County, South Dakota.

ARTICLE III
GENERAL DESCRIPTION

The Sandstone Ridge Condominiums are located at 3600 Sheridan Lake Road, Rapid City, South Dakota. The building was constructed as the Sandstone Ridge Apartments FHA Project #091 - 35 146. The building was constructed as an apartment complex in 1996 by the owner and Developer, Sandstone Ridge, Inc. The property has operated as an apartment complex since its completion and occupancy in April 1996. The apartment complex was constructed by Sunrise Construction, of Custer, South Dakota. The architect was Archivision, Inc., of Denver, Colorado. There are presently 126 total apartments, each of which will become a separate condominium unit under this Master Deed. The 126 total apartments are comprised of 12 one-bedroom units of 953 square feet each (one- bedroom units floor plan shown on Exhibit C); 102 two-bedroom units of 1114 square feet each two-bedroom units floor plan shown on Exhibit D); and 12 fireplace units of 1114 square feet each (fireplace units floor plan shown on Exhibit E). There are a total of 142 garage parking spaces and 120 storage unit compartments. The building is constructed on three levels for residential units and a below-ground level for parking. All Exhibits are on file with the Association.

ARTICLE IV
NUMBER AND DESCRIPTION OF INDIVIDUAL UNITS

1. The individual Units are as shown on the floor plans filed with the Association. The identifying number (level and number #) of each Unit, its number of bedrooms, and its approximate square footage are set forth in Exhibit F. All Units have a kitchen, living room, dining area (either separate or within the living room), one or two bathrooms, and one or two bedrooms. All Units have access to an exterior balcony or patio. The areas herein expressed are approximate and may vary from the floor plans or the actual areas. Each Unit shall have an equal 1/126th interest in the Common Areas and Facilities without regard to the actual square footage, type of unit, or selling price.

2. Each Unit shall have access from the common hallway. Each Unit shall have access to a public way through adjoining common entryways, as shown on the floor plans filed contemporaneously with the By-Laws. Such access includes ingress to and egress from said Unit from and to a public way.

ARTICLE V
COMMON AREAS AND FACILITIES

1. Common Areas and Facilities shall include such things as the land, exterior non-exclusive parking spaces, driveways or walkways, gardens, greens, swimming pool and exercise areas, recreational areas or facilities, indoor common areas on each level, trees, shrubs, roofs, elevators, lobbies, stairways, car wash, mechanical and electrical rooms, structural components, subflooring under a Unit, and the components of the following systems only to the extent the same are located outside the exterior walls of the Units: fire sprinkler system and controls, entry buzzer/intercom security System, utility connections, ducts, flues and chutes, pipes, wires, heating, cooling, electrical and plumbing systems exterior of the Units. The Common Areas and Facilities shall include such other personal property and fixtures not specifically mentioned above which exist or are used for the common use and benefit of the property generally and which are necessary or convenient to the existence, maintenance or safety of the Property and the assigned storage units. The Common Areas and Facilities shall exclude the Units, the exterior windows and doors within the Units, and all components of the heating, cooling, electrical and plumbing systems located within any Unit or within any exterior wall of any Unit and excludes assigned parking area and storage area assigned to each unit.

2. Expenses incurred or to be incurred for the maintenance, repair management and operation of the Common Areas and Facilities and Common Areas shall be collected from Owners as assessed, in accordance with provisions contained in the Bylaws on file with the Association.

ARTICLE VI
INSURANCE

1. The Board of Directors of the Association shall, effective as of the date of the execution and delivery of a deed conveying the first Unit by the Developer obtain and maintain insurance issued by an insurance company or companies authorized to do business in the State of South Dakota, as follows:

a. All risk coverage in an amount equal to the full insurable replacement cost of the property, currently at \$15,527,000, including the Units, Common Areas exterior fencing and lighting and Facilities and all building service equipment and machinery. The policy or policies shall insure against loss from perils therein covered to all of the improvements in the Property, except as may be separately insured. The policy or policies shall cover personal property owned in common by all of the Unit Owners. Such insurance shall afford protection against loss or damage by fire and other hazards, covered by the standard all risk endorsement, debris removal, cost of demolition, vandalism, earthquake, flood, malicious mischief, and windstorm and water damage. In the event that the Association shall fail to pay currently the premiums due with respect to such insurance, then and in such event any First Mortgagee may make payment of such due premiums, and such payment so made by any First Mortgagee shall be a sum

immediately due and owing by the Association to such First Mortgagee together with interest at 12% per annum from the date of payment of the money by the First Mortgagee to the date of reimbursement by the Association. Any First Mortgagee shall have the right to sue upon and enforce the foregoing covenant for its benefit in the event that it shall advance money for the benefit of the Association and the Property, and it shall not be necessary that any separate agreement exist which is signed by the Association and such First Mortgagee advancing funds. The Association is authorized to enter into a separate agreement in favor of all First Mortgagees, which shall further authorize the First Mortgagee to secure its own replacement policy in the event it should determine to be undesirable to maintain in force the insurance policy held by the Association. The insurance coverage maintained by the Association shall be written in the name of, and the proceeds shall be payable to, the Association, as trustee for the holders of any interest in the Units, including First Mortgagees, which suffer a loss.

b. Comprehensive public liability insurance covering all the Property insuring each member of the Board of Directors and each member of the Association including each Unit Owner and holder of a vendor's interest in a Contract for Deed with limits not less than \$1,000,000 for all claims for personal injury and or property damage arising out of a single occurrence (for personal injury and property damage), and \$2,000,000 in the aggregate.

c. Officers and Directors 'Liability Insurance insuring the officers and directors in the amount of \$2,000,000.

d. Fidelity insurance policy against agent dishonest acts on the part of any officer, manager, volunteer or employee responsible for handling funds belonging to or administered by Association. Such policy shall be carried in the name of the Association and shall be in an amount not less than 1/2 times the annual estimated operating expenses and reserves of the Association, and shall contain waivers of any defense that any person serves without compensation.

e. Such other insurance as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interests of the Association and the Owners.

2. All insurance premiums shall be paid as Common Expenses.

3. All policies of physical damage insurance maintained by the Association shall provide that the policy is primary insurance not contributing with any other insurance in the name of a Unit Owner covering the same property; contain waivers of subrogation as to any Owner, member of an Owner's family, person residing with an owner, employee of the Association or member of the Board of Directors of the Association; and shall contain waivers of any defense based on coinsurance or of invalidity arising from any acts of the insured.

4. Each Owner shall obtain additional insurance at his own expense affording coverage upon his personal property and for his personal liability, but all such insurance, where waiver of

subrogation is available, shall contain the same waiver of subrogation as that referred to in the preceding paragraph. Each Owner may obtain additional fire and all risk insurance at his own expense upon his Unit, but such insurance shall provide that it shall be without contribution as against the fire all risk insurance purchased by the Association. If a casualty loss is sustained and there is a reduction in the proceeds which would otherwise be payable on the insurance purchased by the Association pursuant to proration of insurance purchased by the Owner under this sub-paragraph, the Owner agrees to assign the proceeds of this latter insurance, to the extent of the amount of such reduction, to the Board of Directors to be distributed as hereinafter provided and such Owner shall be liable to the Association to the extent of any such diminution and/or loss of proceeds.

5. All policies of physical damage and comprehensive liability insurance by the Association shall provide that the policies shall not be canceled or substantially modified without at least 30 days prior written notice to all of the insured's and all First Mortgagees of record.

6. An insurer that has issued an insurance policy under this Article VI shall issue certificates or memoranda of insurance, upon request to any Unit Owner, or holder of an interest as security for an obligation.

President

State of South Dakota)
)ss
County of Pennington)

ON THIS DAY _____,2012, before me, the undersigned officer, personally appeared, _____, who acknowledged himself to be _____ and that he, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public
My Comm. Expires

(SEAL)