



DECLARATION OF RESTRICTIVE COVENANTS AND EASEMENTS FOR DORSEY POINTE TOWNHOMES

This Declaration is made 29th day of June 2013, by King Development and Realty Corporation, a Kentucky corporation (hereinafter called "Developer").

Recitals

Developer is the owner of a parcel of land located in Jefferson County, Kentucky, legally described on Exhibit A hereto (the "Properties" or the "Property") on which Developer is developing a community together with certain facilities for the common use and enjoyment of the owners of Units ("Units"), and others, located and constructed by Developer within the Property pursuant to a general plan of development, such development on the Property to be known as "Dorsey Pointe Townhomes"; and in order to;

- (a) Ensure that a general plan of development is adhered to;
- (b) Establish certain continuing relationships in the form of mutual rights and obligations between Developer and the persons who acquire ownership of Units developed in Dorsey Pointe Townhomes by Developer, and their respective successors, with respect to use, enjoyment and maintenance of certain areas and facilities (hereafter described) within Dorsey Pointe Townhomes; and
- (c) Protect, preserve, and enhance the value of Dorsey Pointe Townhomes, Developer has determined that this Declaration, establishing certain easements, servitudes, restrictions, and conditions in the form of covenants running with the land shall be binding upon, enforceable against and inure to the benefit of all such present and future owners of the Property developed within Dorsey Pointe Townhomes and shall run with title to the land hereby and hereafter subjected to it; and,
- (d) As a part of its general development plan, Developer may, but is not obligated to, develop and construct certain improvements, facilities and amenities upon and as a part of the Property for the common use, benefit and enjoyment of the Owners and Occupants of the Units, as set forth hereinafter.

Now, therefore, Developer hereby declares that title to the Property described in Exhibit A, together with such other properties as Developer may hereafter subject to this Declaration, and all Units (as hereafter defined in Exhibit B or any amendments to this Declaration of Restrictive Covenants and Easements) now and hereafter existing thereon shall be held, sold, conveyed, encumbered, used and occupied subject to the terms and

conditions of this Declaration as covenants running with the land enforceable as aforesaid.

Article I -Definitions

The following terms when used in this Declaration shall have the following meanings:

- (a) "Articles" means the Articles of Incorporation of the Association.
- (b) "Board" means the Board of Directors of the Association.
- (c) "Bylaws" means the Bylaws of the Association.
- (d) "Common Assessment" shall mean the annual charge against each Owner and his Unit, representing a portion of the total costs to the Association of maintaining, improving, repairing, replacing, managing and operating the Common Properties pursuant to this Declaration.
- (e) "Common Expenses" means the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Properties (including unpaid Special Assessments) and the various amenities and facilities thereon including those costs not paid by the Owners responsible for payment; the costs of any and all commonly metered utilities, cable or master television charges, and other commonly metered charges for the Common Properties,' the Water Management System; costs of management and administration of the Association, including, but not limited to, legal and accounting and similar services, compensation paid by the Association to managers, contractors, utilities, landscaping and other services benefiting the Common Properties, and all facilities thereon; the cost of equipment, materials, labor, services, and management and supervision thereof; the costs of fire, casualty and liability insurance, worker's compensation insurance, and other insurance covering the Common Properties; the costs of bonding of the members of the management body,' taxes paid by the Association, including any real property taxes for the Common Properties; amounts paid by the Association to discharge any lien or encumbrance levied against the Common Properties, or portions thereof, as later described herein; and the costs of any other expenses incurred by the Association for any reason whatsoever in connection with the Common Properties for the benefit of Owners.
- (f) "Common Properties" means the lands which are intended to be devoted to the common use and enjoyment of the Owners of Units within the Property. "Common Properties" includes lands, systems, facilities, rights and easements which may be deeded, leased, conveyed, granted, reserved or assigned to the Association as Common Property, together with all improvements thereon and equipment, facilities and rights associated therewith that are so designated by

the Association. Common Property includes personal property acquired by the Association, and property which the Association owns and for which it has maintenance responsibilities, such as roads, roadways, driveways, parking garages and spaces, sidewalks, boardwalks, pedestrian walkways, cross-overs, outdoor swimming pools and decks, and various recreational and athletic facilities, lawns, landscaping, and utility lines and easements and such other facilities within the Property that are designated as the responsibility of the Association to maintain. Common Property may also include property not located within the Property but made subject to this Declaration, such as easements, leases or other rights in other property.

(g) "Townhome Association" means any corporation, so identified in a Declaration of Townhome filed by the Developer with respect to any portion of the Properties, which Townhome Association exists for purposes of administering and maintaining such portion of the Properties.

(h) "Dorsey Pointe Townhomes" means and refers to the entire project being developed by Developer upon the Properties, including all improvements and amenities, the Townhome Association, and other components thereof unless the context otherwise requires.

(i) "Developer" means Dorsey Property Development, LLC, a Kentucky limited liability company, as aforesaid, and its successors and assigns who acquire any portion of Dorsey Pointe Townhomes for the purpose of development, so long as Dorsey Property Development, LLC assigns its rights hereunder to such persons by express assignment or by operation of law.

(j) "First Mortgage" means an Institutional Lender, as hereafter defined, which holds a first mortgage encumbering a Unit, as hereafter defined. The purchaser at a foreclosure sale of property included in a mortgage from Developer and the successors in title to that purchaser may, but shall not be obligated to, include all or a portion of the property so purchased at the sale as a part of the Properties affected by this Declaration.

(k) "Improved Unit" means a Unit within Dorsey Pointe Townhomes on which construction has been completed, as evidenced by a Certificate of Occupancy for such Unit or the building in which it is located.

(l) "Institutional Lender" means a governmental agency, commercial or savings bank, savings and loan association, mortgage company, life insurance company, licensed mortgage company, pension fund, or business trust including, but not limited to, a real estate investment trust, or any assignee of a loan made by any such lender including, but not limited to GNMA, FNMA, VA, FHA or FHLMC, or any private or governmental institution which has insured the loan of a lender or any combination of the foregoing entities.

(m) "Member" as is defined in the Articles of Incorporation of the Townhome Association.

(n) "Notice" means:

(i) Written notice delivered personally, mailed or emailed to the last known address of the intended recipient, in the manner set forth herein,'
or

(ii) Notice given in any other manner provided in the Bylaws of the Association.

(iii) email will be the established standard form of communication.

(o) "Occupant" means the occupant of any Unit on the Property other than the Owner or the immediate family (children) of the Owner; Occupant shall include guests, tenants, invitees, lessees, and any other person occupying a Unit for any length of time.

(p) "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Unit developed by Developer or its assigns upon any portion of the Property subject hereto, but shall not include Developer and, notwithstanding any applicable theory of mortgage, shall not mean any holder of a mortgage encumbering a Unit unless and until such holder has acquired title thereto pursuant to foreclosure or any proceeding or conveyance in lieu of foreclosure.

(q) "Property" or "Properties" means all real property which has become subject to this Declaration together with such other real property as may from time to time be annexed thereto.

(r) "Restricted Common Properties" means any portion of the Common Properties such as but not limited to automobile parking spaces, designed for the exclusive use of particular Units, as may, from time to time, be constructed and existing and designated as Restricted Common Properties.

(s) "Roads" means those private streets, roads, terraces, drives, cul-de-sacs, courts and avenues, including contiguous parking areas, as from time to time are improved and exist within the Common Properties.

(t) "Special Assessments" means a charge or assessment in addition to Common Assessments as described in Article V herein, including an assessment against only a particular Owner or Owners, pursuant to this Declaration.

(u) "Turnover" means that time at which the Members (other than Developer) are given control of the Association, and title to the Common Properties is conveyed to the Association.

(v) "Unimproved Unit" means a Unit within Dorsey Pointe Townhomes for which a certificate of occupancy has not been issued by the appropriate governmental authority.

(w) "Unit" means any portion of a completed building, or structure situated upon the Property designed and intended for separate use and occupancy for residential purposes pursuant to a declaration of townhome.

(x) "Water Management System" shall mean and refer to lakes, ditches, culverts, lines, and constructed surface and/or underground systems and facilities for the drainage and/or storage of surface water. Said Water Management System may be entirely located upon the Property, but may also be comprised of public and private easements located outside of the Property, if those facilities service all or some portion of the Property on an exclusive or non-exclusive basis. The Water Management System shall be for the use and benefit of all lands that are now or hereafter a part of the Property. The Water Management System may, if the Association so elects, service other lands that do not form a part of the Property! Each Owner, the Association and Developer shall have a perpetual, non-exclusive easement, right, license and servitude to use the Water Management System. The Association may reconfigure such parts of the Water Management System, provided same is then in accordance with sound engineering practices and governmental approvals. In such event, the perpetual non-exclusive drainage easement rights of Developer, Association and all Owners shall, without necessity of additional written documentation, be transferred from the previously existing Water Management System to the revised system.

Article II - Owners' Property Rights

Section 1. Owners' Easements of Enjoyment. Every Owner shall have the right and an easement of ingress and egress and of use and enjoyment in, to and over the Common Properties which shall be appurtenant to and shall pass with title to every Unit, subject to the following provisions:

(a) The right of the Association to reasonably limit the number of guests of Owners using the Common Properties.

(b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Properties, and to establish uniform fees for violation of rules and regulations, and fees for usage of portions or facilities of the Common Properties by Owners and Occupants in situations and under

circumstances where the Association deems such fees for usage to be appropriate.

(c) The right of the Association in accordance with its Articles of Incorporation and Bylaws and this Declaration, with the vote or written assent of at least two-thirds (2/3) of the Membership vote entitled to be cast to borrow money for the purpose of improving the Common Properties and, subject to the provisions elsewhere set forth in this Declaration, to mortgage, pledge, or hypothecate any or all of the real or personal property owned by the Association as security for money borrowed or debts incurred. Provided further that the rights of any such mortgagee shall be subordinated to the use and enjoyment rights of the Owners herein.

(d) The right of the Association to suspend the rights to use the Common Properties (except to the extent needed as a means of ingress and egress) of an Owner for any period during which any assessment or dues against or due from his Unit to the Association remains unpaid and delinquent; and for a period not to exceed ninety (90) days for any single infraction of the published rules and regulations of the Association; provided that any suspension of such rights to use the Common Properties shall be made only by the Board of Directors of the Association, as provided in the Bylaws of the Association.

(e) Subject to the provisions elsewhere set forth in this Declaration, the right of the Association to dedicate, release, alienate or transfer all or any part of the Common Properties including the Water Management System to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board.

(f) The right of the Association (and its sales and leasing agents, customers and representatives) to the non-exclusive use of the Common Properties and facilities without charge, for sales, leasing, marketing, signage, display, access, ingress, egress and exhibit purposes.

(g) The restrictions, limitations and easements for drainage and other purposes reserved or granted in prior recorded covenants and instruments which encumber the Common Properties.

(h) The right of the Association to grant easements to utility providers or adjoining property owners for ingress and egress, or for the installation, maintenance, and repair of utility facilities, for the benefit of the Property and/or third parties owning property adjacent to, or in close proximity to, the Property.

(i) The right of the Association to establish uniform rules and regulations pertaining to the leasing, rental and subletting of individual units. Notwithstanding, 100% approval of the Association must be achieved in order for a Unit owner's right to rent is rescinded.

Section 2. Delegation of Use. Any Owner may extend or delegate, as the case may be, in accordance with the Bylaws, his right of enjoyment to the Common Properties and facilities to the members of his family, or to his Occupants, tenants, guests, invitees and contract purchasers, who reside in or use his Unit, subject to reasonable regulation by the Board.

Section 3. Easements for Parking. Temporary guests or recreational parking shall be permitted within the Common Properties only within spaces and areas clearly marked for such purposes. The Association, through its officers, committees and agents, is hereby empowered to establish parking regulations and to enforce these parking regulations by all means lawful for such enforcement on Roads, including the removal of any violating vehicle by those so empowered, recourse to civil authorities, and monetary fines per violation to be charged and assessed by the Association uniformly against Owners and Occupants who violate such rules and regulations. Such fines shall be charged and assessed against the subject Unit and may be enforced and collected as a Special Assessment, including the foreclosure of a lien therefore.

Section 4. Easement for Pedestrian and Vehicular Traffic. In addition to the general easements for use of the Common Properties reserved herein, each and every Owner shall have a non-exclusive easement appurtenant to such property as each owns, for pedestrian and vehicular traffic over all Roads within the Common Properties, subject to the parking provisions set forth in Section 3 of this Article.

Section 5. Easements for Public Service Use. In addition to the foregoing easements over the Common Properties, there shall be and Association hereby reserves and covenants for itself and all future Owners within Dorsey Pointe Townhomes, easements and the right to grant same for public services, including, but not limited to, the Water Management System, entertainment or communication cable systems, lines, ducts and wiring, all public utilities, and the right of governmental employees and quasi-governmental employees in public service vehicles to enter upon any part of the Common Properties for business purposes, including police, U.S. Post Office, emergency vehicles and the like.

Section 6. Waiver of Use. No Owner may exempt himself from personal liability for assessments duly levied by the Association or obtain release of the Unit owned by him from the liens and charges thereof, by waiver of the use and enjoyment of the Common Properties and the facilities thereon or by abandonment of his Unit.

Section 7. Title to the Common Properties. At such time as required by law, or sooner at the option of the Developer, the Developer shall convey to the Association the fee simple title to the Common Properties and the Association shall accept such conveyance. The Developer, and thereafter the Association, shall hold title to the Common Properties for the benefit of those persons entitled to use same under the provisions hereof. Developer may mortgage the Common Properties to finance the

original development and construction thereof, provided that the lender recognizes the right of the Owners hereunder,' except as hereafter provided the Common Properties shall be free of mortgages at the time of conveyance to the Association; and except as hereafter provided the Association shall not be personally liable for payment of same.

Article III - Membership and Voting Rights

Section 1. Membership. Every Owner of a Unit in Dorsey Pointe Townhomes and the Developer shall be members of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Unit which is subject to Common Assessment by the Association. Members' rights, powers, duties and privileges shall be as set forth in the Articles, Bylaws, this Declaration and any supplement thereto.

Section 2. Voting. Members shall be entitled to one (1) vote for each Unit the member represents in the Association. However, no one entity, owner, or group that shares either ownership or management, may have greater than five (5) membership votes. Should a group own more than five improved units, that number of entitled votes for that group, owner or entity will be reduced to five (5).

Section 3. Prior to Turnover. The Developer shall be entitled to appoint all members of the Board prior to Turnover. In the event of a Turnover by the Developer prior to the date specified herein, the Developer shall have the right to disapprove actions of the Board and any committee established by the Association, until the Developer no longer owns or holds for sale in the usual course of business, any Units within the Properties then or contemplated to be developed.

Section 4. Upon Turnover. The Developer shall determine, in its sole and absolute discretion, the time of Turnover, provided, however, that if Turnover has not sooner occurred, it shall occur at the earlier of ninety (90) days after the conveyance by the Developer of all Units owned or contemplated by Developer to be located within the Property, or twenty (20) years from the date of recordation of this Declaration; or when so required by law. The Association shall give notice to all Members of a Turnover meeting, which meeting shall be held not more sixty (60) days after giving such notice. The purpose of the Turnover meeting shall be to install a new Board of Directors, as well as such other business as shall properly come before the meeting.

Section 5. Article III Amendment. This Article III may not be amended without the express written consent of the Developer, as long as the Developer is a Member of the Association.

Article IV - Duties and Powers of the Association

The Association, acting through its Board of Directors, shall have such powers and duties with respect' to the Common Properties as are provided for in the Articles and Bylaws.

Section 1. Enforcement. All violations of these rules and regulations shall be reported immediately to a member of the Board, an Association officer and/or the management agent. The Board's determination shall be dispositive in the event of any disagreements concerning violations, including without limitation, disagreements regarding the proper interpretation and effect of these rules. In the event that any person, firm, or entity subject to these rules and regulations, fails to abide by them, as they are interpreted by the Board, such person, firm, or entity shall be liable to be fined by the Association for each such failure to comply or other violation of these rules and regulations. Such fine, which shall not exceed \$100 for each violation (provided however, a fine may be levied on the basis of each day of a continuing violation, for a total amount not to exceed \$1,000) shall be collection by the Association and shall become a part of the Common Surplus of the Association, all as fully set forth in the Bylaws, if the Board deems it necessary, it may bring action at law or in equity in the name of the Association to enforce these rules and regulations, including any provisions herein for fines. In the event such as action is instituted, and reduced to judgment in favor of the Association, the Association shall, in addition, be entitled to recover its costs and attorney's fees incurred in enforcing these rules and regulations.

Article V - Covenant for Maintenance Assessments

Creation of the Lien and Personal Obligation of Assessments. Developer, for each Unit now or hereafter owned within Dorsey Pointe Townhomes and subject to this Declaration hereby covenants, and each successor Owner of any Unit by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual Common Assessments for Common Expenses, and Special Assessments, as provided in this Declaration. Such assessments, together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge and secured by a continuing lien upon the Unit with respect to which such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Unit at the time when the assessment became due. Subject to provisions of this Declaration protecting First Mortgagees, the personal obligation for delinquent assessments shall pass to and be assumed by the successors-in-title of such Owner.

Section 1. Date of Commencement of "Common Assessments"; Due Dates; Assessment Period. The Common Assessment shall accrue in respect to each Improved Unit subject to this Declaration, on the date of conveyance of such Unit by the Developer to the first Owner thereof (hereafter called the "Commencement Date") and shall thereafter be due on the first day of every "Assessment Period" as such term is defined in the Bylaws of

the Association. No Common Assessments shall be due' and payable on Unimproved Units, or before initial conveyance of an Improved Unit by Developer.

Section 2. Basis and Maximum Amount of Common Assessments from the Commencement Date of Common Assessments until the Developer ceases to be in control of the Association, the Common Assessments for all Members of the Association, as defined in the Articles and Bylaws, shall be established by the Developer. Except as hereinafter provided, no assessment of any nature whatsoever shall be payable by Developer.

With regard to Improved Units owned by the Developer, until the time Developer ceases to be in control of the Association, the Developer shall not pay any Common Assessments or Special Assessments, nor shall any Improved Units or other Property owned by Developer be assessed for the same. In lieu of such payment the Developer shall during each year of operation, based on the Association's budget, pay the difference in cost between the sum of Common Assessments collected from the Members and the actual cost of operation of the Association. In the event of an increase in the annual Association budget for the actual cost of operation of the Association, the Developer may increase the Common Assessments prior to the time it ceases to control the Board, so that thereafter the Developer shall not be obligated to pay a Common or Special Assessment on any Unit owned by it except as provided herein. Notwithstanding any provision that may be contained to the contrary in this Declaration, the Developer may at any time commence paying assessments as to Units that it owns and thereby automatically terminate its obligation to fund deficits, but at any time thereafter the Developer may again elect to follow the procedures specified in this Section.

The Board, in accordance with the requirements for a change of Common Assessments, as provided in this Article V and the Bylaws, may change the budget and level of Common Assessments at any annual meeting of the Board. For each 12 month period (hereinafter called the "Assessment Year"), the Common assessments may be adjusted by vote of the Board as set forth later herein.

Section 3. Special Assessments. In addition to the Common Assessments authorized in Section 2 of this Article, the Board may levy in any Assessment Year one or more Special Assessments on Improved Units, for the purpose of defraying, in whole or in part, the cost of any unexpected construction or reconstruction, repair or replacement of a capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, shortfalls in the annual budget projection, or for other purposes deemed appropriate by the Association. The due date of any Special Assessment under this Article shall be fixed in a resolution authorizing such assessment.

Section 4. Damage to Common Properties by Owners. Any of the foregoing maintenance, repairs or replacements within the Common Properties which arises out of or is caused by the willful or negligent act of an Owner, his family, guests or invitees shall be done at said Owner's expense and a Special Assessment therefore may be made against his Unit. A Special Assessment may also be made against an Owner for violations

of the rules and regulations of the Association as set forth herein, including in each case the foreclosure of a lien therefore.

Section 5. Rate of Assessment. Common Assessments and Special Assessments provided for in this Declaration (other than Special Assessments directed against individual Owners for damage, violations, or similar purposes) shall be allocated and assessed among the Members on the basis of the total number of Improved Units. The assessments shall be apportioned among and collected from all Owners of Improved Units within the Townhome Association administered by each respective Member.

The Association also may levy Special Assessments against individual residential Owners who have caused the Association to incur special expenses due to willful or negligent acts of said Owners, their guests, tenants, lessees, invitees or agents, as well as uniform monetary fines for violation of this Declaration and the Rules and Regulations of the Association. Such Special Assessments shall be charged and assessed against the subject unit and may be enforced and collected as an assessment for Common Expenses, including the foreclosure of a lien therefore.

Section 6. Payment of Common Assessments, Due Date. The first annual Common Assessment shall be adjusted according to the number of months remaining in the fiscal year as set forth in the Bylaws. The Board of Directors shall fix the amount of the annual Common Assessment against each Member subject to assessment in accordance with procedures for adopting a budget contained in the Bylaws. Written notice of any change in the amount of the annual Common Assessment shall be sent to every Member and Owner subject thereto, in accordance with the Bylaws. 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 or agent of the Association, setting forth whether the assessments with respect to a specified Unit have been paid. A properly executed certificate of the Association as to the status of the assessments against a Unit shall be binding upon the Association as of the date of its issuance.

The Board of Directors shall cause to be prepared an annual balance sheet and operating statement reflecting income and expenditures of the Association for each fiscal year, and shall cause a copy of each such statement to be distributed to each Member, in the manner provided in the Bylaws.

All Townhome Associations within Dorsey Point shall collect from Improved Units they respectively administer the assessments and charges levied hereunder, and to remit the entire amount due from all Improved Units in the Townhome Association before delinquency.

At the end of any fiscal year of the Association, the Members may determine that all excess funds remaining in the Association's operating account may be returned to the Members proportionately, or may be retained by the Association and used to reduce the following year's Common Assessments. Upon the dissolution of the Association, any

amount remaining in any reserve fund shall be distributed to or for the benefit of the Members in a proportion equal to their individual respective contributions.

Article VI — Effect of Non-Payment of Assessments - Remedies of the Townhome Association

Section 1. Effect of Non-Payment of Assessments - Remedies of the Townhome Association. The Townhome Association Members shall be responsible for collection of all assessments due the Association. However, upon any delinquency in payment, the Association may assert its remedies against either the individual Unit Owner. Any installment of a Common Assessment or Special Assessment not paid within ten (10) days after the due date shall bear interest from the due date of such installment at the rate of eighteen (18%) percent per annum. The Association may bring an action at law against the Member or Owner personally obligated to pay the same, or foreclose the lien against the Unit, The Townhome Association Member shall have all assessment and lien rights as provided in its Declaration of Townhome for payments due to the Association. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Properties, or by abandonment of his Unit. If any installment of any assessment is not paid within thirty (30) days after its due date, the Member may email an acceleration notice to the Owner and to each First Mortgagee of such Unit which has requested a copy of the notice. The notice shall specify the fact that the installment is delinquent, the action required to cure the default, a date, not less than thirty (30) days from the date the notice is emailed to the Owner, by which such default must be cured, and that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the particular assessment for the then current fiscal year and sale of the Unit pursuant to foreclosure of the lien securing the unpaid assessment. If the delinquent installments of Common Assessments and any charges thereon are not paid in full on or before the date specified in the notice, the Member at its option may declare due all of the unpaid balance of the annual Common Assessment and all other assessments and charges thereon in any manner authorized by this Declaration.

Section 2. Notice of Claim of Lien. No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days has expired following the date a Notice of Claim of Lien is either hand-delivered to the Owner, or is deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Unit, and a copy thereof has been recorded by the Association in the office of the Clerk of Jefferson County, Kentucky. Said Notice of Claim of Lien must recite a good and sufficient legal description of any such Unit, the record Owner or reputed Owner thereof, the amount claimed (including interest on the unpaid assessment at eighteen percent (18%) per annum, plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant. The lien shall continue until fully paid or otherwise satisfied, and shall secure all other Common Assessments, Special Assessments, and all other sums of any nature whatsoever which are due or thereafter accrue hereunder but remain unpaid by Owner.

Section 3. Foreclosure Sale. The assessment then set forth herein may be foreclosed in the same manner as mortgages are foreclosed under Kentucky law. The Association, through duly authorized agents, shall have the power to bid on any Unit at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

Section 4. Curing of Default. Upon the timely curing of any default for which a Notice of Claim of Lien was filed by the Association, the officers thereof shall record an appropriate release of lien, upon payment by the defaulting Owner of a fee, to be determined by the Association, to cover the cost of preparing and recording such release. A certificate executed and acknowledged by any two (2) members of the Board or by the President of the Association stating the indebtedness secured by the liens upon any Unit created hereunder shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner upon request at a reasonable fee.

Section 5. Cumulative Remedies. The assessment liens and the right to foreclose and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and their assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

Section 6. Subordination of the Lien to Mortgages. The lien securing the assessments provided for herein shall be subordinate as provided herein to the lien of any First Mortgage (meaning any recorded mortgage with first priority or seniority over all other mortgages) made in good faith and for value, and recorded prior to the date on which a Notice of Claim of Lien, pursuant to such lien, is recorded. The sale or transfer of any Unit shall not affect the assessment lien. However, upon the sale or transfer of any Unit pursuant to foreclosure or deed in lieu thereof of a First Mortgage, the liability of the First Mortgagee for the unpaid assessments represented by such lien shall be limited pursuant to any applicable provisions of Kentucky law, subject to the provisions of Section 11.2 herein. However, no sale or transfer shall relieve such Unit from liability for any installments of assessments thereafter becoming due or from the lien thereof. Liens securing all assessments under this Declaration shall be of equal dignity.

Article VII - Maintenance and Repair Obligations

Section 1. Maintenance Obligations of Owners. Subject to the duty of the Association to provide for maintenance as provided in this Article, it shall be the duty of the Owners of Units, with regard to the Units, and the Association with regard to common areas or common elements, at their sole cost and expense, subject to the provisions of this Declaration, to maintain, repair, replace and restore areas subject to their control, in a neat, orderly, sanitary and attractive condition. In the event that any such Owners or the Association shall permit any improvement, which it is their responsibility to maintain, to

fall into disrepair or not to be so maintained so as to create a dangerous, unsafe, unsightly or unattractive condition, or to otherwise violate this Declaration, the Association shall have the right, but not the duty, upon fifteen (15) days prior written notice to the appropriate Owner (except in cases of emergency, in which case no such notice be given), to correct such condition and to enter upon such property to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the Owner. Said cost shall be a Special Assessment and shall create a lien upon the Unit, enforceable in the same manner as other assessments as set forth in this Declaration. Such Owners, shall pay promptly all amounts due for such work, and the costs and expenses of collection may be added, at the option of the Board of Directors, to the amounts payable by each Unit Owner as Common Assessments.

Section 2. Maintenance Obligations of Association. Subject to the provisions of Section 1 of this Article, the Association shall maintain, or by contract provide for the maintenance of all of the Common Properties and all improvements thereon, in good order and repair, including but not limited to the swimming pool(s) and recreational facilities, the interior and exterior of any recreational buildings, roads, roadways, pedestrian walkways, recreational improvements, the Water Management System, and any and all utility facilities, and other equipment, improvements, and buildings on or a part of the Common Properties. In addition to improvement maintenance, the Association shall provide all necessary landscaping and gardening to properly maintain and periodically replace when necessary the trees, plants, grass and other vegetation which is on the Common Properties.

The Association shall further maintain, reconstruct, replace and refinish any Roads, roadways, walkways, parking areas, and any paved surface in the Common Properties. All of the foregoing obligations of the Association shall be discharged when and in such manner as the Board of Directors shall determine in their judgment to be appropriate. All City- provided service bills for the Common Properties shall be paid to the City by the Association and the issuance of any such bill by the City shall create a lien on the Common Properties.

Section 3. Exterior Appearance and Design. The Owners of Units in any building which has suffered damage, may apply for approval for reconstruction, rebuilding or repair of the improvements therein to the Board of the Association. Application for such approval shall be made in writing together with drawings and elevations showing the proposed reconstruction and the end result thereof. The Board shall grant such approval only if upon completion of the work the exterior appearance and design will be substantially the same as that which existed prior to the date of the casualty. Failure of the Board to act within thirty (30) days after receipt of such request in writing coupled with the drawings and plot plan showing the full and complete nature of the proposed change shall constitute approval thereof.

Section 4. Time Limitation. The Owner or Owners of Units located in any damaged building, and the Association shall be obligated to proceed with all due diligence hereunder, and, assuming the availability of funds, the responsible party shall

commence reconstruction within six (6) months after the damage occurs and diligently pursue completion of reconstruction of said building thereafter.

Section 5. Management Company. The Association shall have the right to retain a management company or companies or contractors (any of which management companies or contractors may be, but are not required to be, a subsidiary, affiliate, or an otherwise related entity of Developer) to assist in the operation and maintenance of the Properties. The costs for management fees shall be assessed as part of the Common Expenses.

Section 6. Damage to or Destruction of Common Elements and Association Property. Unit Owners shall be responsible for, and shall bear any expense of, any and all damage to the Common Elements and Association Property caused by the Unit Owner, its family, tenants, guests, contractors, agents and/or invitees.

Article VII — Use Restrictions

All real property and improvements comprising Dorsey Pointe Townhomes and additional lands which may become subject to this Declaration by Supplemental Declaration, shall be held, used and enjoyed subject to the following limitations and restrictions:

Section 1. Use of the Common Elements and Association Property. The Commons Elements and Association Property of the Townhomes are for the exclusive use of the Unit Owners, and their immediate families, permitted tenants, and guests. No other person shall be permitted to use the Common Elements of Association Property of the Townhome.

Section 2. Signs. No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Properties without the prior written consent of the Board, except signs, regardless of size, used by Association, its successors or assigns, for advertising the marketing, sale and/or rental of Units in Dorsey Pointe Townhomes. When selling or renting a unit, homeowners are allowed (1) one sign that can be placed in the mulched area directly in front of the unit being sold or rented. For sale and rental signs are to be no more than 30 inches x 24 inches in size. The Dorsey Pointe Association will provide uniform road signage that will be displayed along Dorsey Lane and Shelbyville Road when a unit becomes available for rent or sale. It is the responsibility of the homeowner to notify the association when this road signage is required. Association@DorseyPointe.net

Section 3. Obstructions. There shall be no obstruction or cluttering of the Townhome Property, including, without limitation, paved areas, sidewalks, driveways, automobile parking spaces, lawns, entrances, stairways or other Common Elements or Association Property.

Section 4. Driveways. All Roads, driveways, parking areas and pedestrian walkways shall be maintained in the style originally established by the Developer.

Section 5. Common Properties and Restricted Common Property. The Common Properties and any Restricted Common Property and the improvements thereon and thereto, including the Water Management System, shall be used only for the purposes for which they are intended to be used in the furnishing of services and facilities for the enjoyment of the Unit Owners.

Section 6. Trash Containers. All trash and trash containers and contents thereof shall be stored in a screened-in or protected area and as approved by the Association. Trash containers shall be placed outside for pick-up by the sanitation company no earlier than 5pm the day before and shall be retrieved and put away no later than the night of.

Section 7. Satellite Dishes and Exterior Antennas. There is to be no dish, exterior radio, television or other electronic device used on the exterior of any unit or town home building without the prior written approval of the Association.

Section 8. Parking. No commercial trucks or vans or other commercial vehicles shall be parked in any parking space, driveway or common property except with the written consent of the Dorsey Pointe Board of Directors. It is acknowledged that there are pickup trucks and vans that are not used for commercial purposes, but are family vehicles. It is not intended that such noncommercial, family vehicles be prohibited. A commercial vehicle is one with lettering or display on it, has equipment affixed to it, or is used in a trade or business. No campers, recreational vehicles, boats or boat trailers may be parked or stored anywhere on the Property. Motorcycles may be parked on the Townhome Property only with the written consent of the Board of Directors of the Association. Any such vehicle or recreational equipment parked in violation of these or other regulations contained herein or in the rules and regulations adopted by the Association may be towed by the Association at the sole expense of the owner of such vehicle or recreational equipment if it remains in violation for a period of twenty-four (24) consecutive hours or for forty-eight (48) non-consecutive hours in any seven (7) day period. The Association shall not be liable to the owner of such vehicle or recreational equipment for trespass, conversion, damages, or otherwise, nor guilty of any criminal act by reason of such towing, and neither its removal nor failure of the owner of such vehicle or recreational equipment to receive any notice of said violation shall be grounds for relief of any kind.

Section 9. Balconies, Window and Doors. Nothing shall be dropped, thrown, swept, or otherwise expelled from any window, door, or balcony. All loose or movable objects shall be removed from patio and decks upon notice of an approaching storm or other inclement weather characterized by conditions of high wind. Balconies, windows, and doors shall not be altered from the condition in which originally constructed, including without limitation alteration by painting, screening, or installation of reflective materials, without the written consent of the Association's Board of Directors.

Section 10. Additional Temporary or Permanent Structures. No structure of a temporary or permanent character, including but not limited to, tents, sheds, garages, barns, or other out buildings shall be used or erected on any of the Common Properties without the prior written approval of the Association as to its location, design, architecture and appearance.

Section 11. Children. Children shall be allowed to reside inside the Units, provided that an adult shall supervise any children in the Common Elements, the Association Property, and the Common Property. No person under eighteen (18) years of age shall occupy a Unit unless his or her parent or the Unit Owner is also in residence.

Section 12. Pets. Unit Owners shall be permitted to keep a maximum of two (2) small pets, including birds, such as canaries or parakeets; cats; and small dogs not exceeding fifteen inches (15") in height at the shoulder or fifteen (fifteen) pounds in weight at maturity," provided, a Unit Owner (and not a guest) may have one (1) dog in excess of the limitation set forth herein if the Unit Owner has no other pets.

No Unit Owner, guest, lessee or invitee shall bring any animal whatsoever upon the Townhome Property, unless first registered with the Association, which pets must meet all size restrictions set forth herein, and further, so long as written documentation is delivered to Association evidencing said pet is current with all shots and vaccinations, and not classified as a "dangerous dog" by local authorities. No pets shall be raised for commercial purposes. Pets shall never be allowed to run freely upon any of the Townhome Property, except within a Unit, and when outside of a Unit shall be leashed and in the company of an individual willing and able to fully control it. Each owner shall be responsible for the actions of each pet kept within his Unit, and for cleaning up after such pet when outside of the Unit.

Any Owner maintaining a pet upon the Townhome Property, or whose guests, lessee or invitee bring any animal upon the Townhome Property, shall be fully responsible for, and shall bear the expense of, any damage to persons or property resulting therefrom. Any such damage shall be determined by the Board of Directors of the Association and collected by the Association. In the event that any pet kept on the premises should constitute a nuisance in the opinion of a majority of the Board of Directors, then the owner, when so notified in writing, shall be required to immediately remove said pet from the Townhome Property. The Association may promulgate rules restricting the areas within the Townhome Property where pets can be walked.

Section 13. Alteration and Improvement of Units. The prior, express written consent of the the Board of Directors is required in order to enclose, paint or otherwise decorate or materially change the appearance of any portions of the exterior of any of the buildings that may be constructed on the Properties. Approval can be gained by using the "Modification Request Form" (EXHIBIT C).

Section 14. Additional Rules and Regulations. The Board of Directors of the Association may establish such additional rules and regulations as may be deemed for the best

interests of the Association and its Members for purposes of enforcing the provisions and purposes of this Declaration.

Section 15. Exterior Improvements - Landscaping. No Owner or Occupant of a Unit shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors or windows of any buildings (including awnings, antennae, signs, storm shutters, screens, furniture, fixtures and equipment), or to structures of any parking areas without the prior written consent of the Board of Directors. Storm shutters specifically approved by the Association for use and installation by respective Owners shall be exempted from this provision.

Section 16. Nuisances. No nuisances shall be allowed upon the Properties, nor any use or practice which is the source of annoyance to Owners or Occupants or which interferes with the peaceful possession and proper use of the Common Properties by Owners or Occupants. All parts of the Properties shall be kept in clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor shall any fire hazard be allowed to exist. No use shall be made of any Unit or of the Properties which would increase the rate of insurance upon the Property.

Section 17. Noise. All noise, including without limitation, talking, singing, television, radio, record player, tape recorder, or musical instrument, shall be kept at such volume level that the noise is not audible outside of the boundaries of the Unit in which it originates.

Section 18. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacement, modification or repair of the Property shall be the same as is elsewhere herein specified with respect to other maintenance, repair and replacement.

Section 29. Signs and Flags. No signs shall be displayed from a Unit or from the Townhome Property except those signs as shall have advance written approval by the Association. Notwithstanding the foregoing, a Unit Owner may display (1) portable, removable United States flag in a respectful way and on Armed Forces Day, Memorial Day, Flay Day, Independence Day, and Veteran's Day may display in a respectful way the flag of the United States Army, Navy, Marine Corps, or Coast Guard, which flag should not be larger than 4 1/2 by 6 feet.

Section 20. Leasing of the Units. Entire Units may be rented provided the occupancy is only by the lessee, his family and guests. No rooms may be rented and no transient tenants (tenants for less than one (1) calendar month) shall be accommodated in any Unit. The lease of any Unit shall not release or discharge the Owner from compliance with any of his obligations and duties as a Unit Owner. No lease shall be for a period of less than twelve (12) calendar months. Any such lease shall be in writing and provide that all of the provisions of the Declaration, the Bylaws, the Rules and Regulations of the

Association pertaining to use and occupancy shall be applicable and enforceable against any person occupying a Unit to the same extent as against a Unit Owner, and a covenant shall exist upon the part of each such tenant or occupant to abide by the Rules and Regulations of the Association, the terms and provisions of the Declaration of Townhome, the Bylaws and the Declaration of Restrictive Covenants, this document, and designating the Association as the Unit Owner's agent for the purpose of and with the authority to terminate any such lease agreement in the event of violations by the tenant of such covenants, which covenant shall be an essential element of any such lease or tenancy agreement. All leases must be submitted to the Association at least five (5) days prior to the commencement of the lease. Leases must include the "Renters Understanding Form" (Exhibit B). Failure to submit the lease or the Renters Understanding Form 5 days prior to the commencement of the lease will result in a penalty of \$100, payable to: Dorsey Pointe Townhomes Association.

Article IX — Damage or Destruction to Common Properties

Damage or destruction of all or any portion of the Common Properties shall be handled in the following manner, notwithstanding any provision in this Declaration to the contrary:

If in the event of damage or destruction to the Common Properties or any portion thereof, the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such Common Properties to be repaired and reconstructed substantially as they previously existed.

If the insurance proceeds are no less than seventy five percent (75%) of the cost of repairs that would provide total restoration of the Common Properties, then the Association shall cause the Common Properties to be repaired and reconstructed, and the difference between the insurance proceeds and the actual cost shall be levied as a Special Assessment against the Members.

If the insurance proceeds are less than seventy five percent (75%) of the cost of repairs needed to effect total restoration to the Common Properties, then by written consent or vote of a majority of the votes entitled to be cast by Members, they shall determine whether: to build and restore in substantially the same manner as the improvements existed prior to damage and to raise the necessary funds over the insurance proceeds by levying Special Assessments,' to rebuild and restore in a way which utilizes all available insurance proceeds and an additional amount not in excess of twenty five percent (25%) of the cost, and which is assessable as Special Assessments, replacing those improvements in substantially the same manner as they existed prior to being damaged; to not rebuild and to distribute the available insurance proceeds to the Members and the respective Owners and Mortgagees of the Units as their interests may appear,' or to use the available insurance proceeds to remove the destroyed or damaged improvements, and to replace the same with other improvements.

Each Owner shall be liable to the Association for any damage to the Common Properties not fully covered by insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family and guests, or Occupants of the Owner's Unit, both minor and adult. Notwithstanding the foregoing, the Association reserves the right to levy a Special Assessment against any such Owner, equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Owner. In the case of joint ownership of a Unit, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be a Special Assessment against the Unit and may be collected as provided herein for the collection of Common Assessments, including the foreclosure of a lien therefore.

Article X - Insurance

Section 1. Common Properties. The Association shall keep all buildings, improvements, equipment and fixtures of the Common Properties insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Properties shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property. Premiums for all insurance carried by the Association are Common Expenses included in the Common Assessments.

Section 2. Waiver of Subrogation. As to each policy of insurance maintained by the Association, which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, any management company, Developer and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 3. Liability and Other Insurance. The Association shall have the power to and may obtain comprehensive public liability insurance, including medical payments, liquor liability insurance and malicious mischief, in such limits as it shall deem desirable, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a cross liability endorsement insuring each Unit Owner, the Association and their respective officers, directors, agents and employees and any management company from liability in connection with the Common Properties, the premiums for which are Common Expenses included in the Common Assessments made against the Unit owners. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion. The Board may also obtain such errors

and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board and any management company thereof against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or on any committee thereof.

Section 4. Waiver by Insurer. Whenever obtainable, insurance policies maintained by the Association shall provide for the following: (a) that the policy may not be canceled or substantially modified without at least ten (10) days' prior written notice to the Association and to each First Mortgagee as that term is herein defined who has registered pursuant to Section 11.1 herein: (b) waive the insurer's right of subrogation against the Association, and against Members and Owners individually and as a group," (c) the insurance is not prejudiced and the insurer may not avoid liability for a loss that is caused by an act of the Board of Directors, or by a Member of the Board of Directors or by one or more Owners, or by any act or neglect of individual Members or Owners which is not in the control of such Members or Owners Collectively," and (d) the policy is primary in the event that Members or Owners have other insurance covering the same loss.

Section 5. The Grantor recommends that each Unit owner and mortgagee are strongly encouraged to obtain additional insurance (including a "townhome unit owner's endorsement" for improvements and betterments to a unit made or acquired for the sole benefit of the unit owner) at his own expense. Such insurance should contain the same waiver of subrogation provision as that set forth in Section 4 of this Article. Further, the Grantor recommends that each unit owner in the project obtained by the Board, a "Tenant's Unit owners Policy", or equivalent, to insure against loss or damage to personal property used incidental to the occupancy of the unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Such policy should include a "townhome unit owner's endorsement" covering losses to improvements and betterments to the townhome unit made or acquired for the sole benefit of the unit owner. Such unit owner coverage should include: Interior walls (rough framing and drywall), non-structural portions of floors, ceilings, cabinets, painting, tiling, carpeting, papering, plastering, or varnishing. Where the limited common elements, heretofore defined, appurtenant to a particular unit include a stairway, a porch or balcony or patio, or a fence, the unit owner(s), who has or have the right to exclusive use of said stairway or porch or balcony or patio or fence, shall be responsible for the maintenance, preservation, and replacement of the said stairway or porch or balcony or patio or fence, the entrance doors thereto, wiring, electrical outlets, or any other fixtures thereon. Furthermore, each unit owner shall maintain, repair, and replace all exterior doors and door frames (including garage doors and hardware attached) and windows and window frames appurtenant to a particular unit. Unit owners shall maintain, repair, and replace the appliances and fixtures located in the unit, or located in the limited common elements appurtenant to the unit, or located in the general common elements but benefiting the unit to the exclusion of any other unit including, but not limited to, any plumbing fixtures, water heaters, furnaces, air conditioning equipment, interior lighting fixtures, appliances, sinks, doors, windows or window frames, drop ceilings, telephones, structured wiring, alarm systems, or any electric, gas,

or water pipes or lines or wires or conduits or ducts benefiting the unit to the exclusion of any other unit.

No unit owner shall maintain insurance coverage which will tend to decrease the amount which the Council may realize under any insurance policy which it may have in force at any particular time; the Board may require that each unit owner shall file with the Council a copy of each individual policy insurance purchased by the unit owner within thirty (30) days after its purchase.

Article XI — Mortgage Protection Clause

The following provision is for the benefit of First Mortgagees and to the extent this provision conflicts with any other provisions of the Declaration, this provision shall control:

All such mortgagees who have registered their names with the Association shall be given thirty (30) days written notice prior to the effective date of any proposed, material amendment to this Declaration or the Articles of Incorporation or Bylaws of the Association and prior to the effective date of any termination of any agreement for professional management of the Common Properties following a decision of the Owners to assume self- management of the Common Properties; immediate notice following any damage to the Common Properties whenever the cost of reconstruction exceeds fifty thousand dollars (\$50,000.00), and as soon as the Board learns of any threatened condemnation proceeding or proposed acquisition of any portion of the Common Properties," and thirty (30) days written notice prior to any proposed action which requires the consent of any percentage of mortgage holders.

Article XII — Encroachments, Easements

Section 1. Encroachments. If any portion of the Common Properties encroaches upon any other portion of Dorsey Pointe Townhomes; or any other portion of Dorsey Pointe Townhomes encroaches upon the Common Properties,' or any encroachment shall hereafter occur as the result of construction of any building or other improvements,' any alteration or repair to the Common Properties or any other portion of Dorsey Pointe Townhomes; or any repair or restoration of any building or other improvements or any of the Common Properties after damage by fire or other casualty or any talcing by condemnation or eminent domain proceedings or all or any portion of any building improvements or Common Properties, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the structure causing said encroachment shall stand.

Section 2. Pipes, Wires, Ducts, Cables, Conduits, Public Utility Lines, etc. Each portion of the Common Properties shall have an easement in common with all other portions thereof to use, maintain, repair, alter and replace all pipes, wires, ducts vents, cables,

conduits, public utility lines, and similar related facilities located in Dorsey Pointe Townhomes and serving such portion thereof, including the Water Management System. Each portion of Dorsey Pointe Townhomes shall be subject to an easement in favor of all other portions thereof to use, maintain, repair, alter and replace the pipes, wires, ducts, vents, cables, conduits, Water Management System, public utility lines and other similar or related facilities located in such portion of Dorsey Pointe Townhomes and serving other portion thereof.

Section 3. Easements of Support. Whenever any structure included in the Common Properties adjoins any structure included in another portion of Dorsey Pointe Townhomes, each said structure shall have and be subject to an easement of support and necessity in favor of the other structure.

Section 4. Reservation. The Association reserves to itself the right and easement of ingress and egress and to use such portions of the Properties as are necessary for roads, access, utilities, cable television, drainage and other purposes necessary to serve and support and provide access to any additional property or neighboring property which is not subject to the terms hereof.

Section 5. Binding Effect. The easements and other rights arising from this Article XII shall be continuing covenants running with the land comprising the Common Properties and all other lands subject to this Declaration, and shall be binding upon and constitute benefit and burdens to all parties and their successors and assigns hereafter having any interest in any of such properties.

Article XIII — General Provisions

Section 1. Enforcement. This Declaration, the Articles of Incorporation, and the Bylaws and rules and regulations promulgated under any of the foregoing, may be enforced by the Association, as follows:

(a) Breach of any of the covenants contained in the Declaration, Articles or Bylaws or of the rules and regulations promulgated thereunder, and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by any Member, Owner, the Developer, or the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interests thereon, costs of collection and court costs.

(b) The remedies herein provided for breach of the covenants contained in this Declaration, the Articles or Bylaws or Rules and Regulations shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(c) The failure of the Association to enforce any of the covenants contained in this Declaration the Articles or Bylaws or Rules and Regulations shall not constitute a waiver of the right to enforce the same thereafter.

(d) A breach of the covenants, conditions or restrictions contained in this Declaration, the Articles or Bylaws, shall not affect or impair the lien or charge of any Mortgage made in good faith and for value on any Unit, provided, however, that any subsequent Owner of such Unit shall be bound by said covenants, whether such Owner's title was acquired by foreclosure sale or otherwise.

(e) The covenants, conditions and restrictions contained in this Declaration, the Articles, and Bylaws, and rules and regulations promulgated under any of the foregoing and hereafter adopted as provided herein, shall be enforced by such means as the Association deems necessary and appropriate, including recourse to civil authorities, court action if necessary, and monetary fines in accordance with a schedule to be prepared by the Association from time to time, and to be charged and assessed by the Association uniformly against Owners of Units who violate or whose guests or Unit Occupants violate such rules and regulations. Such fines shall be charged and assessed against the subject Unit and may be enforced and collected as a Special Assessment in the same manner as an assessment for Common Expenses, including the foreclosure of a lien therefore.

Section 2. Sever-ability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Binding Effect. The covenants and restrictions of this Declaration shall run with the land and title and bind the property hereby encumbered, and shall inure to the benefit of and be enforceable by the Association, the Developer, the Members and the Owners of Units subject to this Declaration, their respective legal representatives, heirs, successors and assigns, and all persons or entities who have any interest in the Properties, for a term of twenty-one (21) years from the date this Declaration is recorded, after which time said covenants, conditions, reservation of easements, equitable servitude and restrictions shall automatically extended for successive periods of ten (10) years unless an instrument, approved by the Members by a vote of two-thirds (2/3) of the Membership votes entitled to be cast, has been recorded, terminating the same.

Section 4. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of Dorsey Pointe Townhomes as a resort community. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

Section 5. Amendments. This Declaration may be amended by the affirmative vote or written consent of the Members holding not less than two-thirds (2/3) of the voting power.

Section 6. No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Common Properties to the public, or for any public use.

Section 7. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Unit or other portion of Dorsey Pointe Townhomes does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in such property.

Section 8. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally by mail or by email. If delivery is made by mail, it shall be deemed to have been delivered three (3) business days after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

Section 9. No Representations or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Developer or its agents or employees in connection with any portion of the Common Properties, their physical condition, zoning, compliance with applicable laws, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, except as specifically and expressly set forth in this Declaration.

Section 10. Withdrawal and Modification. Anything herein to the contrary notwithstanding, the Developer reserves the absolute right to amend this Declaration at any time prior to Turnover, without prior notice and without the consent of any person or entity, for the purpose of removing certain portions of the Properties from the provisions of this Declaration, or for any other lawful purpose. In particular and without limitation, Developer may unilaterally modify and amend this Declaration for the purpose of altering the boundaries of the Common Properties so as to enlarge or reduce the size of and/or change the location of the same.

Section 11. Litigation. No judicial or administrative proceedings shall be commenced by the Association unless approved by a vote of seventy-five percent (75%) of the Member votes eligible to be cast. This section shall not apply however, to:

- (a) Actions brought by the Association to enforce the provisions of this Declaration, including, without limitation, the foreclosure of liens,'

(b) The imposition and collection of assessments hereunder, including Common Assessments and Special Assessments;

(c) Proceedings involving challenges to ad valorem taxation;

(d) Counterclaims brought by the Association in proceedings instituted against it.

Section 12. Security. Neither Developer nor Association makes any representations whatsoever as to the security of the Property, or the effectiveness of any monitoring system, guardhouse, entry-gate, or security service. All Members agree to hold Developer and Association harmless from any loss or claim arising from the occurrence of any crime or act on or within the Property. Neither the Association nor Developer shall in any way be considered insurers or guarantors of security within the Property. Neither the Association nor Developer shall be held liable for any loss or damage by reason or failure to provide adequate security or in effecting the security measures undertaken, if any. All Owners and Occupants of any Units acknowledge that the Association and Developer do not represent or warrant that any fire protection system, burglar alarm system, gatehouse, or other security systems, if any, designated by or installed by them may not be compromised or circumvented; nor that any fire protection system, burglar alarm system, gatehouse, or other security systems, will prevent loss by fire, smoke, burglary, theft, hold up or otherwise; nor that fire protection system, burglar alarm system, gatehouse, or other security systems will in all cases provide the protection for which the system is designed or intended. Each Unit Owner and Occupant of any Unit acknowledge and understand that each Unit Owner and/or Occupant assumes all risks for loss or damage to persons or structures, and consents thereto. Each Unit Owner and Occupant further acknowledges that neither Developer nor Association has made any warranty, representation, expressed or implied, including any warranty of merchantability or fitness for a particular purpose, relative to any fire and/or burglar alarm system or other security systems recommended or installed, if any.

Section 13. Cable and Telecommunication Systems. The Association does hereby reserve unto itself, the power and authority, but not the obligation, to construct or install over, through, under, across and upon any portion of the Property for the use of the Owners, one or more cable and/or telecommunication receiving and distributions systems and electronics surveillance systems, emergency, medical or surveillance monitoring or alarm systems (all or any part of which shall be referred to herein as the "System"), the exact description, location and nature which may not have been yet fixed nor determined. The Association shall have and hereby reserves to itself a perpetual and exclusive right, privilege, easement and right of way for the installation, construction and maintenance of the System, together with perpetual and exclusive right and privilege of:

The installation and use of satellite dishes shall require express written approval of the Association, who in their sole respective discretion shall deem what is to be in the best interest of the Property

(a) Unlimited ingress and egress thereto for installing, constructing, and inspecting, repairing, maintaining, altering, moving, improving and replacing the facilities and equipment constituting the System; and

(b) Transmitting, the facilities and equipment of which shall be owned and exclusively controlled by the Association. The Association shall have the right to enter contracts for the exclusive provision of the System, as the Association shall deem, in their sole respective discretion, to be in the best interest of the Property. Should the Association enter into a contract or contracts pursuant to this paragraph, the Association shall accept such assignment, and agrees to be bound by all terms and provisions thereof. Every Unit Owner subscribing to the services provided by the System agrees that such Unit Owner shall be subject to the charge therefore, which maybe included within the Common Assessments, Special Assessments, or an individual assessment to said Unit Owner. The Association may use portions of the Property for the services to be provided by the System in their sole discretion.

Article XTV - Fannie Mae

This Article is included for the benefit of Fannie Mae and such other lenders, guarantors of mortgages, insurers of mortgages, or other entities or institutions as the Board of the Council may direct by resolution in its minutes. The Board may otherwise amend or repeal this Article or any part of this Article by resolution, but such a repeal or amendment would only be effective as to mortgages recorded after a copy of the repeal or amendment, certified by the Secretary of the Council, was properly placed of record in the same county clerk's real estate records in which the Master Deed was recorded. A copy of the repeal or amendment must be mailed or otherwise delivered to the local office or main office of HUD, VA, FHLMC and FNMA, or such of those organizations as then exist. Likewise a copy of the repeal or amendment must be mailed or delivered to each holder of record of a first mortgage on any Unit in the Project. The copy of the repeal or amendment, placed of record, must certify that the mailings or sendings required by Article XIII Section 8 of this Article have been performed. Should Article XIII Section 8 be construed to conflict with Section 1 of this Article, Section 1 shall control.

Section 1. Fannie Mae Requirements. In addition to any other requirements of this Declaration, or the Bylaws of the Council, the following requirements apply:

(a) Notices required or permitted to be given to the Council, the Board or any unit owner may be delivered to any officer of the Council, member of the Board or such unit owner at his or her unit or as set forth in the Bylaws.

Notice, shall be given, upon written request by any holder, insurer or guarantor of a first mortgage of the following for any proposed amendment to any townhome instrument effecting a change in the boundaries of any unit or the exclusive easement rights appertaining thereto, the interest in the general or limited common elements liability for common expenses, the number of votes, the purposes to which any unit or common element is restricted, any proposed termination of the townhome regime/project, any condemnation loss, any delinquency in payment of assessments owed by a unit owner of a unit subject to the mortgage held by the requesting party, any lapse, cancellation or material modification of any insurance policy maintained by the Council, any proposed action that requires the consent of a specified percentage of mortgagees.

(b) Amendments. If before 75% of the units have been sold, conveyed and recorded, it is found that an error exists on the part of the draftsman of this instrument or on the part of the surveyor or engineer, an amendment setting forth the error or correction may be filed by the Developer, subject to the terms and priority of Developer's mortgage, without the consent of any other party thereto, and shall become a part of this Master Deed. No further change shall be made except by amendment procedures immediately following.

The provisions of this Master Deed and the Bylaws of the Council may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification signed and acknowledged by the unit owners casting at least sixty seven percent (67%) of the votes in the Council and the approval of at least fifty one percent (51%) of the first mortgagees having bona fide liens of record against the units. Amendments, changes and modifications shall include, but are not limited, to the following:

- (i) Voting rights;
- (ii) Increases in assessments that raise the previous assessment amount by more than 25%, or the priority of assessment liens;
- (iii) Reductions in reserves for maintenance and repairs;
- (iv) Responsibility for maintenance and repairs;
- (v) Reallocation of interests in the general or limited common elements, or rights to their use (except for those rights reserved herein in favor of Developer);
- (vi) Redefinition of Unit Boundaries;
- (vii) Convertibility of Units into Common Areas or of Common Areas into Units;

- (viii) Expansion or contraction of the project or the addition, annexation or withdrawal of property to or from the project;
- (ix) Hazard or Fidelity Premiums;
- (x) Imposition of any restrictions on the leasing of any units;
- (xi) Imposition of any restrictions on a unit owner's right to sell or transfer his or her unit,"
- (xii) A decision by the Council to establish self-management in the event that professional management has been required by any of this Master Deed or the Bylaws or by an eligible mortgage holder,"
- (xiii) Restoration or repair of the Townhome project (after damage or partial condemnation) in a manner other than that specified in this Master Deed;
- (xiv) Any provision that expressly benefits mortgage holders, insurers, or guarantors,"
- (xv) A change in any provision regarding the rights to use of the common elements;
- (xvi) Imposition of any right of first refusal or similar restriction on the right of a unit owner to sell, transfer or otherwise convey a unit,'
- (xvii) Any action that is adverse and material to mortgagees rights.

The provisions of this Master Deed and the Bylaws of the Council with regard to any action for termination of the legal status of the project after substantial destruction or condemnation may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification signed and acknowledged by the unit owners casting at least sixty seven percent (67%) of the votes in the Council and the approval of at least sixty seven percent (67%) of the first mortgagees having a bona fide lien of record against the units.

Any amendment, change or modification to this Master Deed or Bylaws shall conform to the provisions of the Horizontal Property Law and shall be effective upon recordation thereof. Bylaws and amendments thereto need not be recorded.

Section 1. Rule Change. Reasonable regulations and rules concerning the use of the Townhome Property may be promulgated, modified or amended from time to time by the Board of Directors of the Association. Copies of such rules and regulations and amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Townhome upon request. The Association shall have the right to enforce

all restrictions set forth in this Article and in the Declaration in any manner it deems necessary, including without limitation injunctions, suits for damages, or fines. In the event the Association fails to properly enforce any provisions of this Declaration, the Deerwood Place Master Association shall have the right to enforce this Declaration pursuant to any rights granted herein or in the Deerwood Place Master Covenants.

Section 2. Compliance with Documents. All members and every lessee, guest or visitor of a member, shall comply with all of the terms, conditions, covenants, restrictions and limitations contained in the Declaration of Restrictive Covenants and Easements for Dorsey Pointe Townhomes, the Articles of Incorporation and the Bylaws.

Section 3. Acquisition at Judicial Sale. Where the mortgagee of a first mortgage of record or other purchaser of any Unit acquires ownership of such Unit as a result of the judicial enforcement of the mortgage or deed in lieu of the mortgage, such Unit shall no longer be subject to a lien for unpaid assessments for Common Expenses, which becomes due prior to such acquisition of title, except where such lien rights may be asserted against surplus proceeds of the judicial sale.

Section 4. Conflict. This Article XIV shall be construed as far as possible to supplement the other Articles of the Declaration. If there is a conflict between another Article or the Bylaws or any other document, this Article XIV shall control, even if an earlier Article states that the earlier Article shall control in case of conflict.

Section 4. Relief. The Council need not comply with any part of Article 14 if Fannie Mae, or any successor to Fannie Mae, no longer requires compliance.

IN WITNESS WHEREOF, Developer has executed this Declaration on the date first above written.

Signed, sealed and delivered
in the presence of:

King Development & Realty Corporation,
a Kentucky corporation:

Signature

Signature

Print Name

Print Name

Signature

Print Name

STATE OF KENTUCKY
COUNTY OF

The foregoing was acknowledged before me this ____ day of June, 2015,
_____, as King Development & Realty Corporation, a Kentucky corporation,
who is personally known to me, or presented a Kentucky driver's license as
identification.

NOTARY PUBLIC

TYPED, PRINTED OR STAMPED NAME OF NOTARY

MY COMMISSION EXPIRES:

EXHIBIT A: THE PROPERTY

Identification of Units and Percentage of Common Interest

Unit Number	Bldg Number	Unit Floor Area	% of Common Area
10200	1	3,388	4.36%
10202	1	3,443	4.44%
10204	1	3,435	4.42%
10206	2	3,194	4.11%
10208	2	3,197	4.12%
10210	2	3,200	4.12%
10212	2	3,195	4.12%
10214	3	3,224	4.15%
10216	3	3,242	4.18%
10218	3	3,230	4.16%
10220	3	3,228	4.16%
10222	3	3,228	4.16%
10224	3	3,219	4.15%
10225	4	3,242	4.18%
10227	4	3,228	4.16%
10229	4	3,228	4.16%
10233	5	3,386.8	4.36%
10235	5	3,383.7	4.36%
10237	5	3,385.2	4.36%
10239	5	3,383.7	4.36%
10241	5	3,385.2	4.36%
10243	5	3,383.7	4.36%
10245	5	3,383.7	4.36%
10247	5	1,815.3	2.34%
TOTAL	24 Units	77,628.3	100%

**DORSEY POINTE TOWNHOMES
DORSEY POINTE CIRCLE
LOUISVILLE, KENTUCKY 40223**

EXHIBIT B: Renters Understanding Form

This form is available by contacting your association at: association@DorseyPointe.net



Name of Tenants: _____

Unit Number: _____ Date: _____

Welcome to Dorsey Pointe Town homes! As a resident in this community, we would like to take a moment to make you aware of a few of the rules that pertain to our community's covenants and restrictions. While town home communities certainly have many advantages including convenience, low maintenance, and security; we also feel it is important to maintain a uniform appeal and respect for our neighbors. As a resident, you are bound by the Declaration of Restrictive Covenants for Dorsey Pointe Townhomes in their entirety. Below are just a few of those guidelines that may need to be highlighted:

INITIALS INITIALS

_____ _____ **Trash Removal** is scheduled for THURSDAY MORNINGS. Trash containers shall be placed outside for pick-up no earlier than the night before pick-up and shall be retrieved and put away the night of pick-up. All trash cans need to be kept inside your garage.

_____ _____ **Guest Parking.** Please ask your guests to utilize the painted guest parking areas. Vehicles parked along the street are subject to the penalties outlined in the Declaration of Restrictive Covenants for Dorsey Pointe Town homes. Guest parking areas are for GUEST PARKING ONLY.

_____ _____ **Signage.** No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the community. Flags are also prohibited from being displayed.

_____ _____ **No commercial trucks or vans** or other commercial vehicles shall be parked in any parking space, driveway or on any part of the common property. A commercial vehicle is one with lettering or display on it, has equipment affixed to it, or is used in a trade or business. No campers, trailers, recreational vehicles, boats or boat trailers may be parked or stored anywhere on the Property. Violators will be towed.

_____ _____ **No dish, exterior radio, television or other electronic device** is to be used on the exterior of any unit or town home building without the prior written approval of the Association. Time Warner and AT&T U-verse have been our default Cable providers.

_____ _____ **No Exterior Changes.** The prior, express written consent of the Board of Directors is required in order to enclose, paint or otherwise decorate or materially change the appearance of any portions of the exterior of any of the buildings within Dorsey Pointe Townhomes.

_____ _____ **Pet Policy.** All residents MUST comply with the pet policy listed in the Declaration of Restrictive Covenants and for Dorsey Pointe Townhomes. All pets must be registered with the Association. Unit Owners shall be permitted to keep a maximum of two (2) small pets that are not to exceed fifteen pounds. Owners may have one dog in excess of that limitation provided the owner has no other pets and the dog is approved by the association.

_____ _____ **Fire Pits.** Due to their risk of causing a fire and the nuisance of smoke, wood or coal burning fire pits are not permitted.

_____ _____ **Respect Your Neighbors.** All noise, including without limitation, talking, singing, television, radio, record player, tape recorder, or musical instrument, shall be kept at such volume level that the noise is not audible outside of the boundaries of the Unit in which it originates.

Violation of the covenants and restrictions may result in a fine. If you have questions, or if you would like to report a concern, please feel free to contact us at: **Association@DorseyPointe.net**

Phone Numbers:

Industrial Disposal (Trash): 502.638.9000
Louisville Water: 502.583.6610
LG&E (Gas & Electric): 502.589.1444

AT&T U-Verse: 800.288.2020
Time Warner: 800.892.4357
Suburban Towing (towed vehicle): 502.964.6500

